THE LAB

THE LIMNERS AND BARDS

ANNUAL REPORT 2023

NEW ROADS AHEAD

WHAT'S INSIDE?

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OUR MISSION AND VISION

VISION

To be the leading Caribbean Creators, producing world class Ideas, Content and Entertainment.

MISSION

We Build Brands and Create Entertainment

OUR CORE VALUES

EXCELLENCE
Our work is our legacy and the calling card for new opportunities still yet to be discovered.

ACCOUNTABILITY
We are part of a bigger team and what we do affects our clients, our team members and the company.

GOOD VIBES
We work hard and laugh harder. Choosing to see the positive side of every challenge, because only with a "good vibe" perspective can you truly see the possibilities.

RESPECT
We value the systems, and structures that have been put in place for the benefit of each person and the organisation.

CREATIVITY
We aim for WOW in everything and unapologetically deliver ideas that shake things up.

PASSION
We have a crazy energy that thrives under pressure, because we're obsessed with delivering the WOW.

PROGRESS IS IMPOSSIBLE WITHOUT CHANGE, AND THOSE WHO CANNOT CHANGE THEIR MINDS CANNOT CHANGE ANYTHING.

FINANCIAL HIGHLIGHTS

++ REVENUE	++ NET PROFIT
$1.1B	**$57M**
++ TOTAL ASSETS	++ TOTAL EQUITY
$917M	**$597M**

ABOUT THE COMPANY

WE BRING BRANDS TO LIFE THROUGH DYNAMIC, INNOVATIVE EXPERIENCES.

The LAB is a strategy to execution full-service advertising agency and production house. We are increasing our share in targeted growth areas, including digital communication, marketing technology and production. The LAB has four distinct business units and one subsidiary: Production, Advertising Agency, ("Agency"), Media and Content and Scope Caribbean. Our creative services units includes Production which focuses on the our core services: pre-production to post-production activities. Through this unit we conceptualise, script, project manage, shoot, and edit video productions for corporate and entertainment clients.

The Agency arm is concerned with integrated marketing solutions for brands. Our Media arm builds and executes airspace buying and placement strategies for traditional, digital and social media platforms while our final arm, Content, aims to create branding and home-grown content such as docu-series and films. Our subsidiary, Scope Caribbean, is a regional digital hub for emerging and established influencers and talent to get connected with local and international brands.

SERVICES + OFFERED

AGENCY

Brand Analysis and Strategy Creative
Concept Development
Campaign and Promotion
Development Branding & Design
Copywriting
Innovation Sessions

PRODUCTION

Creative Direction
Film and Video Production
Production Management
Post-Production
Audio Production
Motion and 3D Graphics
Equipment Rental

MEDIA

Media Strategy & Development
Media Investment Management
Media Planning
Media Buying

CONTENT

Content Marketing
Contention Creation & Development
Digital Content Strategy
Project Development & Creation
Script Development

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Third Annual General Meeting of **THE LIMNERS AND BARDS LIMITED** ("The LAB") will be held on July 18, 2024, at 10:00 a.m. at its Head Office, Units 4 -5, 69 Constant Spring Road, Kingston 10, Jamaica and/or virtually to consider and, if thought fit, to pass the following resolutions:

AUDITED ACCOUNTS

Resolution No. 1 – Directors' Report, Auditors Reports and Audited Financial Statements

"**THAT** the Audited Accounts for the year ended October 31, 2023 and the Reports of the Directors and Auditors, circulated with the Notice convening the Meeting, be and are hereby received and adopted."

DIVIDEND

Resolution No. 2 – To ratify that the Ordinary dividends and Special dividend paid on January 31, 2023.

"**THAT** as recommended by the Directors, the final dividends of $0.0065 per share as ordinary dividend and $0.0304 as special dividend per share paid on January 31, 2023 be and is hereby ratified and declared as final and no further dividends be paid in respect of the year ended October 31, 2023."

ELECTION OF DIRECTORS

Article 101 of the Company's Article of Incorporation provides that at every Annual General Meeting one-third of the Directors are subject to retirement for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office. The Directors to retire by rotation pursuant to this Article are Mr. Michael Bennett, Ms. Maxine Walters and Ms. Tashara Lee-Johnson, who all being eligible, offer themselves for re-election.

Resolution No. 3a – Re- election of Michael Bennett

"**THAT** Mr. Michael Bennett be and is hereby re-elected as a Director of the Company."

Resolution No. 3b – re-election of Maxine Walters

"**THAT** Ms. Maxine Walters be and is hereby re-elected as a Director of the Company."

Resolution No. 3c – re-election of Tashara Lee Johnson
"**THAT** Ms. Tashara Lee Johnson be and is hereby re-elected as a Director of the Company."

DIRECTORS' REMUNERATION
Resolution No. 4 – Directors' Remuneration

"**THAT** the amount shown in the Audited Accounts of the Company for the year ended October 31, 2023 as remuneration paid to the Directors for their services as Directors be and is hereby approved."

Appointment of Auditors and their Remuneration:
Resolution No. 5 – Appointment of Auditors and their Remuneration

"**THAT** Hall Wilson & Associates, Chartered Accountants of 52B Molynes Road, Kingston 10, having signified their willingness to serve, continue in office as Auditors of the Company, until the conclusion of the next Annual General Meeting, at a remuneration to be agreed by the Directors."

BY ORDER OF THE BOARD

Michael Bennett
COMPANY SECRETARY
Dated March 11, 2024

NOTES:

1. A member eligible to attend and vote at a General Meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A proxy, so appointed, need not be a member of the Company.
2. All members are entitled to attend and vote at the meeting.
3. Enclosed is a form of proxy which must be deposited with the Secretary, at the Registered Office of the company (69-75 Constant Spring Road, Kingston 10) or the Registrar, Jamaica Central Securities Depository ("JCSD"), 40 Harbour Street, Kingston, not less than forty-eight (48) hours before the time appointed for holding the meeting.

CHAIRMAN'S MESSAGE

STEVEN GOODEN

++ CHAIRMAN

During the last fiscal year, The LAB further unlocked its DNA of creative disruption, ideation and innovation to respond decisively to the evolving creative landscape.

While there were challenges, given the global rebound efforts from the pandemic and macroeconomic conditions, The LAB responded in transformative ways, making significant progress on several key areas in its strategic plan. The company seized and capitalised on opportunities to amplify its efforts to realize its revitalised vision of becoming the leading Caribbean Creators, producing world-class ideas, content and entertainment.

The LAB continues to maintain a strong balance sheet with a healthy cash position despite the reduction in revenues. Revenue for the financial year ended October 31, 2023, was $1.1 billion, down 16.4% relative to the prior period. This decline was primarily attributable to changing customer advertising spending patterns, within the context of the macroeconomic conditions. The revenue achieved was derived from the company's core business lines: Media totalling $672.9 million, Production with $296.0 million, and Agency with $155.7 million. Our asset base increased as we reinvested in the business through the acquisition of state-of-the-art equipment, upgrading film studio facilities, and building the capacity of our team.

Collectively, the company continues its forward momentum to realise its 2025 strategic plan. The three strategic drivers, which align with the company's mission, aim to achieve greater regional and international recognition. By prioritising technology and disruption, expanding into new markets, and maintaining a strong focus on quality, the company continues to position itself as a forward-thinking, innovative, and customer-centred organisation capable of meeting the evolving needs of its clients and stakeholders.

The company remains adaptive and agile, and has grown and evolved into a full-service advertising agency. Since its inception, The LAB has remained committed to delivering cutting-edge solutions to its clients while integrating new and modern solutions in the digital market with the same commitment to quality and excellence. The LAB's strategic investment in training, assets and social media influencer marketing through Scope Caribbean reflects its commitment to innovation and growth in the digital landscape. With equipped talent and performance tracking, The LAB is positioning itself as a leader in the evolving market dynamics of influencer marketing. Additionally, the company remains proactive in its approach to reorganise its business operations to generate fresh revenue streams. To this end, The LAB has forged partnerships with international players, in particular Alliance Cinema, a renowned Los Angeles-based production, finance and distribution company, to capitalise on emerging content development and licensing opportunities both regionally and internationally.

The Board remains committed to providing robust strategic foresight and governance, risk management, and performance monitoring to bolster efficiency and drive The LAB's success. By staying attuned to market dynamics, leveraging our strengths and adopting a data-driven approach, the company will continue to navigate challenges deftly and capitalise on opportunities for growth and value creation for all of our shareholders.

As I close, I want to recognise the team at The LAB and express my heartfelt appreciation and gratitude for your commitment, diligence, resilience and unrelenting pursuit of excellence and innovation. The journey continues. There are new roads ahead, and we are poised to build even stronger platforms to deliver unparalleled service to our clients.

Together, we can achieve even more in 2024.

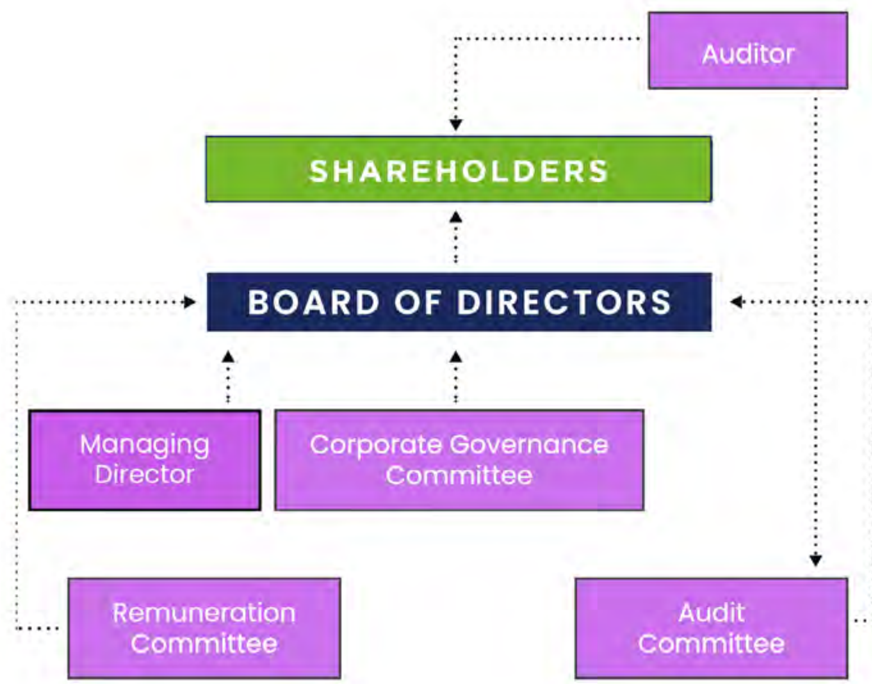
Steven Gooden
Chairman

CORPORATE GOVERNANCE

The LAB is committed to the highest standard of corporate governance and the maintenance of an effective framework for managing and controlling its business. Good governance ensures that everyone in the company follows appropriate and transparent decision-making processes and that the interests of all stakeholders (shareholders, managers, employees, suppliers and customers) are protected. The company adheres to the principles of the Jamaica Corporate Governance Code, the Jamaica Stock Exchange Junior Market Rules and International best practices on corporate governance.The Corporate Governance Structure of the company is illustrated in the diagram to the right.

The Shareholders elect the members of the Board, and the Board of Directors remains accountable to its Shareholders. The Managing Director, who manages the LAB's day-to-day activities, is accountable to the Board of Directors for the performance of the company and the stewardship of its resources. The Managing Director appoints the management team to execute the day to day functions in tandem with the approved board mandated strategy and delegated authority limits. The Board sub-committees deep dive into specific areas within their respective scope, and makes recommendations to the Board of Directors. The

COMPANY STRUCTURE



External Auditor is accountable to the Shareholders and reports to the Audit Committee on the internal controls and the accuracy of the financial statements.

