



UNAUDITED QUARTER REPORT

AS AT 30th SEPTEMBER 2019

**Report to Our Stockholders
for
September 2019 Quarter**

We hereby present the 1st Quarter Results for SSL Venture Capital Limited (SSLVC). These results are reflective of our second year of operations.

For the Quarter ended September 30, 2019, SSLVC's revenue for the quarter was \$51.0 million which was a \$7.5 million decrease over the 2018 quarter revenues of \$58.5 million. This resulted in losses of \$25.6 million, a deterioration from the prior year's profit of \$1.7 million. The losses were mainly attributable to our beverage distribution business and head office which incurred significant one-off expenses due to the reorganization and financial management review that was done to implement processes and governance procedures across all portfolio companies, the result of which we expect to see in future quarters. Our Data Intelligence company reported a profit of \$2.1 million for the quarter ended. With these efficiency and governance improvements, we expect to see a positive trend in our performance going forward.

As we continue to streamline our operations, our projections are for continued improved performance in all areas of our businesses and for improved results by the end of the financial year.

The Group will embark on fundraising activities in the foreseeable future to secure the necessary financing to support these growth initiatives and to allow us to take advantage of new and exciting opportunities that can add value for the benefit of our shareholders.

SSL Ventures would like to thank our Directors, Shareholders, Portfolio CEO's, Stakeholders and everyone who continues to make SSL Venture's mandate to "Fund, Grow and Lead Jamaica" a reality.

A handwritten signature in black ink, appearing to read 'Zachary Harding', positioned above a horizontal line.

Zachary Harding
CEO



SSL VENTURE CAPITAL JAMAICA LTD

UNAUDITED FINANCIAL STATEMENTS

THREE MONTHS ENDING 30th SEPTEMBER 2019

SSL VENTURE CAPITAL JAMAICA LTD
UNAUDITED FINANCIAL STATEMENTS
THREE MONTHS ENDING 30th SEPTEMBER 2019

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SSL VENTURE CAPITAL JAMAICA LTD
UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2019

Assets	Notes	Unaudited 30-Sep-19 \$	Unaudited 30-Sep-18 \$	Audited 30-Jun-19 \$
<u>Non-current assets</u>				
Property and equipment	5	19,581,186	23,161,597	18,499,874
Intangible Assets	6	2,485,120	130	2,645,479
Due from related Companies		-	-	-
Goodwill		112,013,299	98,738,603	112,013,299
Deferred Income Taxes		33,151,288	-	33,151,288
Total non-current assets		167,230,892	121,900,330	166,309,940
<u>Current assets</u>				
Inventory	7	6,357,311	13,190,716	6,707,076
Short- Term Investments		-	2,000,000	-
Director's Account		-	240,000	-
Taxation recoverable		1,471,114	183,772	1,471,114
Receivables	8	49,235,803	47,867,018	23,463,577
Cash and bank balances	9	3,888,761	17,820,454	21,055,955
Total current assets		60,952,989	81,301,960	52,697,722
Total assets		228,183,882	203,202,290	219,007,662
EQUITY & LIABILITIES				
<u>Equity</u>				
Share capital	10	111,880,297	167,466,368	111,880,297
Preference Shares		-	141,894,027	-
Capital Reserves		294,881	-	294,881
Accumulated deficit		(200,861,335)	(203,677,156)	(180,602,406)
Total equity		(88,686,157)	105,683,239	(68,427,228)
Non- Controlling interest		(25,208,088)	14,729,660	(19,779,173)
		(113,894,245)	120,412,899	(88,206,401)
<u>Non-current liabilities</u>				
Directors Loan		2,110,620	-	2,110,620
Due to Related Companies		146,400,195	-	148,794,752
Long term Loan		6,855,333	7,908,850	5,878,070
Total Non-current liabilities		155,366,148	7,908,850	156,783,442
<u>Current liabilities</u>				
Payables	12	132,920,981	74,473,270	103,738,252
Short Term Loan		46,250,317	-	43,746,524
Taxation	13	967,854	407,271	967,854
Bank Overdraft	14	6,572,828	-	1,977,991
Total current liabilities		186,711,980	74,880,541	150,430,621
Total equity & liabilities		228,183,882	203,202,290	219,007,662

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

Jeffrey Cobham
Chairman

Zachary Harding
CEO

SSL VENTURE CAPITAL JAMAICA LTD
UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
THREE MONTHS ENDING 30th SEPTEMBER 2019

