

Consolidated Bakeries (Jamaica) Limited

Financial Statements

For the three months ended 31 March 2015

(Unaudited)

CONSOLIDATED BAKERIES (JAMAICA) LIMITED

FINANCIAL STATEMENTS

THREE MONTHS ENDED 31 MARCH 2015

(Unaudited)

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CONSOLIDATED BAKERIES (JAMAICA) LIMITED
INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME
THREE MONTHS ENDED 31 MARCH 2015
(Unaudited)

Expressed in whole \$	Notes	Qtr Ended 31 Mar 15	Qtr Ended 31 Mar 14	Audited Y/E 31 Dec 14
Revenue		224,770,081	196,588,472	742,808,206
Cost of sales		147,948,830	136,354,886	488,429,679
Gross profit		76,821,251	60,233,586	254,378,527
Other (income)		(785,999)	(981,640)	(9,538,558)
Administrative and Other Expenses		38,362,063	35,940,430	152,103,590
Selling and Distribution Expenses		23,826,409	19,665,300	85,463,794
Profit from operations		15,418,778	5,609,496	26,349,701
Finance costs		1,509,284	1,028,041	7,133,738
Net income		13,909,493	4,581,455	19,215,963
Other comprehensive income				
Fair value appreciation of available for sale Investments		225,394	2,795,897	2,312,452
Total comprehensive income		<u>14,134,887</u>	<u>7,377,352</u>	<u>21,528,415</u>
Earnings per share	2f	<u>\$0.06</u>	<u>\$0.03</u>	<u>\$0.09</u>

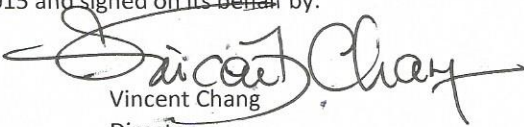
CONSOLIDATED BAKERIES (JAMAICA) LIMITEDSTATEMENT OF FINANCIAL POSITION
THREE MONTHS ENDED 31 MARCH 2015
(Unaudited)

Expressed in whole \$	Notes	As at 31 Mar 15	As at 31 Mar 14	Audited 31 Dec 14
ASSETS:				
Property, plant and equipment	2d	420,624,925	393,642,634	407,460,355
Current assets				
Inventories		27,431,734	22,749,384	32,791,618
Accounts receivable net of allowances		98,617,160	80,911,786	55,962,773
Owed by related parties		21,951,976	20,620,584	24,892,194
Investments		57,284,565	50,326,465	56,888,079
Cash and cash equivalent	2e	52,812,822	63,915,957	50,501,972
Total current assets		258,098,257	238,524,176	221,036,636
Total Assets		678,723,182	632,166,810	628,496,991
EQUITY:				
Share capital		90,726,664	90,726,664	90,726,664
Capital reserve		20,825,532	20,825,532	20,825,532
Revaluation reserves		330,854,047	330,854,047	330,854,047
Accumulated appreciation of available for sale investments		5,834,849	2,795,897	5,609,455
Retained earnings		91,519,103	66,272,102	77,609,609
Total Equity		539,760,194	511,474,242	525,625,307
LIABILITIES:				
Long term loan		41,562,550	43,931,787	41,280,240
Current liabilities				
Current portion of long term loan		17,798,860	14,904,460	16,258,282
Accounts payable and accruals		75,015,544	53,472,713	32,933,445
Bank overdraft		4,586,034	8,383,608	12,399,717
Total current liabilities		97,400,438	76,760,781	61,591,444
Total Liabilities		138,962,988	120,692,568	102,871,684
Total Equity and Liabilities		678,723,182	632,166,810	628,496,991

Approved by the Board of Directors on 13 May 2015 and signed on its behalf by:



Anthony Chang
Director



Vincent Chang
Director

CONSOLIDATED BAKERIES (JAMAICA) LIMITED

STATEMENT OF CHANGES IN EQUITY

THREE MONTHS ENDED 31 MARCH 2015

(Unaudited)

Expressed in whole \$	Share Capital	Revaluation Reserve	Capital Reserve	Other Comprehensive Income	Retained Earnings	Total
Balance at 31 December 2013	90,726,664	330,854,047	20,825,532	2,795,897	58,899,751	504,101,891
Net income					7,377,351	7,377,351
Fair value appreciation of available for sale investments				-		-
Balance at 31 March 2014	90,726,664	330,854,047	20,825,532	2,795,897	66,277,102	511,479,242
Balance at 31 December 2014	90,726,664	330,854,047	20,825,532	5,609,455	77,609,609	525,625,307
Net income					13,909,493	13,909,493
Fair value appreciation of available for sale investments				225,394		225,394
Balance at 31 March 2015	90,726,664	330,854,047	20,825,532	5,834,849	91,519,102	539,760,194

CONSOLIDATED BAKERIES (JAMAICA) LIMITED

STATEMENT OF CASH FLOW

THREE MONTHS ENDED 31 MARCH 2015

(Unaudited)