BOARD RESPONSIBILITIES

The Board is responsible for overseeing management and integrally charting the strategic direction for the company's growth, expansion into new areas and long-term sustainability for the benefit of all stakeholders. The specific areas of responsibility of the Board are risk management, internal controls, financial statement integrity, talent management, performance-driven total compensation, revenue diversification and generation, operational efficiency, expansion and corporate governance.

The company's Corporate Governance Policy distinguishes the roles and responsibilities of the Board, the Managing Director and the Chairman. It also provides clear communication between Shareholders, the Board and Management for the efficient organisation of the company. Our Corporate Governance Policy is reviewed annually to ensure it incorporates best practices and/or changes in law.

During the year under review, the Board focused on the following key areas:-

- Sustained and diversified revenue growth;
- Diversification of income streams and product offering;
- Effectiveness of the risk management and internal controls;
- Performance based and total compensation;
- Corporate governance;
- Monitoring and management of strategy execution;
- Approving the annual operating and capital expenditure budgets;
- Approving the company's financial performance (i.e. quarterly financial results, audited financial statements, Management Discussion and Analysis); and
- Declaration of interim dividend and recommendation of the final dividend.

BOARD STRUCTURE

The Board has constituted and delegated functions to its three (3) sub-committees to improve its effectiveness and efficiency in executing its fiduciary duties and responsibilities. The Standing Committees of the Board of Directors are the Audit, Remuneration and Corporate Governance committees.

The Chair of each Board Committee formally reports to the Board (at each quarterly meeting) on the matters discussed at the committee meetings and makes recommendations to the Board in accordance with its Terms of Reference. Committee meetings are held one week before the Board meetings to enable each committee time to review matters within its scope and make recommendations to the Board.

AUDIT COMMITTEE

The Audit Committee is made up of three (3) independent members, namely Mr. Kareem Tomlinson (Chairman), appointed in September 2023, Ms. Rochelle Cameron and Ms. Maxine Walters, with invitation to attend extended to the Managing Director. The External Auditor is also an invitee to the Audit Committee meetings. Two (2) members form a quorum; regularly scheduled meetings are held quarterly while other meetings are held as required. For the financial year ended October 31, 2023, the Audit Committee met four (4) times.

The Audit Committee plays a critical role to the Board by overseeing financial reporting, internal controls, risk management, internal audit, accuracy of the accounting systems and the auditing process of the company's financials. The committee's roles and functions undertaken during the year include:

- Review and approval of the unaudited quarterly financials and audited financial statements;
- Monitoring and ensuring that the integrity of the financials is maintained;
- Compliance with proper accounting standards in the preparation of the financials;
- Ensuring internal controls and systems are in place to identify, report and manage business risks;
- Meeting with the External Auditor;
- Compliance with legal and regulatory requirements;
- Risk Management;
- Review and recommendation of dividend declarations and dividend policy;
- Corporate governance; and
- Monitoring and management of strategy execution.

REMUNERATION COMMITTEE

The Remuneration Committee has three (3) independent members: Ms. Rochelle Cameron (Chairperson), Ms. Maxine Walters and Mr. Steven Gooden. During the year under review, the Remuneration Committee held two (2) meetings. The remit of the Remuneration Committee includes assisting the Board with the following:

- Reviewing management performance;
- Designing and determining the total compensation for the Board of Directors, Executive Directors and Senior Management;
- Reviewing the company's compensation philosophy around base pay, benefits and performance-based financial and non-financial incentives;
- Reviewing the risk associated with incentives potentially detrimental to the company's long-term success;
- Reviewing Key Performance Indicators ("KPIs") for the Managing Director; and
- Succession Planning and senior management development.

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee has four (4) members: Mr. Steven Gooden (Chairman), Ms. Rochelle Cameron, Ms. Kimala Bennett and Mr. Michael Bennett. The functions of the Board that are delegated to the Remuneration Committee include:

- Annual review of the Corporate Governance Policy;
- Identification of a pool of candidates to serve as potential Board candidates;
- Review of committee composition;
- Advising the Board on the best practices in corporate governance;
- Review and approval of timely disclosures to its shareholders as required by the JSE Junior Market Rules;
- Review related party transactions; and
- Review new or pending regulatory changes and their impact on The LAB's operations.

COMPOSITION OF OUR BOARD OF DIRECTORS

Of the seven (7) Directors, four (4) Directors are Independent Non-Executive Directors; one (1) Non-Executive Director; and two (2) Executive Directors. All Directors are expected to act with "independence" in the company's best interest at all times. The Board considers all non-executive Directors to be independent directors.

In accordance with the Jamaica Corporate Governance Code, a Director will not be considered independent where:

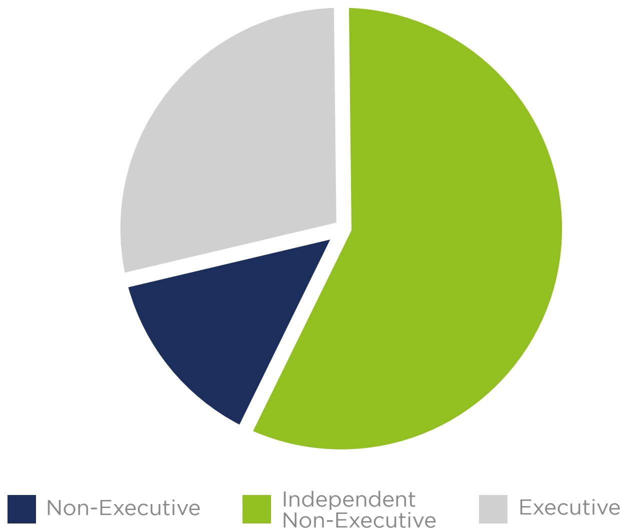
- The Director has been an employee of the company within the last five (5) years;
- The Director is affiliated with a company that acts as an advisor or consultant to the company or its related parties, or is and has acted in such capacity at any time during the past five years;
- The Director has any personal service contracts with the company, its related parties or its senior management at any time during the past five (5) years;
- The Director receives additional remuneration from the company apart from director's fee and any performance related pay scheme;
- The Director is employed as an executive officer of another company where any of the company's executive serve on that company's Board;
- The Director represents a significant shareholder; or
- The Director is a member of the immediate family of any individual who is or has been at any time during the past five (5) years, employed by the company or its related parties as an executive officer.

BOARD COMPOSITION

The composition of the Board has a range of experiences which provides a wider perspective in understanding various aspects of the company's business. During the financial year 2022/2023, there were no changes in the composition of our Board. The Board is comprised of the following persons:

NAMES	POSITION	AUDIT	REMUNERATION	CORPORATE GOVERNANCE
Steven Gooden, Chairman	Independent Non-Executive	-	Member	Member
Kareem Tomlinson	•	Member	Member	-
Rochelle Cameron	•	Member	Member	Member
Maxine Walters	•	Member	Member	
Michael Bennett, company Secretary	Non-Executive	-	-	Member
Kimala Bennett, Managing Director	Executive Director	Member	Member	Member
Tashara-Lee Johnson, Chief Operating Officer	Executive Director	Member	-	-

INDEPENDENCE



GENDER

BOARD DIVERSITY

The company recognises that there are significant benefits to be accrued from having a strong Board of Directors. Our Board possesses diverse skills set, age range and gender, a cross-section of professional backgrounds, directors who exercise sound business judgment and possess entrepreneurial experience. This diversity and inclusion on our Board provides leverage of the collective of minds able to make solid decisions in the best interest of our company and likely represent the best interest of all stakeholders (our shareholders, our employees, our clients and our community).

Expertise	Steven Gooden	Kimala Bennett	Michael Bennett	Rochelle Cameron	Tashara-Lee Johnson	Kareem Tomlinson	Maxine Walters
Independent (I)/ Executive (E)/Non-Executive (NE)	I	E	NE	I	E	I	I
General Management	x	x	x	x	x	x	x
Strategic Management	x	x		x		x	
Finance & Accounting	x					x	
Sales & Marketing		x					
Legal				x			
Risk Management	x						

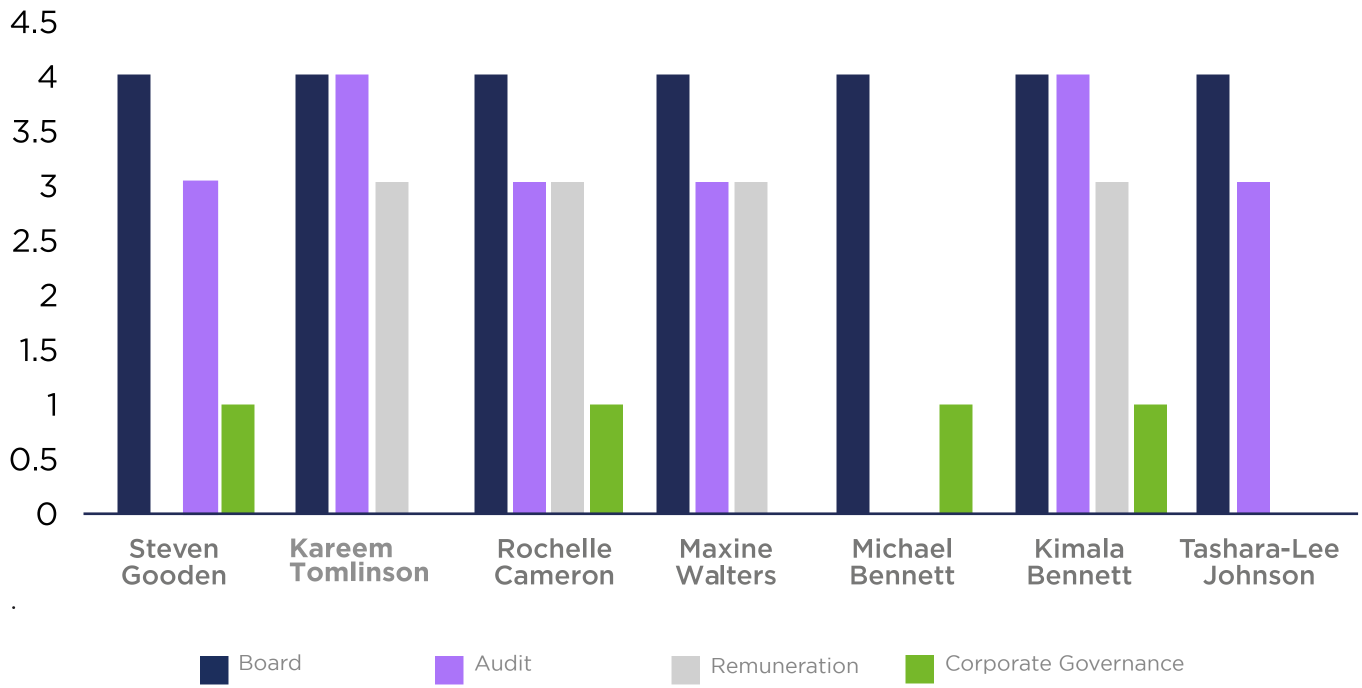
BOARD EXPERTISE COMPOSITION

BOARD AND COMMITTEE ATTENDANCE

One measure of the commitment of our Directors to an enhanced corporate governance framework is the track record of attendance at Board and sub-committee meetings during the financial year. During the financial year under review, the attendance at meetings was recorded as follows (in addition to a Strategy Retreat held by the company):

NAMES	BOARD (6)	AUDIT (4)	REMUNERATION (2)	AGM (1)	CORPORATE GOVERNANCE (2)
Steven Gooden	6	n/a	2	1	2
Kareem Tomlinson	6	4	2	1	n/a
Rochelle Cameron	6	3	2	1	2
Maxine Walters	6	3	2	1	n/a
Michael Bennett	6	n/a	n/a	1	2
Kimala Bennett	6	4	2	1	2
Tashara-Lee Johnson	6	3	n/a	1	n/a

BOARD AND COMMITTEE ATTENDANCE



BOARD DIVERSITY

The appointment of board members is governed by the company's Articles of Incorporation. It states that the Directors shall appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. The Director appointed shall hold office only until the next Annual General Meeting and be eligible for re-election.