		Unaudited 30-Sep-19 \$	Unaudited 30-Sep-18 \$	Audited 30-Jun-19 \$
	<u>Notes</u>			
Revenues	4	51,026,810	58,511,438	332,267,569
Cost of Sales		(34,706,144)	-	(275,867,539)
Gross Profit		16,320,666	58,511,438	56,400,030
Other Income		322,591	19,737,146	20,100,728
Administrative expense	15	(37,902,401)	(76,181,854)	(148,886,519)
Operating Profit/Loss		(21,259,144)	2,066,730	(72,385,761)
Finance Costs, net		(4,428,700)	(359,455)	(4,502,996)
Profit/Loss before taxation		(25,687,844)	1,707,275	(76,888,757)
Taxation		-	-	31,293,869
Profit/Loss after Tax		(25,687,844)	1,707,275	(45,594,888)
Net loss Attributable to:				
Stockholders of the Company		(20,258,929)	1,346,456	(35,958,783)
Non-Controlling interest		(5,428,915)	360,819	(9,636,105)
Loss per Stock Unit	16	(0.05)	0.00	(0.09)

SSL VENTURE CAPITAL JAMAICA LTD
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES TO SHAREHOLDERS EQUITY
THREE MONTHS ENDING 30th SEPTEMBER 2019

	Number of Shares	Share Capital \$	Preference Shares \$	Capital Reserve \$	Accumulated (deficit)/profits \$	Total \$	Non- Controlling Interest \$	Total Equity \$
Unaudited Balances as at 30 June 2018	1,000,000,000	111,880,297	-	-	(144,041,434)	(32,161,137)	-	(32,161,137)
Adjustment due to IFRS 9	-	-	-	-	(602,189)	(602,189)	(200,728)	(802,917)
During the period adjustments	-	55,586,071	141,894,027	-	(60,379,989)	137,100,109	14,930,388	152,030,497
Net Profit/(Loss)	-	-	-	-	1,346,456	1,346,456	-	1,346,456
Unaudited Balances as at 30 September 2018	1,000,000,000	167,466,368	141,894,027	-	(203,677,156)	105,683,239	14,729,660	120,412,899
Audited Balances as at 30 June 2019	1,000,000,000	111,880,297	-	294,881	(180,602,406)	(68,427,228)	(19,779,173)	(88,206,401)
During the period adjustments	-	-	-	-	-	-	-	-
Total Comprehensive profits/(losses)	-	-	-	-	(20,258,929)	(20,258,929)	(5,428,915)	(25,687,844)
Unaudited Balances as at 30 September 2019	1,000,000,000	111,880,297	-	294,881	(200,861,335)	(88,686,157)	(25,208,088)	(113,894,245)

SSL VENTURE CAPITAL JAMAICA LTD
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW
THREE MONTHS ENDING 30th SEPTEMBER 2019

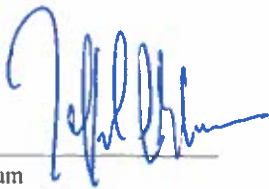
	Unaudited 30-Sep-19	Unaudited 30-Sep-18	Audited 30-Jun-19
Cash flow from operating activities:	\$	\$	\$
Net Profit/(loss) before taxation for the period/year	(25,687,844)	1,707,275	(76,888,757)
Adjustment for:			
Depreciation	1,177,721	2,863	4,055,170
Bad Debt	-		654,885
Amortization	160,359	-	554,543
Loss on Disposal of plant and equipment	-		1,646,600
Interest expense	4,428,700	359,455	3,214,007
Interest income	(343,064)		(178,451)
Operating cash flows before movements in working capital	(20,264,128)	2,069,593	(66,942,003)
Changes in working capital:			
Accounts receivable	(25,772,222)	(47,867,018)	8,907,515
Accounts Payables	29,182,729	54,780,196	9,183,502
Directors Account	-	(240,000)	-
Inventories	349,765	(13,190,716)	(3,583,618)
Cash provided/(used) by operations	(16,503,856)	(4,447,945)	(52,434,604)
Taxes paid	-	(176,867)	(1,064,580)
Interest paid	(4,428,700)	(359,455)	(3,214,007)
Interest received	343,064	-	178,451
Net cash provided/(used) by operating activities	(20,589,492)	(4,984,267)	(56,534,740)
Investing Activities			
Purchase of property, plant and equipment	(2,259,035)	(23,121,567)	(7,773,165)
Acquisition of subsidiaries	-	(98,738,603)	(88,705,888)
Purchase of Intangibles	-	-	(3,138,298)
Investments	-	(2,000,000)	-
Proceeds from disposal of plant and equipment	-	-	1,330,000
	(2,259,035)	(123,860,170)	(98,287,351)
Financing Activities			
Directors' loans repayment	-		(5,589,685)
Preference Shares/ Related Adjustments	-	151,448,377	-
Related companies, net	(2,394,557)	-	148,794,752
Short term loans, net	2,503,793	(12,725,847)	20,696,119
Loans payables, net	977,263	7,908,850	9,965,358
	1,086,498	146,631,380	173,866,544
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	(21,762,028)	17,786,943	19,044,453
Effects of changes in exchange rates on cash and cash equivalents		-	-
CASH AND BANK BALANCES AT BEGINNING OF PERIOD/YEAR	19,077,963	33,511	33,511
CASH AND BANK BALANCES AT THE END OF PERIOD/YEAR	(2,684,066)	17,820,454	19,077,963
Represented by Cash & Bank	(2,684,067)	17,820,454	19,077,964