Expressed in whole \$	Qtr Ended 31 Mar 15	Qtr Ended 31 Mar 14	Audited Y/E 31 Dec 14
SOURCES/(USES) OF CASH			
Operating Activities			
Profit for the period	13,909,493	4,581,455	19,215,964
Adjustments for:			
Depreciation	4,529,940	2,886,969	15,926,662
Gain on disposal of plant and equipment	-	-	62,970
	<u>18,439,434</u>	<u>7,468,424</u>	<u>35,205,596</u>
Change in working capital			
Inventories	5,359,884	2,907,788	(7,134,446)
Receivables	(42,654,387)	(28,269,146)	468,086
Related parties	2,940,218	1,828,662	(2,442,949)
Deposit on equipment	-	820,000	(3,788,219)
Payables	42,082,099	27,417,604	6,878,338
Tax	-	(2,082,077)	(2,082,077)
	<u>26,167,248</u>	<u>10,091,255</u>	<u>27,104,329</u>
Net cash from operating activities			
Investing Activities			
Investments	(396,486)	(1,774,455)	(8,336,065)
Plant and equipment	(17,694,511)	(5,477,702)	(31,578,089)
Other comprehensive income	225,394	2,795,897	2,312,452
	<u>(17,865,603)</u>	<u>(4,456,260)</u>	<u>(37,601,702)</u>
Net cash from investing activities			
Financing Activities			
Loan	1,822,888	(3,726,114)	(5,023,841)
	<u>1,822,888</u>	<u>(3,726,114)</u>	<u>(5,023,841)</u>
Net cash from financing activities			
Net cash and cash equivalents	10,124,532	1,908,881	(15,521,214)
Net cash and cash equivalents at beginning of year	38,102,255	53,623,468	53,623,468
	<u>48,226,787</u>	<u>55,532,349</u>	<u>38,102,254</u>
Net cash and cash equivalents at end of the period			
Represented by:			
Cash and deposits	52,812,822	63,915,957	50,501,971
Bank overdraft	(4,586,034)	(8,383,608)	(12,399,717)
	<u>48,226,787</u>	<u>55,532,349</u>	<u>38,102,254</u>
Net cash and cash equivalents at end of the period			

CONSOLIDATED BAKERIES (JAMAICA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

THREE MONTHS ENDED 31 MARCH 2015

(Unaudited)

1. GENERAL INFORMATION

Consolidated Bakeries (Jamaica) Limited (the 'Company') is incorporated under the Jamaica Companies Act and is a subsidiary of Chang Brothers Limited, a Jamaican company incorporated under the Jamaica Companies Act.

The Company had its application to the Junior Stock Exchange approved after its successful public share offer of ordinary shares in December 2012.

The main activities of the Company are the manufacture, wholesale and retail sale of edible baked products.

2. ACCOUNTING POLICIES

(a) Statements of Compliance

These interim financial statements for the period ended 31 March 2015, have been prepared in accordance with IAS34, 'Interim Financial Reporting'. These interim financial statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013.

The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2014, which have been prepared in accordance with International Financial Reporting Standards (IFRS) and comply with the provisions of the Jamaican Companies Act.

(b) Reporting Currency

These financial statements are presented in Jamaican dollars unless otherwise indicated.

(c) Tax Status

Under the Income Tax Act (Jamaica Stock Junior Market Remission Notice 2010), 100% of the Company's income tax liability is relieved for 5 years (2013 to 2018), then 50% for another 5 years, provided the Company remains on the Stock Exchange for a total of 15 years.

(d) Property, Plant and Equipment

All property, plant and equipment are initially recorded at cost. Freehold land and buildings are subsequently shown at market valuation by external independent values, less subsequent depreciation of buildings. All other fixed assets are carried at cost less accumulated depreciation.

Expressed in whole \$	Qtr Ended 31 Mar 15	Qtr Ended 31 Mar 14	Audited Y/E 31 Dec 14
NBV as at January 1	407,460,355	391,871,899	391,871,899
Acquisitions	17,694,511	5,477,702	31,578,089
Disposals		(820,000)	(62,971)
Accumulated Depreciation	(4,529,940)	(2,886,967)	(15,926,662)
	420,624,925	393,642,634	407,460,355

(e) Cash & Cash Equivalent

Cash & cash equivalent includes investments with settlement date of 90 days or less.

(f) Earnings per Share

Earnings per share have been calculated by dividing the 'Total Comprehensive Income' by the total number of shares at the end of the respective period 222,709,171 (2014 - 222,709,171).

CONSOLIDATED BAKERIES (JAMAICA) LIMITED**NOTES TO THE FINANCIAL STATEMENTS****THREE MONTHS ENDED 31 MARCH 2015****(Unaudited)**

3. SHAREHOLDERS' INFORMATION**(a) Largest Shareholder**

Chang Brothers Limited	136,496,956
Anthony Chang	19,078,330
General Accident Insurance Company Ja. Ltd.	12,000,000
Everton J Smith	3,200,000
P.A.M. Ltd - Pooled Pension Equity Fund	2,481,241
National Supply	2,380,000
David Chang	2,200,000
Crissa'a Group Ltd	1,648,358
Prakash Vaswani	1,506,000
JMMB Retirement Scheme	1,253,940

(b) Shareholding of Directors/Senior Managers

Anthony Chang *	19,078,330
Nicola Chang Murphy *	89,000
Noel daCosta	800,000
Philmore Ogle	800,000
Keith Collister	800,000
Victor Salazar-Chang	374,200
Thomas Chin	200,000

* Directors are major shareholders in Chang Brothers Limited.