Board rotation and retirement is also governed by the company's Articles. At the first Annual General Meeting, one-third (1/3) of the directors shall retire. The Director who has been in office longest, since their last election or appointment, shall retire. However, retiring directors shall be eligible for re-election or re-appointment. A Board member may resign or retire at any time by providing the Chairman with a written notice of resignation.

During the year under review Mr. Kareem Tomlinson was appointed to the Board.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

In accordance with the principles of transparency, equal treatment and protection of shareholder interests, the Board is committed to maintaining dialogue with shareholders, while improving stakeholders' relations. The company has several communications channels that provide all shareholders with timely and equal access to information. These include: -

- An Annual General Meeting ("AGM") at which shareholders can attend in person or via an online platform, with the opportunity to submit questions to management;
- The Annual Report which outlines the work undertaken during the financial year under review;
- Financial results announcements provided quarterly and annually;
- The company's website, which is updated to provide current information;
- The website of the Jamaica Stock Exchange on which all postings are placed for the investing public;
- Media interviews;
- A dedicated email address for shareholders at which questions or comments can be submitted to the company; and
- Traditional and social media marketing supplementing our information platforms.

At each Annual General Meeting, the company makes available to its shareholders, the minutes of the previous meeting. Additionally, the Investor Relations section of the company's website at www.thelabjamaica.com keeps its investors informed and provides updates on announcements, media releases, audited financial statements and annual reports. Enquiries from shareholders and institutional investors on matters relating to their shareholdings are welcomed. Please feel free to contact the Managing Director at operations@tpljamaica.com to share your opinions, suggestions, and concerns with us.

Our Corporate Governance Policy is included on our website for review.

BOARD OF DIRECTORS

STEVEN GOODEN

+ INDEPENDENT NON-EXECUTIVE CHAIRMAN

Steven Gooden is the Chief Executive Officer of NCB Capital Markets Limited (NCBCM), which is the wealth management and investment banking arm of the Jamaican based NCB Financial Group Limited. Under his leadership, NCBCM has become a leading investment house in the Caribbean having expanded throughout the region via the establishment of hubs in the Cayman Islands, Trinidad & Tobago and Barbados. Steven's ascension to executive management was at 26 years old when he was appointed General Manager for what was then one of Jamaica's leading fund management companies. In 2009, he rejoined NCB Capital Markets as Vice President, Investments and Trading; successfully integrating the investment management functions of the Group's subsidiaries with combined assets at the time exceeding US$2 billion. Steven has a passion for the development and deepening of the region's capital markets and is the President of the Jamaica Securities Dealers Association as well as a Director on the Board of the Jamaica Stock Exchange (JSE). He holds directorships in a number of other companies and serves as Chairman for two companies listed on the JSE Junior Market. Steven is a holder of the Chartered Financial Analyst (CFA) designation, has a M.Sc. in Finance and Economics, a B.Sc. in Economics and Accounting, and has received many accolades in the areas of research and portfolio management.

Kimala Bennett, the CEO and founder of The LAB, has over a decade of experience in the film production and advertising sector. Kimala holds a bachelor's degree from Mount Holyoke College and an Executive MBA from the Jack Welsh Management Institute. She sits on several boards and is a member of the Grace Kennedy Innovation Council. Kimala is a published author specializing in entrepreneurial manuals such as 'Starting a Business in Jamaica" and "The Young Entrepreneurs' Handbook". She is also a recipient of the PSOJ '50 Under Fifty Business Leaders Shaping Jamaica's Future Awards' and the Jamaica Chamber of Commerce (JCC) 2019 Award for Entrepreneurship. The film director turned entrepreneur was named the 2019 Anthony Sabga Laureate for Caribbean Excellence in Entrepreneurship.

KIMALA BENNETT

+ EXECUTIVE DIRECTOR

TASHARA-LEE JOHNSON

+ EXECUTIVE DIRECTOR

Tashara-Lee Johnson is an experienced Film Producer with a demonstrated history of working in Advertising and Media Production. She is the Chief Operating Officer of The LAB and has been with the company for over 7 years. In her role, Tashara-Lee manages the day to day operations and plays a key role in the strategic growth of the company. She holds a bachelor's degree in Media & Communication with a minor in International Relations from The University of the West Indies (Mona), and has completed a course in Leadership at the Jack Welch Management Institute. Having served primarily in production management roles in previous jobs, Tashara-Lee has extensive international experience with campaigns, commercials, feature films, and documentaries. Some of these include "King of the Dancehall" by Nick Cannon, "Hooked" by Max Emerson, "Flight" by Kia Moses, and "OTR II" by Beyonce and Jay-Z. She recently represented Jamaica at the Black Women Film Network Festival (Atlanta), Cannes Film Festival (France) and The American Black Film Festival (Miami) as the producer of "Flight" which copped several top awards. She has also expanded her skillset veering into teaching as a project lecturer for CARIMAC and the OECS' joint Script Writing and Film Production Programme.

Michael Bennett is a local legend in the music and entertainment industry. Michael is known for his philanthropic music ventures including coordinating the two year USAID funded FiWi programme at the University of Technology, Jamaica, which taught musical skills as well as entertainment management and entrepreneurship. Michael holds a bachelor's degree in Business Administration from NCU and is the owner and Creative Director of the renowned Grafton Studios, which has nurtured acts from JC Lodge to Chronixx. Michael has received countless awards for his musical work including the 2018 Iconic Mentorship award from the Jamaica Reggae Industry Association (JaRIA). He has produced national projects including the Jamaica 50 Anthem and the Heart of Jamaica Album for J. Wray and Nephew.

MICHAEL BENNETT

+ NON-EXECUTIVE DIRECTOR

ROCHELLE CAMERON

+ INDEPENDENT NON-EXECUTIVE DIRECTOR

Rochelle Cameron is an attorney-at-law with 20 years at the Jamaican Bar. She served for several years as Vice President of Legal and Regulatory for Flow Caribbean where she was also company Secretary of Cable & Wireless Jamaica Limited and its subsidiaries. She is the founder and currently CEO of Prescient Consulting Services Limited, a firm which supports organizations with the development and execution of impactful legal, people and communications strategies. She is well known for her strategic management, leadership abilities, mentorship and her blend of business acumen and organizational skills allows her to be a valuable contributor on various private and public sector boards mentorship. Her diverse experience has given her considerable expertise in corporate governance, mergers & acquisitions, and business development. She has also become a widely called on public speaker for motivation and training in the corporate sphere.

KAREEM TOMLINSON

+ INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Kareem Tomlinson currently serves as the General Manager of JMMB Securities Limited where he has oversight of and leads the team within the entity. In this role, he is responsible for driving the equity related business lines of the JMMB Group. During his 15 year tenure with the JMMB Group, he has served in various capacities and amassed wide-ranging experience in areas such as private equity, investment banking, portfolio management, mergers & acquisitions, risk management, accounting and customer service.

Kareem holds a B.Sc. in Mathematics and Economics from the University of the West Indies, Mona and has attained the prestigious Chartered Financial Analyst (CFA) and Financial Risk Manager (FRM) designations which have equipped him with strong technical and analytical skills. He has attended various professional training courses in venture capital, credit risk management, equity and fixed income products.

MAXINE WALTERS

+ INDEPENDENT NON-EXECUTIVE DIRECTOR

Maxine Walters is one of Jamaica's most respected filmmakers with over 25 years of experience as the island's go-to film partner for high budget international projects. Her brand has built a reputation for providing world-class filmmaking in the Caribbean. Her company is credited with work for brands such as Virgin Media, Puma and Gatorade. Maxine is known for bringing Hollywood to Jamaican film, creating exposure and onset training opportunities for local film crews. She has made her mark in various parts of the entertainment sector and is one of the founders of Reggae Sunsplash. She broke ground by being credited as associate producer of the American TV show "Going to Extremes", the first Jamaican to do so in the US space.

LEADERSHIP TEAM

KIMALA BENNETT

+ CHIEF EXECUTIVE OFFICER

Kimala Bennett, the CEO and founder of The LAB, has over a decade of experience in the film production and advertising sector. Kimala holds a bachelor's degree from Mount Holyoke College and an Executive MBA from the Jack Welsh Management Institute. She sits on several boards and is a member of the Grace Kennedy Innovation Council. Kimala is a published author specializing in entrepreneurial manuals such as 'Starting a Business in Jamaica" and "The Young Entrepreneurs' Handbook".

She is also a recipient of the PSOJ '50 Under Fifty Business Leaders Shaping Jamaica's Future Awards' and the Jamaica Chamber of Commerce (JCC) 2019 Award for Entrepreneurship. The film director turned entrepreneur was named the 2019 Anthony Sabga Laureate for Caribbean Excellence in Entrepreneurship.

TASHARA-LEE JOHNSON

+ CHIEF OPERATING OFFICER

Tashara-Lee Johnson is an experienced Film Producer with a demonstrated history of working in Advertising and Media Production. She is the Chief Operating Officer of The LAB and has been with the company for over 7 years. In her role, Tashara-Lee manages the day to day operations and plays a key role in the strategic growth of the company. She holds a bachelor's degree in Media & Communication with a minor in International Relations from The University of the West Indies (Mona), and has completed a course in Leadership at the Jack Welch Management Institute. Having served primarily in production management roles in previous jobs, Tashara-Lee has extensive international experience with campaigns, commercials, feature films, and documentaries. Some of these include "King of the Dancehall" by Nick Cannon, "Hooked" by Max Emerson, "Flight" by Kia Moses, and "OTR II" by Beyonce and Jay-Z. She recently represented Jamaica at the Black Women Film Network Festival (Atlanta), Cannes Film Festival (France) and The American Black Film Festival (Miami) as the producer of "Flight" which copped several top awards. She has also expanded her skillset veering into teaching as a project lecturer for CARIMAC and the OECS' joint Script Writing and Film Production Programme.

Wendy-Ann Smith Anderson joined the LAB in August 2023 in the capacity of Chief Financial Officer. In this role, she is responsible for the overall financial management of the company, including accounting, financial planning and analysis, auditing, budgeting, treasury management and financial reporting in accordance with International Financial Reporting Standards(IFRS).

Her career spans over 15 years in accounting and financial management. Prior to joining The Limners Bards Limited, Wendy-Ann was a Finance & Compliance Manager at Guardsman Group Limited and then a Financial Controller at Digicel Group. She holds an Msc. in Accounting from the Mona School of Business and Management, University of the West Indies.

WENDY-ANN SMITH ANDERSON

+ CHIEF FINANCIAL OFFICER

Renee' Cole possesses over a decade of experience as an HR Practitioner. A graduate of the University of Technology, Jamaica, she holds a Bachelor of Business Administration Degree with a focus on Human Resource Management (HRM) and a minor in International Business. Additionally, she earned an MBA with Distinction, specializing in HRM, from the Mona School of Business & Management. With a strong background in HR management, she possesses a unique blend of skills that contribute to fostering a positive workplace culture and driving employee engagement.