SSL VENTURE CAPITAL JAMAICA LTD
UNAUDITED COMPANY STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2019

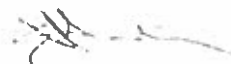
	<u>Notes</u>	Unaudited 30-Sep-19 S	Unaudited 30-Sep-18 S	Audited 30-Jun-19 S
Assets				
<u>Non-current assets</u>				
Property and equipment	5	1,468,963	498,911	858,511
Intangible Assets	6	87,976	130	96,520
Camp Asset		-	280,000	
Due from related Companies		35,167,833	10,652,831	34,367,835
Investment in subsidiaries		86,070,182	86,070,182	86,070,182
Deferred Income Taxes		3,778,713	-	3,778,713
Total non-current assets		126,573,667	97,502,054	125,171,761
<u>Current assets</u>				
Taxation recoverable		1,471,114	183,772	1,471,114
Receivables	8	7,892,408	329,282	2,827,327
Cash and bank balances	9	1,458,736	49,253	14,826,529
Total current assets		10,822,258	562,307	19,124,970
Total assets		137,395,925	98,064,360	144,296,731
EQUITY & LIABILITIES				
<u>Equity</u>				
Share capital	10	111,880,297	167,466,368	111,880,297
Preference Shares		-	119,560,684	-
Accumulated deficit		(182,900,695)	(189,967,513)	(167,415,438)
Total equity		(71,020,398)	97,059,539	(55,535,141)
<u>Non-current liabilities</u>				
Long-term Debt		141,468,221	-	138,773,425
Total Non-current liabilities		141,468,221	-	138,773,425
<u>Current liabilities</u>				
Loan Payables	12	29,511,317	-	23,533,481
Bank Overdraft		-	417,198	-
Payables	13	37,436,786	587,623	37,524,966
Total current liabilities		66,948,103	1,004,821	61,058,447
Total equity & liabilities		137,395,926	98,064,360	144,296,731

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

Jeffrey Cobham
Chairman



Zachary Harding
CEO



SSL VENTURE CAPITAL JAMAICA LTD
UNAUDITED COMPANY STATEMENT OF COMPREHENSIVE INCOME
THREE (3) MONTHS ENDING 30 SEPTEMBER 2019

		Unaudited 30-Sep-19 \$	Unaudited 30-Sep-18 \$	Audited 30-Jun-19 \$
	<u>Notes</u>			
Revenues	4	942,472	6,967,612	9,889,432
Cost of Sales		-	-	-
Gross Profit		942,472	6,967,612	9,889,432
Other Income		-	19,737,146	10,453,660
Administrative expense	15	(13,047,691)	(18,060,090)	(46,172,146)
Operating Profit/Loss		(12,105,219)	8,644,668	(25,829,054)
Finance Costs, net		(3,380,038)	(359,455)	(1,323,663)
Profit/Loss before taxation		(15,485,257)	8,285,213	(27,152,717)
Taxation		-	-	3,778,713
Profit/Loss after Tax		(15,485,257)	8,285,213	(23,374,004)