Throughout her career, she has held diverse HR roles in sectors such as Health, Retail, Sales & Distribution, ICT, and Insurance. She joined The LAB team in May 2023 as the People Operations Manager. She has served as a guest lecturer in Human Resource Management as she finds genuine satisfaction in empowering others through the avenue of education.With a passion for cultivating a workplace where employees thrive, Renee' stands as a dedicated HR professional ready to leverage her skills and experience to drive organisational success.

RENEE COLE

+ PEOPLE OPERATIONS MANAGER

Kimberley Adamson, our distinguished Head of Client Services, boasting an impressive 16-year journey in production, project management, and marketing. A visionary leader, Kimberley seamlessly fuses strategic acumen with creative finesse, steering our agency toward unparalleled success.

With a superpower in orchestrating end-to-end marketing campaigns, Kimberley is not merely a practitioner but an architect of transformative client experiences. Beyond delivering exceptional results, she specialises in building and nurturing client relationships, crafting bonds that endure. Her innovative approach extends to delivering solutions clients never knew they needed, propelling brands beyond conventional success into realms of sustained influence.

KIMBERLEY ADAMSON

+ HEAD OF CLIENT SERVICES

Anthoney Whyte boasts over a decade of experience as a Media Strategist, offering a unique blend of expertise in computer engineering along with certifications in Digital and Traditional Marketing. His professional journey is defined by hands-on experience and a substantial knowledge base, empowering him to adeptly navigate the swiftly evolving media landscape.

He has played a crucial role in steering teams to success and leaving an enduring impact on notable brands, including Nestle, Campari Group, Digicel, National Commercial Bank, Payless, and GlaxoSmithKline.

ANTHONEY WHYTE

+ HEAD OF MEDIA & INNOVATION

Dexter Musgrave has over 15 years of experience with brands in the Caribbean and Diaspora markets. He has executed campaigns for brands like Nestle, RBC Trinidad and Tobago, Digicel Caribbean, LIAT Airlines, NCB Jamaica, The Cable St. Kitts, Mazda Miami, Berger Paints Regional GT&T Guyana and many more.

Having worked with McCann Erickson Trinidad, Publicis Caribbean, VMLY&R Miami, OGM St. Lucia, OPEN INTERACTIVE St Kitts, and The LAB Jamaica, he has an acute understanding of Caribbean markets. A true brand storyteller, he prides himself is leading creative teams whose goal is to create work that works.

DEXTER MUSGRAVE

+ CREATIVE DIRECTOR (CONSULTING)

Joleen Tomlinson immersed herself in the world of translation and EFL teaching between Jamaica, Colombia, and Japan for seven years. Joleen holds a B.A. in Entertainment and Cultural Enterprise Management with first class honours from UWI, Mona, and is fluent in Spanish. Over the past five (5) years, she has successfully parlayed her expertise into the field of advertising where she has worked as a Copywriter and now Creative Lead and Strategist.

A strategic thinker and problem solver, Joleen translates complex ideas into creative storytelling that drives conversion for brands such as NCB, Digicel, Wray and Nephew, Grace Kennedy, Magnum, Kingston 62 and several others. As a bilingual Creative, Joleen has allowed the LAB to explore business opportunities in the Latin American and Caribbean (LACA) region by interpreting meetings with prospective clients.

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JOLEEN TOMLINSON

+ ASSOCIATE CREATIVE DIRECTOR

SANJA JACKSON

+ CREATIVE OPERATIONS MANAGER

Sanja Jackson is a seasoned business management professional with over 12 years of experience in project management, marketing, advertising and process improvement. A true maestro in orchestrating seamless project workflows, she thrives on optimising creative processes and aligning creative vision with strategic objectives.

She uses her meticulous attention to detail, strategic vision, and unparalleled ability to turn creative chaos into cohesive brilliance to help brands achieve goals and stay ahead in the race for consumer attention and loyalty by assigning the right execution team.

Colleen Corke-Campbell is a driven and accomplished professional with a flair for entertainment and cultural enterprise management.
With a first class honours degree from the University of the West Indies, she started her career in event management and production but later transitioned to advertising and marketing as an account executive with The Limners and Bards Limited. Her passion for audio production led to the role managing the post production team.

Over the past two years, she's overseen the successful installation of a new server, improved workflow, and implemented several software programs to increase efficiency. She is grounded by her personal philosophy of Ubuntu, which emphasises the power of community and the importance of working together.

COLLEEN CORKE-CAMPBELL

+ POST PRODUCTION MANAGER

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis (MD&A) for The Limners and Bards Limited (The LAB), should be read in conjunction with the Historical Financial Data set out elsewhere in this Annual Report.

THE COMPANY

The LAB is a full-service and fully integrated advertising agency and film production company. We provide services to our clients through four main business segments: Production, Agency, Media, Content, and one subsidiary, Scope Caribbean. We currently have clients across several sectors including telecommunications, financial services, food & beverage, gaming and sports, government, education, and non-profit industries. On July 28, 2019, we became the first advertising agency and film production company to be listed on the Junior Market of the Jamaica Stock Exchange (JMJSE) after a successful IPO that opened and closed on July 17, 2019.

FINANCIAL HIGHLIGHTS

For the financial year ending October 2023, revenue and net profits declined by 16.4% and 60.2% respectively. Shareholder equity, however, increased by $23.5 million to $597.8 million, up from $574.3 million year over year and return on average equity delivered to shareholders was 9.8%.

REVENUE

During the year 2023, we generated revenues amounting to $1.1 billion, down 16.4% relative to the prior year. This decline was primarily attributable to changing customer advertising spending patterns within the context of the macroeconomic conditions. The revenue was achieved from the company's core business lines; Media ($672.9 million), Production ($296.0 million), and Agency ($155.7 million).

PROFITABILITY

Gross profit decreased by 18% or $85.3 million relative to the previous year. Our net profit declined by 60.2% or $86.7 million than the previous year. Return on equity for the year was 9.6% and earnings per share decreased from $0.15 to $0.06.

TOTAL ASSETS

The statement of financial position reflects an increase in total assets to $917.5 million from $892 million or 2.9% higher than the prior year.

TOTAL LIABILITIES

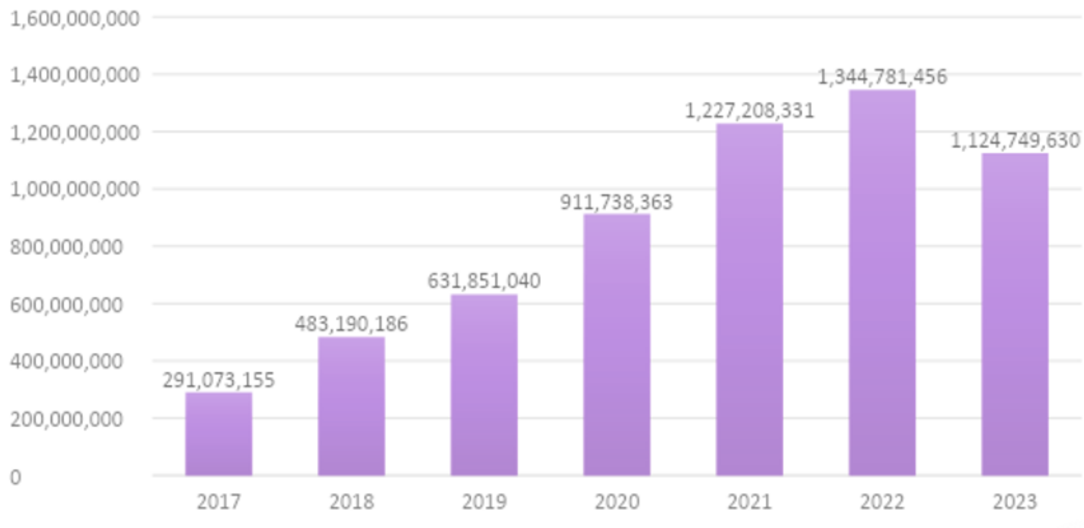
Total liabilities grew from $317.7 million in the previous year to $319.7 million in the current year.

PAYMENT OF DIVIDENDS

We are pleased to advise that on December 28, 2022, our Board of Directors approved a final ordinary dividend for 2021/2022 of $0.0065 per share and a Special Dividend of $0.0304 per share. These payments were made on January 31, 2023, to all shareholders on record as of January 13, 2023.

INCOME STATEMENT	October 2021	October 2022	October 2023
Operating revenue	1,227,208,331	1,344,781,456	1,124,749,630
Cost of operating revenue	(851,401,349)	(870,475,164)	(735,830,984)
Gross profit	375,806,982	474,306,292	388,918,646
Profit on Disposal of property, plant, and equipment		930,934	6,865,545
ADMINISTRATIVE, SELLING AND DISTRIBUTION EXPENSES			
Administration expenses	(233,516,565)	(315,937,745)	(338,775,977)
Selling and distribution	(3,745,356)	(1,040,032)	(2,751,780)
	(237,261,921)	(316,977,777)	(341,527,757)
Impairment losses on financial assets	(2,613,706)	(4,602,155)	(82,479)
Profit before net finance cost and taxation	135,931,355	153,657,294	54,173,955
Finance income	25,805,000	7,039,385	13,567,862
Finance cost	(8,304,955)	(17,566,660)	(11,125,793)
Net finance cost	17,500,045	(10,527,275)	2,442,069
	153,431,400	143,130,019	56,616,024
Loss in value of investments classified as FVTPL	69,841	(69,841)	64,469
Profit before tax	153,501,241	143,060,178	56,551,555
Taxation	2,049,359	978,813	764,945
Net profit being total comprehensive income for the year	155,550,600	144,038,991	57,316,500
STATEMENT OF FINANCIAL POSITION	**October 2021**	**October 2022**	**October 2023**
Non-Current Assets	162,519,252	170,852,054	176,041,563
Current Assets	643,713,237	721,232,230	741,546,902
Total Assets	806,232,489	892,084,284	917,588,465
Current liabilities	183,630,585	214,693,241	214,096,775
Non-Current liabilities	106,878,656	103,062,727	105,620,522
Total Liabilities	290,509,241	317,755,968	319,717,297
Net Assets	515,723,248	574,328,316	597,871,168
RATIOS			
Return on assets	19.29%	16.15%	6.25%
Gross profit margin	30.62%	35.27%	34.58%
Net profit margin	12.68%	10.71%	5.10%
Current ratio	3.51:1	3.36:1	3.44:1
EPS	16c	15c	6c

SEVEN YEAR REVENUE TREND



OUTLOOK

In the face of challenging market conditions characteriSed by macroeconomic downturns and shifting client priorities post-pandemic, The LAB maintained resilience and adaptability, albeit experiencing a decline in revenue for the fiscal year ending October 31, 2023. Despite a 16.4% reduction in total revenue relative to the previous period, (amounting to $1.1 billion), The LAB sustained a robust financial position with a healthy cash reserve.

FINANCIAL PERFORMANCE

Revenue contraction was primarily attributed to decreased client spend and heightened administrative costs. The LAB's revenue streams, derived from core business lines, demonstrated resilience: Media accounted for $672.9 million, Production for $296.0 million, and Agency for $155.7 million. Reinvestment in the business bolstered the asset base, with strategic acquisitions of state-of-the-art equipment and enhancements to studio facilities and team capacity.

STRATEGIC INITIATIVES

In response to evolving market dynamics, The LAB embarked on several strategic initiatives to fortify its position as a leading Caribbean content creator and expand revenue streams. These initiatives are characterized by proactive engagement and forward-looking strategies:

CONTENT DEVELOPMENT AND DISTRIBUTION

The LAB prioritised the development of original content across various mediums, including TV/web series and feature films. Notably, successful pilots for “SEEN” and “Jenna In Law” have been completed, with pre-production underway for the feature film “Love Offside.” Concurrently, the company is actively engaging international networks and digital streaming platforms to secure distribution opportunities upon production completion. By leveraging these partnerships, The LAB aims to ensure that its creative endeavours reach global audiences, thus enhancing brand visibility and revenue potential.

TROLLEY ADVERTISING EXPANSION

The LAB’s commitment to trolley advertising remains steadfast, with significant strides made towards achieving 80% utilisation by the end of the second quarter. This innovative marketing initiative involves installing double-sided frames on supermarket shopping carts, allowing for targeted brand exposure throughout consumers’ shopping journeys. With 900 trolleys already deployed across four supermarkets and negotiations underway for further expansion

AGENCY EXPANSION AND CLIENT ACQUISITION

Through its Agency arm, The LAB is actively exploring new opportunities for client acquisition in regional and international markets. The company aims to augment revenue streams and capitalise on emerging market trends by diversifying its clientele and expanding beyond Jamaican projects. The growing demand for video equipment and studio space rental presents lucrative opportunities for revenue generation, particularly as Jamaica gains traction as a filming destination. By strategically positioning itself to meet this demand, The LAB is poised to capture a larger share of the market and drive sustained growth.

INVESTMENT IN INFRASTRUCTURE AND TALENT

Recognising the importance of infrastructure and talent development, The LAB continues to invest in state-of-the-art equipment and studio facilities. These investments not only enhance production capabilities but also enable the company to attract top talent and foster creativity and innovation. By providing a conducive environment for talent development and experimentation, The LAB strengthens its competitive edge and positions itself for long-term success in the dynamic media landscape.

By executing these strategic initiatives with precision and foresight, The LAB is poised to navigate challenges effectively, capitalise on emerging opportunities, and drive sustainable growth and value creation for its stakeholders.

RISK MITIGATION

Proactive risk mitigation strategies are being implemented to navigate market uncertainties. A balanced finance approach prioritises cost containment and strategic investment, ensuring sustainable growth. Emphasis on development, training, and innovation fortifies The LAB's competitive edge thus positioning the company for long-term success.

The LAB's commitment to development and training ensures that its team remains agile and adaptable to industry trends and technological advancements. By fostering a culture of innovation, the company continuously seeks opportunities to differentiate its offerings. This strategic focus on talent development and creativity further strengthens The LAB's position in the market and reinforces its ability to deliver high-quality content that resonates with audiences worldwide.

PEOPLE & CULTURE

During 2023, The LAB's theme of **Playing to Win, New Roads Ahead** guided our efforts in people engagement, driving innovation, and growth and development. The company started the year by celebrating its 15th Anniversary and realigning our strategic vision in our annual staff retreat and 'Kick-Off'. Team engagement and motivation were paramount, and the year provided greater opportunities for collaboration in various activities to boost staff engagement as the company accelerates its presence in film production and distribution.

The company maintained its staple activities to boost staff engagement, such as Spirit Week, the annual Christmas Party and gift exchange. The company also hosted an Innovation Challenge and Creative Team meetings to foster greater participation of staff in developing and producing new ideas and concepts for production all while delivering high quality service to our clients. Team LAB's commitment to industry-leading innovation and quality is evidenced in being awarded the American Advertising Award (ADDY) for Best Integrated Campaign in 2023.

Investing in training, leadership development, staff exchanges and mentorships signalled a commitment to our most important asset, our people. We celebrated successes, showcased achievements, and recognized performance. The company invested in providing support for our people, with resources to create systems that attract, develop, retain and reward our team. Employee contributions drive our innovation, and the company provides opportunities for staff to make pitches and suggestions that are developed into further projects.

The team's ability to adapt and elevate the creative output is testament to their resilience and dedication. Their unwavering pursuit of excellence is indicative of their willingness and readiness to increase locally created content for distribution in wider markets. The cooperative, integrated efforts that the company continues to strengthen and maintain reinforce our desire to explore new roads, create meaningful experiences, foster conducive environments for our team, and chart exciting new creative frontiers for our clients.

TRAINING & DEVELOPMENT

The LAB provided diverse opportunities to strengthen the capacity of its staff during the year. In keeping with our strategic mission to increase our Production and Content business lines, the training initiatives were robust and focused on increased technical training in these areas to drive innovation and growth.

The training initiatives sought to further unlock and unleash the creative potential of our employees, to foster an incubator for dynamism as the team reimagines WOW content for our clients. Snapshots of the training activities for 2023 include:

1. **Screenwriting Workshop**
   The team completed an intensive programme that provided guidance and know-how on developing story ideas into feature-length screenplays.

2. **Film and TV Workshop "Entertainment Finance, Production and Distribution"**
   This session provided a deeper dive in writing, shooting, directing, and editing films as well as developing an understanding of a wide variety of financial models for funding and distributing entertainment projects.

3. **Staff Company Exchange**
   A member of staff participated in an intensive 8-week exchange programme to further strengthen our production and content creation capabilities.

AWARDS

As a high-performance team of Caribbean Creators with a goal to produce impact-driven ideas, content and entertainment, regional and global recognition is a key marker for measuring success. The American Advertising Awards represents one such avenue of validation for The LAB - as the "ADDY" Awards is the industry's most comprehensive and prestigious competition recognising creative excellence in advertising.

Thirty-four (34) companies from six (6) island nations in the Caribbean submitted more than 552 entries to be judged as the top creative executions for 2022. In the midst of such stiff competition, The LAB was able to secure the coveted American Advertising Award (ADDY) for Best Integrated Campaign with the J.Wray & Nephew Jamaica Reignite Your Spirit campaign, in celebration of Jamaica's 60th year of independence. We also obtained a Silver ADDY for our work on the Nova McDonald Herself Masterclass in the Online Interactive cross Platform Campaign category.

AMERICAN ADVERTISING AWARDS

AMERICAN ADVERTISING AWARDS

THE LAB

WOW WORK ALWAYS WINS BIG

The Limners and Bards takes home "BEST INTEGRATED CAMPAIGN" at the 2023 ADDY AWARDS.

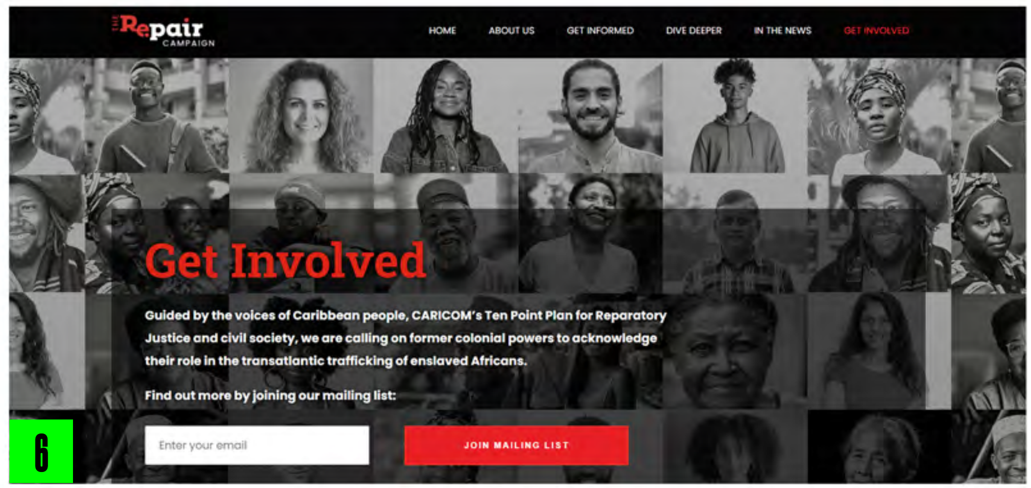
Print Ads from the J.Wray & Nephew Jamaica 60th Reignite Your Spirit Campaign created by The Lab.

Scenes from the 60 second TVC from the J.Wray & Nephew Jamaica 60th Reignite Your Spirit Campaign produced by The Lab.

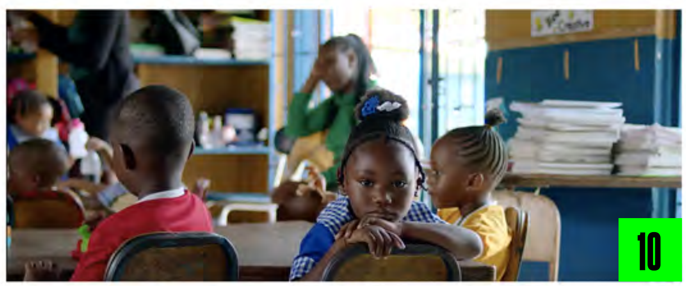
Scene from the Novia McDonald-Whyte's Herself Masterclass Series filmed and produced by The Lab.


COMPANY HIGHLIGHTS

1-5 Scenes from the Special Annual Kickoff with our team held on November 18, 2022
6 Directors share a moment with the team from Alliance Cinema out of Los Angeles at our Annual General Meeting
7-9 Scenes from our Annual Christmas Party and Gift Exchange themed Wakanda Forever
10 Illustrator Johnathon presents Baby Cham with his custom caricature
11 Celebrating our 15th Anniversary