SSL VENTURE CAPITAL JAMAICA LTD
UNAUDITED COMPANY STATEMENT OF CHANGES TO SHAREHOLDERS EQUITY
THREE MONTHS ENDING 30th SEPTEMBER 2019

	Number of Shares	Share Capital \$	Preference Shares \$	Accumulated profit/(deficit) \$	Total \$
Unaudited Balances as at 30 June 2018	111,880,297	111,880,297	-	(144,041,434)	(32,161,137)
Adjustment due to IFRS 9	-	-	-	(602,189)	(602,189)
During period adjustments	-	55,586,071	119,560,684	(53,609,103)	121,537,652
Net Profit/(Loss)	-	-	-	8,285,213	8,285,213
Unaudited Balances as at 30 September 2018	111,880,297	167,466,368	119,560,684	(189,967,513)	97,059,539
Audited Balances as at 30 June 2019	111,880,297	111,880,297	-	(167,415,438)	(55,535,141)
Total Comprehensive loss	-	-	-	(15,485,257)	(15,485,257)
Capital received	-	-	-	-	-
Unaudited Balances as at 30 September 2019	111,880,297	111,880,297	-	(182,900,695)	(71,020,398)

SSL VENTURE CAPITAL JAMAICA LTD
UNAUDITED COMPANY STATEMENT OF CASH FLOW
THREE MONTHS ENDING 30th SEPTEMBER 2019

	Unaudited	Unaudited	Audited
	30-Sep-19	30-Sep-18	30-Jun-19
Cash flow from operating activities:	\$	\$	\$
Profit/(loss) before taxation for the period/year	(15,485,257)	8,285,213	(27,152,717)
Adjustment for:			
Depreciation and amortization	55,916	8,590	78,766
Unrealised foreign exchange losses	-	-	-
Interest expense	3,380,038	359,455	1,121,452
Interest income	(1,248)	-	(100,872)
Operating cash flows before movements in working capital	(12,050,551)	8,653,258	(26,053,371)
Changes in working capital:			
Accounts receivable	(5,065,081)	(329,282)	(2,827,327)
Related companies, net	-	(10,652,831)	-
Accounts Payables	(88,173)	587,623	3,840,407
Cash provided/(used) by operations	(17,203,805)	(1,741,231)	(25,040,291)
Taxes paid	-	-	(1,287,001)
Interest paid	(3,380,038)	(359,455)	(1,121,452)
Interest received	1,242	-	100,872
Net cash provided/(used) by operating activities	(20,582,601)	(2,100,686)	(27,347,872)
Investing Activities			
Acquisition of subsidiaries	-	(86,070,182)	(86,070,182)
Purchase of Software	-	-	(102,000)
Purchase of Equipment/Assets	(657,825)	(738,881)	(891,637)
	<u>(657,825)</u>	<u>(86,809,063)</u>	<u>(87,063,819)</u>
Financing Activities			
Directors' loans repayment	-	-	-
Preference Shares/ Related Adjustments	-	88,508,292	-
Related companies, net	1,894,798	-	104,405,590
Loans payables, net	5,977,836	-	24,799,119
	<u>7,872,634</u>	<u>88,508,292</u>	<u>129,204,709</u>
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	(13,367,792)	(401,457)	14,793,018
Effects of changes in exchange rates on cash and cash equivalents		-	-
CASH AND BANK BALANCES AT BEGINNING OF PERIOD/YEAR	14,826,529	33,512	33,512
CASH AND BANK BALANCES AT THE END OF PERIOD/YEAR	1,458,736	(367,945)	14,826,529
Represented by Cash & Bank	<u>1,458,736</u>	<u>(367,945)</u>	<u>14,826,529</u>

SSL VENTURE CAPITAL JAMAICA LTD
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE (3) MONTHS ENDED 30th SEPTEMBER 2019

1. IDENTIFICATION

The company was incorporated under the Companies Act of Jamaica on 24 November 2011. The registered office of the company is located at Unit 15, Barbican Centre, 88 Barbican Road Kingston 6.

On July 1, 2018, the shareholders of Stocks and Securities Limited entered into a rescue plan to acquire the majority shares in C2W Music Limited in an effort to rescue the company from financial failure. The rescue of C2W Music Limited was approved by the Jamaica Stock Exchange and the Financial Services Commission.

The business model of the company was changed to specializing in investing in equity of companies that show great potential through sale to private parties. The company's income thereafter, consists mainly of management fees earned from its affiliated companies.