PROJECT HIGHLIGHTS



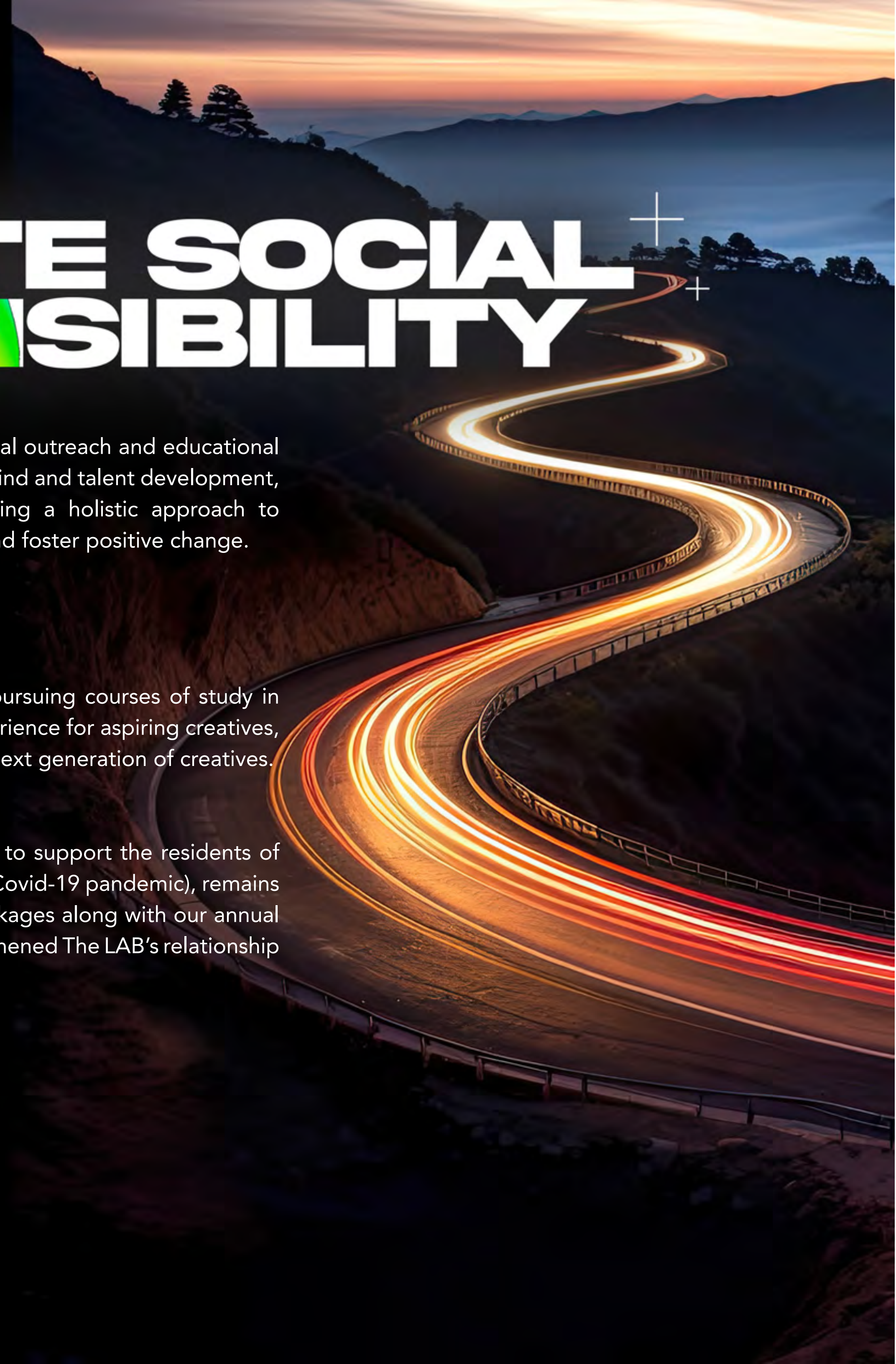
1	Expedia | Wisdom & Obi	**7**	Grace Mackerel Best Taste
2	Mailpac Annual Report	**8**	GKMS Western Union 10 Million Reasons
3	KFC A Wing is a Win	**9**	JP St Mary's Nuh Crumbs
4	Pizza Hut We Know Pepperoni	**10**	Project Star Everybody Faawud
5	Lynk Live Your Best Life Summer	**11**	NCB Seize the Summer
6	Repair Reparations Web Project	**12**	Grace Tropical Rythms New Tetra Pack

BEHIND THE SCENES


THE LAB


8303 KL

CORPORATE SOCIAL RESPONSIBILITY



During the year, The LAB continued supporting several outreach and educational programmes. By extending assistance through cash, kind and talent development, the company reaffirmed its commitment to adopting a holistic approach to supporting social causes to make a positive impact and foster positive change.

Some of the project highlights during 2023 were:

1. Annual Internship Programme
An internship programme was offered to students pursuing courses of study in the creative field. It continues to offer real-world experience for aspiring creatives, while enabling The LAB to identify new talent in the next generation of creatives.

2. Good Samaritan Home Donation Drive
The company's initiative to organise a monthly drive to support the residents of the Good Samaritan Home, (which began during the Covid-19 pandemic), remains strong and is growing. Providing bi-monthly care packages along with our annual visit to fellowship with the residents has further strengthened The LAB's relationship with the community.

AUDITED FINANCIAL STATEMENTS

HALL, WILSON & ASSOCIATES

CHARTERED ACCOUNTANTS
KINGSTON, JAMAICA, W.I.

52b MOLYNES ROAD
KINGSTON 10
TELEPHONE: (876) 678-4011
(876) 678-4012

INDEPENDENT AUDITOR'S REPORT

To the Members of
THE LIMNERS AND BARDS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Limners And Bards Limited ("the Company") and the consolidated financial statements of the Company and its subsidiary (the Group) set out on pages 5 to 31, which comprise the statement of financial position of the Group and the Company as at October 31, 2023, the Group and Company statements of profit or loss and other comprehensive income, the Group and Company statements of changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information. In our opinion, the accompanying consolidated and stand – alone financial statements give a true and fair view of the financial position of the Group and Company as at October 31, 2023, and of its consolidated and stand – alone financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Jamaican Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters, that in our professional judgment were of most significance in our audit of the financial statements of the current period. The matter was addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on this matter. No key audit matter was determined.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and stand – alone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and stand – alone financial statements, our responsibility is to read the other information identified above when it becomes available and in doing so, consider whether the other information is materially inconsistent with the consolidated and stand – alone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

HALL, WILSON & ASSOCIATES

CHARTERED ACCOUNTANTS
KINGSTON, JAMAICA, W.I.

52b MOLYNES ROAD
KINGSTON 10
TELEPHONE: (876) 678-4011
(876) 678-4012

To the Members of
THE LIMNERS AND BARDS LIMITED

Report on the Audit of the Financial Statements (continued)

Other information (continued)

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation of the consolidated and stand – alone financial statements that give a true and fair view in accordance with IFRS and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of the consolidated and stand – alone financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and stand – alone financial statements, management is responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is responsible for overseeing the Group and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and stand – alone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the group and stand – alone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

HALL, WILSON & ASSOCIATES

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To the Members of
THE LIMNERS AND BARDS LIMITED

Report on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and stand – alone financial statements, including the disclosures, and whether the consolidated and stand – alone financial statements represent the underlying transactions and events in a manner that presents a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provided the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

HALL, WILSON & ASSOCIATES

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To the Members of
THE LIMNERS AND BARDS LIMITED

Report on the Audit of the Financial Statements (continued)

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the consolidated and stand – alone financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act, in the manner required.

The engagement partner on the audit resulting in this independent auditor's report is Wilfield St. P. Hall.

Hall Wilson & Associates
Chartered Accountants
December 28, 2023

Group Statement of Financial Position
At October 31, 2023

	Notes	2023 $	2022 $
Non – current assets			
Property, plant and equipment	4	83,293,299	71,899,602
Intangible assets	5	2,931,087	4,482,543
Right – of – use asset	6	85,680,227	91,033,435
Investment	8	343,833	408,302
Deferred taxation	9	3,793,117	3,028,172
		176,041,563	170,852,054
Current assets			
Due from related parties	10	1,362,285	8,997,186
Accounts receivable	11	371,699,094	353,063,356
Taxation recoverable		9,283,909	6,335,446
Cash and cash equivalents	12	359,201,614	352,836,242
		741,546,902	721,232,230
Total assets		917,588,465	892,084,284
Shareholders' equity			
Share capital	13	178,941,261	178,941,261
Retained earnings		418,929,907	395,387,055
		597,871,168	574,328,316
Non – current liabilities			
Long – term loans	14	13,120,625	7,592,966
Long – term lease liability	6	92,499,897	95,469,761
		105,620,522	103,062,727
Current liabilities			
Accounts payable and accrued charges	15	201,760,033	211,042,328
Current maturity of long – term loans	14	9,527,644	1,438,578
Current maturity of lease liability	6	2,809,098	2,212,335
		214,096,775	214,693,241
Total equity and liabilities		917,588,465	892,084,284

The financial statements on pages 5 to 31 were approved for issue by the Board of Directors on December 28, 2023 and signed on its behalf by:

Steven Gooden
Chairman

Kimala Bennett
Chief Executive Officer

Group Statement of Profit or Loss and Other Comprehensive Income
Year ended October 31, 2023

	Notes	2023 $	2022 $
Operating revenue	16	1,124,749,630	1,344,781,456
Cost of operating revenue		(735,830,984)	(870,475,164)
Gross profit		388,918,646	474,306,292
Profit on disposal of property, plant and equipment		6,865,545	930,934
		395,784,191	475,237,226
Administrative, selling and distribution expenses:	17		
Administration expenses		(338,775,977)	(315,937,745)
Selling and distribution		(2,751,780)	(1,040,032)
		(341,527,757)	(316,977,777)
Impairment losses on financial assets	17	(82,479)	(4,602,155)
Profit before net finance income/(cost) and taxation		54,173,955	153,657,294
Finance income		13,567,862	7,039,385
Finance cost		(11,125,793)	(17,566,660)
Net finance income/(cost)	18	2,442,069	(10,527,275)
		56,616,024	143,130,019
Loss in value of investments classified as FVTPL		(64,469)	(69,841)
Profit before taxation		56,551,555	143,060,178
Taxation	19	764,945	978,813
Net profit being total comprehensive income for the year		57,316,500	144,038,991
Earnings per stock unit	20	6c	15c

Group Statement of Changes in Equity
Year ended October 31, 2023

	Share capital $	Retained earnings $	Total $
Balance at October 31, 2021	178,941,261	336,781,987	515,723,248
Dividends	-	(85,433,923)	(85,433,923)
Total comprehensive income for the year	-	144,038,991	144,038,991
Balance at October 31, 2022	178,941,261	395,387,055	574,328,316
Dividends [note 21]	-	(33,773,648)	(33,773,648)
Total comprehensive income for the year	-	57,316,500	57,316,500
Balance at October 31, 2023	178,941,261	418,929,907	597,871,168

Group Statement of Cash Flows
Year ended October 31, 2023

	2023 $	2022 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the year	57,316,500	144,038,991
Adjustments to reconcile net profit for the year to net cash provided by operating activities:		
Depreciation and amortisation	23,914,393	21,274,123
Loss on investment	64,469	69,841
Profit on disposal of property, plant and equipment	(6,865,545)	(930,934)
Interest income	(10,579,359)	(7,039,385)
Interest expense	8,831,647	9,105,229
Taxation	(764,945)	(978,813)
	71,917,160	165,539,052
Working capital components:		
Due from related parties	7,634,901	(8,997,186)
Accounts receivable	(18,744,014)	(129,467,172)
Due to related party	-	(55,473)
Accounts payable and accrued charges	(9,282,295)	30,677,863
Cash provided by operating activities	51,525,752	57,697,084
Interest paid	(8,831,647)	(9,105,229)
Tax paid/deducted at source	(2,948,464)	(109,724)
Net cash provided by operating activities	39,745,641	48,482,131
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	10,687,635	5,678,133
Proceeds from disposal of property, plant and equipment	9,044,000	1,162,500
Addition to property, plant and equipment	(30,581,881)	(28,929,519)
Net cash used in investing activities	(10,850,246)	(22,088,885)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liability – principal portion	(2,373,100)	(2,032,665)
Long – term loans, net	13,616,725	(1,342,997)
Dividends paid	(33,773,648)	(85,433,923)
Net cash used in financing activities	(22,530,023)	(88,809,585)
Net increase/(decrease) in cash and cash equivalents	6,365,372	(62,416,340)
Cash and cash equivalents at start of year	352,836,242	415,252,582
Cash and cash equivalents at end of year	359,201,614	352,836,242

Statement of Financial Position
At October 31, 2023

	Notes	2023 $	2022 $
Non – current assets			
Property, plant and equipment	4	83,293,299	71,899,602
Intangible assets	5	2,931,087	4,482,543
Right – of – use asset	6	85,680,227	91,033,435
Investment in subsidiary	7	15,000,000	15,000,000
Investment	8	343,833	408,302
		187,248,446	182,823,882
Current assets			
Due from related parties	10	3,702,888	8,997,186
Accounts receivable	11	371,439,094	352,763,356
Taxation recoverable		9,274,619	6,328,917
Cash and cash equivalents	12	356,687,752	350,139,459
		741,104,353	718,228,918
Total assets		928,352,799	901,052,800
Shareholders' equity			
Share capital	13	178,941,261	178,941,261
Retained earnings		430,309,260	404,471,571
		609,250,521	583,412,832
Non – current liabilities			
Long – term loans	14	13,120,625	7,592,966
Long – term lease liability	6	92,499,897	95,469,761
		105,620,522	103,062,727
Current liabilities			
Accounts payable and accrued charges	15	201,145,013	210,926,328
Current maturity of long – term loans	14	9,527,644	1,438,578
Current maturity of lease liability	6	2,809,099	2,212,335
		213,481,756	214,577,241
Total equity and liabilities		928,352,799	901,052,800