Effective August 8, 2018, C2W Music Limited's name was legally changed to SSL Venture Capital Jamaica Limited ("SSL Ventures"). The Company is listed as a member of the Junior Market of the Jamaica Stock Exchange.

The company's subsidiaries, together with the company are referred to as "the group"; the subsidiaries are as follows:

Date of Acquisition	Subsidiaries	Principal Activities	Proportion of issued share capital held by company
Jul 2, 2018	Bar Central Ltd.	Distribution and provision of branding services	75%
August 7, 2018	Blue Dot Data Intelligence Ltd.	Marketing and commercial solutions	50%
July 20, 2018	Muse 360 Integrated Ltd.	Marketing and commercial solutions	51%

All of the company's subsidiaries are incorporated and domiciled in Jamaica

The consolidated financial statements include the financial statements for the company and its subsidiaries. The financial statements are presented in Jamaican dollars, which is the functional currency.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The interim financial report is to be read in conjunction with the audited financial statements for the year ended June 30, 2018. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the financial year ended June 30, 2018.

SSL VENTURE CAPITAL JAMAICA LTD
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE (3) MONTHS ENDED 30th SEPTEMBER 2019

2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies are set out below:

(a) Property and equipment

Property and equipment for use in the Company are recorded at historical or deemed cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets using the straight line method over a period, being the shorter of their estimated useful lives or the remaining concession period. The estimated useful lives, residual values and depreciation methods are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. An item of property and equipment is derecognised upon disposal or where no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

(b) Intangible assets

Intangible assets with finite useful lives that are acquired separately are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged so as to write off the cost of the assets over the estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

(c) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

SSL VENTURE CAPITAL JAMAICA LTD
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE (3) MONTHS ENDED 30th SEPTEMBER 2019

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Impairment of tangible and intangible assets (Cont'd)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognised immediately in the statement of comprehensive income.

When an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income.

(d) Cash and bank balances

Cash comprises cash in hand and deposits with bank.

(e) Receivables

Receivables are stated at amortized cost.

Appropriate allowances for estimated irrecoverable amounts are recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired.

(f) Payables

Payables are stated at amortized cost.

(g) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts for services provided in the normal course of business, net of discounts.

Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

SSL VENTURE CAPITAL JAMAICA LTD
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE (3) MONTHS ENDED 30th SEPTEMBER 2019

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2 SIGNIFICANT ACCOUNTING POLICIES

(h) Related parties

A party is related to the Company if:

- (i) directly, or indirectly through one or more intermediaries, the party, controls, is controlled by, or is under common control with, the Company (this includes parent, subsidiaries and fellow subsidiaries); has an interest in the entity that gives it significant influence over the group; or has joint control over the group;
- (ii) the party is an associate of the Company;
- (iii) the party is a joint venture in which the Company is a venturer;
- (iv) the party is a member of the key management personnel of the Company or its the party is a close member of the family of any individual referred to in (i) or
- (v) (iv);
the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides
- (vi) with, directly or indirectly, any individual referred to in (iv) or (v); or
the party is a post-employment benefit plan for the benefit of employees of the
- (vii) Company, or of any entity that is a related party of the Company.

Related party transactions and balances are recognised and disclosed in the financial statements.

Transactions with related parties are recorded in accordance with the normal policies of the Company at transaction dates

(i) Foreign currencies

Transactions in currencies other than the United States of America Dollars, the Company's functional currency, are recognised at the rates of exchange prevailing on the dates of the transactions. The United States of America dollar is deemed the functional currency as projected revenues to be charged by the Company are linked to the value of the United States of America dollar in relation to the Jamaican dollar and the majority of its liabilities and other expenditure are denominated in this currency. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in the statement of comprehensive income for the period in which they arise.

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of comprehensive income

(k) Taxation

Taxation is based on profit for the period adjusted for taxation purposes and comprises income tax at 25%.