The financial statements on pages 9 to 31 were approved for issue by the Board of Directors on December 28, 2023 and signed on its behalf by:

Steven Gooden
Chairman

Kimala Bennett
Chief Executive Officer

Statement of Profit or Loss and Other Comprehensive Income
Year ended October 31, 2023

	Notes	2023 $	2022 $
Operating revenue	16	1,126,025,630	1,344,465,557
Cost of operating revenue		(739,391,494)	(873,042,370)
Gross profit		386,634,136	471,423,187
Profit on disposal of property, plant and equipment		6,865,545	930,934
		393,499,681	472,354,121
Administrative, selling and distribution expenses:	17		
Administration expenses		(334,079,420)	(309,644,334)
Selling and distribution		(2,104,907)	(517,967)
		(336,184,327)	(310,162,301)
Impairment losses on financial assets	17	(82,479)	(4,602,155)
Profit before net finance income/(cost) and taxation		57,232,875	157,589,665
Finance income		13,554,460	7,011,882
Finance cost		(11,111,529)	(17,556,276)
Net finance income/(cost)	18	2,442,931	(10,544,394)
		59,675,806	147,045,271
Loss in value of investments classified as FVTPL		(64,469)	(69,841)
Profit before taxation		59,611,337	146,975,430
Taxation	19	-	-
Net profit being total comprehensive income for the year		59,611,337	146,975,430

Statement of Changes in Equity
Year ended October 31, 2023

	Share capital $	Retained earnings $	Total $
Balance at October 31, 2021	178,941,261	342,930,064	521,871,325
Dividends	-	(85,433,923)	(85,433,923)
Total comprehensive income for the year	-	146,975,430	146,975,430
Balance at October 31, 2022	178,941,261	404,471,571	583,412,832
Dividends [Note 21]	-	(33,773,648)	(33,773,648)
Total comprehensive income for the year	-	59,611,337	59,611,337
Balance at October 31, 2023	178,941,261	430,309,260	609,250,521

Statement of Cash Flows
Year ended October 31, 2023

	2023 $	2022 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the year	59,611,337	146,975,430
Adjustments to reconcile net profit for the year to net cash provided by operating activities:		
Depreciation and amortisation	23,914,393	21,274,123
Loss on investment	64,469	69,841
Profit on disposal of property, plant and equipment	(6,865,545)	(930,934)
Interest income	(10,565,957)	(7,011,882)
Interest expense	8,831,647	9,105,229
	74,990,344	169,481,807
Working capital components:		
Due from related parties	5,294,298	(8,997,186)
Accounts receivable	(18,784,014)	(129,167,171)
Due to related party	-	(55,473)
Accounts payable and accrued charges	(9,781,316)	30,481,863
Cash provided by operating activities	51,719,313	61,743,840
Interest paid	(8,831,648)	(9,105,229)
Tax paid/deducted at source	(2,945,702)	(103,196)
Net cash provided by operating activities	39,941,963	52,535,415
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	10,674,234	5,650,630
Proceeds from disposal of property, plant and equipment	9,044,000	1,162,500
Addition to property, plant and equipment	(30,581,881)	(28,929,519)
Net cash used in investing activities	(10,863,647)	(22,116,389)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liability – principal portion	(2,373,100)	(2,032,665)
Long – term loans, net	13,616,725	(1,342,997)
Dividends paid	(33,773,648)	(85,433,923)
Net cash used in financing activities	(22,530,023)	(88,809,585)
Net increase/(decrease) in cash and cash equivalents	6,548,293	(58,390,559)
Cash and cash equivalents at start of year	350,139,459	408,530,018
Cash and cash equivalents at end of year	356,687,752	350,139,459

1. Corporate structure and nature of business

The company is incorporated in Jamaica under the Companies Act and is domiciled in Jamaica. The registered office of the company and its principal place of business is situated at Unit # 4, 69 – 75 Constant Spring Road, Kingston 10.

The company was re – registered as a public company by resolution passed at an extraordinary general meeting held on February 25, 2019 and its shares were listed on the Junior Market of the Jamaica Stock Exchange on July 26, 2019.

The principal activities of the company are production, media and is an advertising agency.

2. Statement of compliance and basis of preparation

(a) Statement of compliance:

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board (IASB) and comply with the provisions of the Companies Act.

Certain new and amended standards that were in issue came into effect during the current financial year. The company has assessed the relevance of all such new standards, interpretations and amendments and has adopted the following, which are relevant to its operations:

- Amendments to *IAS 16 'property, plant and equipment* (effective for annual periods beginning on or after January 1, 2022). This amendment prohibits an entity from deducting from cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use. Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not au output of the entity's ordinary activities.
- Annual improvements to IFRS Standards 2018 – 2020 (effective for annual periods beginning on or after January 1, 2022). *IFRS 9, 'Financial Instruments'* clarifies which fees an entity includes when it applies the 10% test in assessing whether to derecognize a financial liability.

The adoption of these amendments did not have a significant impact on the company.

New standards, interpretations and amendments to standards in issue but not yet effective:

- Amendments to *IAS 1 'Presentation of financial statements'* (effective for annual periods beginning on or after January 1, 2024). These amendments to *IAS 1*, 'Presentation of financial statements', clarify that liabilities are classified as either current or non – current, depending on the rights that exist at the end of the reporting date. An entity classifies a liability as non – current if it has a right to defer settlement for at least twelve months after the reporting date. The amendment also clarified that a right to defer exists only if the entity is in compliance with conditions specified in the loan agreement at the reporting date, even if the lender does not test compliance until a later date. The adoption of these amendments is not expected to have a significant impact on the group.

- Narrow scope amendments to *IAS 1 Presentation of statement* (effective for annual periods beginning on or after January 1, 2023 and may be applied earlier. The amendments help entities provide useful accounting policy disclosures. The key amendments include, requiring entities to disclose their material accounting policies rather than their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other than events or conditions are themselves immaterial and as such need not be disclosed and; clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to the company's financial statements. The adoption of these amendments is not expected to have a significant impact on the group.

2. Statement of compliance and basis of preparation (continued)

New and amended standards issued but not yet effective and not early adopted(continued):

- Amendments to *IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors* (effective for annual periods beginning on or after January 1, 2023, with early adoption permitted). The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimate to achieve the objective set out by an accounting policy. The adoption of these amendments is not expected to have a significant impact on the group.

- Amendments to *IAS 12 Income tax* (effective for annual periods beginning on or after January 1, 2023, with early adoption permitted). The amendments require entities to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The adoption of these amendments is not expected to have a significant impact on the group.

  The group is assessing the impact of future adoption of the amendments on its financial statements.

(b) Basis of preparation:

The financial statements are presented in Jamaican dollars (J$), which is the functional currency of the company. The financial statements are prepared under the historical cost convention, except for the inclusion of investments classified as fair value through profit or loss carried at fair value.

(c) Basis of consolidation:

Subsidiaries

A subsidiary is an entity controlled by the company. Control exists when the company has power, directly and indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The company may have power over an entity even when it holds no ownership interest in the entity, or when it holds less than a majority of voting power in the entity. In such cases, the company exercises judgment and assesses its power to direct the relevant activities of the entity, as well as its voting rights relative to the size and dispersion of holdings of the other vote holders to determine if it has de-facto power over the entity. Subsidiaries are consolidated from the date on which control commences until the date that control ceases.

Intercompany transactions, balances and unrealised gains and losses on transactions between group companies are eliminated on consolidation. In the company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment.

(d) Use of estimates and judgement:

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, contingent assets and contingent liabilities at the statement of financial position date, and the income and expenses for the year then ended. Actual amounts could 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 and future periods if the revision affects both current and future periods.

Notes to the Financial Statements
Year ended October 31, 2023

2. Statement of compliance and basis of preparation (continued)

(d) Use of estimates and judgement (continued):

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below.

(i) Financial assets:

For the purpose of these financial statements, judgment refers to the informed identification and analysis of reasonable alternatives, considering all relevant facts and circumstances, and well – reasoned, objective and unbiased choice of the alternative that is most consistent with the agreed principles set out in IFRS. The key relevant judgements are as follows:

1. Classification of financial assets:

The assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest (SPPI) on the principal amount outstanding requires management to make certain judgements on its business operations.

2. Impairment of financial assets:

Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporating forward – looking information into measurement of expected credit loss (ECL) and selection and approval of models used to measure ECL requires significant judgement.

Allowance for impairment losses:

In determining amounts recorded for impairment of financial assets in the financial statements, management makes assumptions in determining the inputs to be used in the ECL measurement model, including incorporation of forward – looking information. Management also estimates the likely amount of cash flows recoverable on the financial assets in determining loss given default. The use of assumptions make uncertainty inherent in such estimates.

(ii) Residual value and expected useful life of property, plant and equipment:

The residual value and the expected useful life of an asset are reviewed at least at each financial year end and, if expectations differ from previous estimates, the change is accounted for. The useful life of an asset is defined in terms of the asset's expected utility to the company.

3. Significant accounting policies

(a) Property, plant and equipment:

(i) Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self – constructed assets includes the cost of material and direct labour and any other costs directly attributable to bringing the assets to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Notes to the Financial Statements
Year ended October 31, 2023

3. Significant accounting policies (continued)

(a) Property, plant and equipment (continued):

(ii) Depreciation:

Property, plant and equipment are depreciated on a straight-line basis at annual rates estimated to write off the assets over their expected useful lives. The depreciation rates are as follows:

Equipment, furniture, fixtures and building improvements	10%
Building	5%
Computers and motor vehicles	20%

Depreciation methods, useful lives and residual values are reassessed annually.

(b) Intangible assets – computer software:

Acquired computer software licenses are capitalised on the basis of the cost incurred to acquire and bring to use the specific software. These costs are amortised over the estimated useful life of five (5) years for the software on a straight – line basis.

Costs associated with developing or maintaining computer software programs are recognised as expenses as incurred.

(c) Accounts receivable:

Accounts receivable is stated at amortised cost less impairment losses.

(d) Related parties:

A party is related to the company, if:

(i) directly, or indirectly through one or more intermediaries, the party:
   (a) is controlled by, or is under common control with the company;
   (b) has a direct or indirect interest in the company that gives it significant influence; or
   (c) has joint control over the company;

(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;
(v) the party is a close member of the family of any individual referred to in (i) or (iv);
(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
(vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the company.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged. The company has a related party relationship with its directors and key management personnel, representing certain senior officers of the company.

(e) Cash and cash equivalents:

Cash and cash equivalents comprise cash and bank balances including short-term deposits and other monetary investments with maturities ranging between one and three months from the date of statement of financial position. Bank overdrafts, repayable on demand and forming an integral part of the company's cash management activities, are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Notes to the Financial Statements
Year ended October 31, 2023

3. Significant accounting policies (continued)

(f) Accounts payable:

Trade and other payables are measured at amortised cost.

(g) Borrowings:

Borrowings are recognised initially at fair value, net of transaction costs incurred. Subsequent to initial recognition, interest – bearing borrowings are measured at amortised cost, with any difference between proceeds (net of transaction costs) and redemption value being recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as property, plant and equipment.