The Minister of Finance and the Public Service, issued and gazetted the Income Tax (Jamaica Stock Exchange Junior Market) (Remission) Notice, August 2009. The Notice effectively granted a remission of income tax to eligible companies that were admitted to the Junior Stock Exchange (JSE). Effective May 29, 2012, the Company's shares were listed on the JSE and consequently, the Company is entitled to a remission of income taxes for ten years in the proportion detailed below:

Years 1 to 5 (29 May 2012- 30 April 2017) - 100%

Years 6 to 10 (1 May 2017 - 30 April 2022) - 50 %

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION

3 UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

Management believe there were no judgements made in the process of applying the Company's accounting policies that had a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Management is of the opinion that there were no critical assumptions concerning the future that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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4. REVENUES

Revenues represent consolidated income from portfolio companies representing management fees

5. PROPERTY AND EQUIPMENT

The Group

	Computer Equipment	Furniture & Fixtures	Office Equipment	Motor Vehicle	Leasehold Improvements	Total
	\$	\$	\$	\$		\$
At Cost						
At June 30, 2019	8,861,115	1,188,792	642,806	11,075,606	1,584,285	23,352,604
Opening Balance Adjustment	703,909	973,601	- 386,101	2,016,148	0	3,307,557
Addition/Disposal	1,476,010	13,200	390,865	-	378,960	2,259,035
	132,808	0	(132,808)	0	0	0
At September 30, 2019	<u>11,041,034</u>	<u>2,175,593</u>	<u>647,570</u>	<u>13,091,754</u>	<u>1,963,245</u>	<u>28,919,196</u>
Accumulated depreciation						
At June 30, 2019	2,982,928	219,537	267,196	1,874,201	68,440	5,412,302
Adjustment	705,431	279,314	(257,573)	2,020,815		2,747,987
Opening Balance Adjustment/ Charge for period	278,378	38,150	159,500	649,919	51,774	1,177,721
Relieved on disposal						
At September 30, 2019	<u>3,966,737</u>	<u>537,001</u>	<u>169,123</u>	<u>4,544,935</u>	<u>120,214</u>	<u>9,338,010</u>
Net Book Value						
At September 30, 2019	7,074,297	1,638,592	478,447	8,546,819	1,843,031	19,581,186
At June 30, 2019	5,878,187	969,255	375,610	9,201,405	1,515,845	17,940,302

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5. PROPERTY AND EQUIPMENT (CONT'D)

The Company

	Computer Equipment	Camera Equipment	Office Equipment	Leasehold Improvements	Total
	\$	\$	\$	\$	\$
At Cost					
At June 30, 2019	2,202,703	144,315	685,931	-	3,032,949
Opening Balance Adjustment					-
Addition		-	390,865	266,960	657,825
Disposals	132,808	-	132,808		-
At September 30, 2019	<u>2,335,511</u>	<u>144,315</u>	<u>943,988</u>	<u>266,960</u>	<u>3,690,774</u>
Accumulated depreciation					
At June 30, 2019	1,922,748	144,314	107,376	-	2,174,438
Opening Balance Adjustment					-
Charge for the period	30,243		11,201	5,928	47,372
Relieved on disposal	-				-
At September 30, 2019	<u>1,952,991</u>	<u>144,314</u>	<u>118,577</u>	<u>5,928</u>	<u>2,221,810</u>
Net Book Value					
At September 30, 2019	382,520	1	825,411	261,032	1,468,963
At June 30, 2019	279,955	1	578,555	0	858,511

The following useful lives are used in the calculation of depreciation

Computer Equipment	25%
Office equipment	10%
Digital equipment	10%
Leasehold Improvements	10%
Furniture & Fixtures	10%

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6. INTANGIBLE ASSETS**The Group**

	Unaudited 30-Sep-19
Cost	\$
At June 30, 2019	5,502,076
Additions/(Disposals)	-
At September 30, 2019	<u><u>5,502,076</u></u>
Amortisation	
At June 30, 2019	2,856,597
Charge for the period	160,359
At September 30, 2019	<u><u>3,016,956</u></u>
Net Book Value	
At September 30, 2019	<u><u>2,485,120</u></u>
At June 30, 2019	<u><u>2,645,479</u></u>

Amortization of the computer software is based on an estimated useful life of 3 years

The Company

	Computer Software
Cost	\$
At June 30, 2019	2,404,184
Additions/(Disposals)	-
At 30 September 2019	<u><u>2,404,184</u></u>
Amortisation	
At June 30, 2019	2,307,664
Charge for the period	8,544
At 30 September 2019	<u><u>2,316,208</u></u>
Net Book Value	
At 30 September 2019	<u><u>87,976</u></u>
At 30 June 2019	<u><u>96,520</u></u>

7. INVENTORIES

	30-Sep-19
	\$
Liquor	6,127,880
Beverage	215,724
Other	13,707
	<u><u>6,357,311</u></u>

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8. RECEIVABLES

	Unaudited 30-Sep-19	Unaudited 30-Sep-18	Audited 30-Jun-19
	\$	\$	\$
Trade	43,683,194	47,867,018	66,028,920
Other	5,552,609		2,572,296
	<u>49,235,803</u>	<u>47,867,018</u>	<u>68,601,216</u>

The Company will provide fully for all receivables outstanding in excess of one year as management believes receivables that

9. CASH AND BANK BALANCES

	Unaudited 30-Sep-19	Unaudited 30-Sep-18	Audited 30-Jun-19
	\$	\$	\$
Cash in hand & Bank	<u>3,888,761</u>	<u>17,820,454</u>	<u>21,055,955</u>

10. SHARE CAPITAL & PREFERENCE SHARE**SHARE CAPITAL:**

	Unaudited 30-Sep-19	Unaudited 30-Sep-18	Audited 30-Jun-19
Authorised capital:			
Ordinary shares at no par value	<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>1,000,000,000</u>
	Unaudited 30-Sep-19	Unaudited 30-Sep-18	Audited 30-Jun-19
Issued and fully paid:	\$	\$	\$
400,000,00 Ordinary shares of no par value	<u>111,880,297</u>	<u>111,880,297</u>	<u>111,880,297</u>

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11. DIRECTOR'S LOAN

This balance, which relates to amounts owed to Directors, is unsecured, interest free and has no fixed repayment terms.

12. LOANS PAYABLE

	Unaudited 30-Sep-19 \$	Unaudited 30-Sep-18 \$	Audited 30-Jun-19 \$
Third party loans	132,920,981	74,473,270	103,738,252

13. PAYABLES

	Unaudited 30-Sep-19 \$	Unaudited 30-Sep-18 \$	Audited 30-Jun-19 \$
Payables	132,920,981	74,473,270	103,738,252

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14. BANK OVERDRAFT

	Unaudited 30-Sep-19 \$	Unaudited 30-Sep-18 \$	Audited 30-Jun-19 \$
Bank Overdraft	6,572,828	-	1,977,991

15. ADMINISTRATIVE EXPENSE

	The Group		The Company	
	Unaudited 30-Sep-19 \$	Unaudited 30-Sep-18 \$	Unaudited 30-Sep-19	Unaudited 30-Sep-18 \$
Accounting Fees	1,129,903	1,506,925	-	1,216,933
Advertising and Promotion	494,890	1,409,910	346,890	696,334
Asset Tax	-	1,048,133	-	1,048,133
Audit Fee	1,244,512	492,871	478,414	492,871
Bad Debt	-	-	-	-
Interest Expense	4,428,702	359,455	3,380,038	359,455
Depreciation	1,338,081	8,590	55,918	8,590
Company Secretary	1,165,927	639,595	1,165,927	639,595
Loss on disposal of fixed assets	-	-	-	-
Managerial Travel & Accommodation	-	-	-	-
Legal Fees & Professional Fees	7,164,467	5,162,008	6,224,113	730,301
Office Expense	186,995	399,279	85,845	-
Registrar and JSE Fees	87,375	686,108	87,375	686,108
Taxation	-	-	-	-
Office Event	-	1,249,725	-	1,249,725
Other expenses	11,175,141	42,012,658	737,449	3,217,320
Payroll - Salaries	10,053,897	17,524,802	3,254,291	5,764,849
Director Fees	-	-	-	-
Rent	2,664,256	2,221,497	474,900	1,526,632
Business License & permit	-	-	-	-
Telephone	223,682	141,967	22,950	48,466
Travel Expense	231,536	615,629	113,619	574,359
Utilities	741,737	343,247	-	159,874
Total Operating Expenses	42,331,101	75,822,399	16,427,729	18,419,545

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16. PROFIT/(LOSS) PER SHARE

Basic profit/(loss) per share as calculated by dividing the loss by the weighted average number of ordinary shares in issue

	Unaudited 30-Sep-19	Unaudited 30-Sep-18	Audited 30-Jun-19
Profit / (Loss)	(20,258,929)	1,346,456	(35,958,783)
Weighted average number of ordinary shares	400,000,000	400,000,000	400,000,000
Basic profit /(loss) per share	<u>(0.05)</u>	<u>0.00</u>	<u>(0.09)</u>