(h) Foreign currencies:

Foreign currency balances at the reporting date are translated at the exchange rates ruling at that date. Transactions in foreign currencies are converted at the exchange rates ruling at the dates of those transactions. Gains and losses arising from fluctuations in exchange rates are recognised in the statement of profit or loss and other comprehensive income.

For the purpose of the statement of cash flows, all foreign currency gains and losses recognised in the statement of profit or loss and other comprehensive income are treated as cash items and included in cash flows from operating or financing activities along with movement in the relevant balances.

(i) Share capital:

Ordinary shares are classified as equity where there is no obligation to transfer cash or other assets. Transaction costs directly attributable to the issue of shares are shown in equity as a deduction from the proceeds of the issue.

(j) Dividends:

Dividends on ordinary shares are recognised in shareholders equity in the period in which they are approved by the Board of Directors.

(k) Revenue recognition:

Revenue is measured based on the consideration specified in a contract with a customer. The company recognises revenue when it transfers control over a good or service to and is accepted by a customer. Revenue from the sale of goods or provision of service represents the invoiced value of goods and services and is recognised in the statement of profit or loss and other comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or material associated costs on the possible return of goods.

(l) Taxation:

Taxation on the profit or loss for the year comprises current and deferred tax. Taxation is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the date of the statement of financial position, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the date of the statement of financial position.

Notes to the Financial Statements
Year ended October 31, 2023

3. Significant accounting policies (continued)

(l) Taxation (continued):

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

(m) Impairment:

Financial assets

The company recognises loss allowances for expected credit loss (ECL) on financial assets measured at amortised cost and at fair value through OCI. This replaces IAS 39's 'incurred loss model'.

Recognition of credit loss is no longer dependent on the company first identifying a credit loss event. Instead, the company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of future cash flows of the instrument.

The company applies the simplified approach for trade receivables which is permitted by IFRS 9. The simplified approach requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using a lifetime ECL. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument.

The company uses its historical experience, external indicators and forward -looking information to calculate the expected credit losses using a provision matrix.

The company assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Individually significant receivables were considered for impairment when they were past due or when other objective evidence was received that a specific counterparty will default. Receivables that were not considered to be individually impaired were reviewed for impairment in groups, which are determined by reference to the industry and region of the counterparty and other shared credit risk characteristics. The impairment loss estimate was then based on recent historical counterparty default rates for each identified group.

(n) Financial instruments:

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. For the purpose of these financial statements, financial assets comprise cash and cash equivalents, trade and other receivables, investments and amounts due from related parties. Similarly, financial liabilities comprise trade and other payables and loans.

Notes to the Financial Statements
Year ended October 31, 2023

3. Significant accounting policies (continued)

(n) Financial instruments (continued):

(i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

A financial asset (except a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not a FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

The financial assets that meet both of the following conditions are not designated as at fair value through profit or loss: a) are held within a business model whose objective is to hold assets to collect contractual cash flows, and b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified as "held to collect" and measured at amortised cost.

Amortised cost represents the net present value (NPV) of the consideration receivable or payable as of the transaction date. This classification of financial assets comprises the following captions:

- Cash and cash equivalents
- Trade and other receivables
- Investments

Due to their short – term nature, the company initially recognises these assets at the original invoiced or transaction amount less expected credit losses.

All income and expenses relating to financial assets that are recognised in the statement of profit or loss and other comprehensive income are presented within finance income, finance costs or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement

- Finance cost at amortised cost – These are measured at amortised cost using the effective interest method.
- FVTPL – Any gains or losses recognised in profit or loss.
- FVOCI – Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset. None of the company's financial assets fall into this category.

Derecognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired, or the company transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass – through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(o) Leases:

The company adopted IFRS 16 as at November 1, 2019, consequently, all leases are accounted for by recognising a right – of – use asset and a lease liability for all leases with a term greater than 12 months.

Notes to the Financial Statements
Year ended October 31, 2023

3. Significant accounting policies (continued)

(o) Leases (continued):

At the lease commencement date, the company recognises a right – of – use asset and a lease liability on the statement of financial position. Lease liability is measured at the present value of the contractual payments due to the lessor over the lease term (including variable payments based on an index or rate), amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the company's incremental borrowing rate on commencement of the lease is used. Other variable payments are expensed in the period to which they relate.

Right – of – use assets are initially measured at the amount of the lease liability, reduced by any lease incentives received and increased for lease payments made at or before commencement of the lease, initial direct costs incurred and the amount of any provision recognised where the company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liability will be increased as a result of interest charged and reduced for payments made. Right – of – use assets are amortised on a straight – line basis over the shorter of the remaining lease term or over the remaining economic life of the leased asset.

When the company revises its estimate of the term of any lease or when the variable element of future payments dependent on an index or rate is revised, it adjusts the carrying amount of the liability to reflect the payments to be made over the revised term. Which were discounted at the same discount rate that applied on the lease commencement date. Similarly, an equivalent adjustment is made to the carrying value of the right – of – use asset, with the revised carrying amount being amortised over the remaining lease term or useful economic life of the leased asset.

The company has elected to account for short – term leases and leases of low value assets using the practical expedients. Instead of recognising a right – of – use asset and lease liability, the payments are recognised as an expense in the statement of profit or loss and other comprehensive income on a straight – line basis over the lease term.

The right – of – use asset is depreciated over the shorter of the assets' useful life and the lease term on a straight – line basis.

(p) Finance costs and income:

Finance costs comprise interest expense on borrowings calculated using the effective interest rate method. Finance income comprise interest income on funds invested.

(q) Short – term employee benefits:

Short term employee benefits including holiday entitlement are included in accruals, measured at the undiscounted amount that the company expects to pay as a result of the unused entitlement.

(r) Operating segment:

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess performance. The company has three operating segments: agency, production and media. Results by segments are disclosed in Note 22.

Notes to the Financial Statements
Year ended October 31, 2023

4. Property, plant and equipment

	Motor Vehicle $	Computers $	Equipment $	Office Furniture & equipment $	Building & Building improvement $	Total $
At cost						
October 31, 2021	11,882,480	15,271,637	42,488,894	10,317,464	28,354,858	108,315,333
Disposal	-	-	(514,591)	-	-	(514,591)
Additions	17,440,724	7,755,020	436,368	1,582,820	612,537	27,827,469
October 31, 2022	29,323,204	23,026,657	42,410,671	11,900,284	28,967,395	135,628,211
Disposal	(11,882,480)	-	-	-	-	(11,882,480)
Additions	14,995,000	42,362	10,412,176	1,127,591	4,004,752	30,581,881
October 2023	32,435,724	23,069,019	52,822,847	13,027,875	32,972,147	154,327,612
Depreciation						
October 31, 2021	5,347,117	8,164,687	22,430,418	4,469,113	9,175,735	49,587,070
Disposal	-	-	(283,025)	-	-	(283,025)
Charge for the year	3,336,564	3,257,507	3,917,563	1,024,940	2,887,990	14,424,564
October 31, 2022	8,683,681	11,422,194	26,064,956	5,494,053	12,063,725	63,728,609
Disposal	(9,704,025)	-	-	-	-	(9,704,025)
Charge for the year	5,468,558	3,565,438	3,856,132	1,222,861	2,896,740	17,009,729
October 31, 2023	4,448,214	14,987,632	29,921,088	6,716,914	14,960,465	71,034,313
Net book values						
October 31, 2023	27,987,510	8,081,387	22,901,759	6,310,961	18,031,682	83,293,299
October 31, 2022	20,639,523	11,604,463	16,345,715	6,406,231	16,903,670	71,899,602

Two motor vehicles were pledged as security for the loans (See note 14).

5. Intangible assets

	Software $
At cost	
October 31, 2021	6,655,229
Addition	1,102,050
October 31, 2022	7,757,279
Addition	-
October 31, 2023	7,757,279
Amortisation:	
October 31, 2021	1,778,383
Charge for the year	1,496,353
October 31, 2022	3,274,736
Charge for the year	1,551,456
October 31, 2023	4,826,192
Carrying amount:	
October 31, 2023	2,931,087
October 31, 2022	4,482,543

Notes to the Financial Statements
Year ended October 31, 2023

6. Right – of – use asset/lease liability

	2023 $	2022 $
Right – of – use asset:		
November 1	91,033,435	96,386,641
Addition	-	-
October 31	91,033,435	96,386,641
Amortisation	(5,353,208)	(5,353,206)
October 31	85,680,227	91,033,435
Lease liability:		
November 1	97,682,096	99,714,762
Addition	-	-
	97,682,096	99,714,762
Interest charged for the period	8,057,342	8,397,777
Payments made for the period	(10,430,442)	(10,430,443)
October 31	95,308,996	97,682,096
Current liability	(2,809,099)	(2,212,335)
Non – current liability	92,499,897	95,469,761

The right – of – use asset relates to the lease of buildings, units # 4 & 5 situated at 69 – 75 Constant Spring Road, Kingston 10.

7. Investment in subsidiary

	2023 $	2022 $
Scope Caribbean Limited	15,000,000	15,000,000

Scope Caribbean Limited was incorporated on April 13, 2021 and is a wholly owned subsidiary of the company. This represents the cost paid to acquire all the issued ordinary shares.

8. Investment

	2023 $	2022 $
Quoted shares: – classified as FVTPL		
QWI Shares – value at November I	408,302	478,143
(Loss) in value of investment	(64,469)	(69,841)
At fair value – October 31	343,833	408,302

9. Deferred taxation

	Group 2023 $	Group 2022 $	Company 2023 $	Company 2022 $
Deferred tax is attributable to the following:				
Unutilised tax losses	3,793,117	3,028,172	-	-

All changes in the provision for deferred taxation are recognized in the statement of profit or loss and other comprehensive income.

Notes to the Financial Statements
Year ended October 31, 2023

10. Due from related parties

The balances are interest free and have no fixed repayment terms (see note 23).

11. Accounts receivable

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Trade receivables	345,321,979	355,127,711	345,061,979	354,827,711
Allowance for impairment losses (i)	(10,031,494)	(9,949,015)	(10,031,494)	(9,949,015)
	335,290,485	345,178,696	335,030,485	344,878,696
Other receivables	36,408,609	7,884,660	36,408,609	7,884,660
	371,699,094	353,063,356	371,439,094	352,763,356

(i) The movement in allowance for doubtful receivables during the year was as follows:

		2023	2022
		$	$
Balance at beginning of year		9,949,015	5,346,860
Impairment loss recognized	(Note 17)	82,479	4,602,155
		10,031,494	9,949,015

12. Cash and cash equivalents

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Bank balances	83,367,316	94,488,904	80,853,454	91,792,121
Short – term bank deposits	275,834,298	258,347,338	275,834,298	258,347,338
	359,201,614	352,836,242	356,687,752	350,139,459

13. Share capital

	2023	2022
	$	$
Authorized:		
5,000,000,000 ordinary shares without par value		
Issued and fully paid: 945,690,252 ordinary shares without par value	178,941,261	178,941,261

14. Long – term loans

		2023	2022
		$	$
9.61% National Commercial Bank Jamaica Limited	(i)	7,653,269	9,031,544
8.5% National Commercial Bank Jamaica Limited	(ii)	14,995,000	-
		22,648,269	9,031,544
Current maturity of long – term loans		(9,527,644)	(1,438,578)
		13,120,625	7,592,966

Notes to the Financial Statements
Year ended October 31, 2023

14. Long – term loans (continued)

(i) The loan is secured by a bill of sale over a motor vehicle owned by the company. The vehicle is comprehensively insured with the bank's interest noted as mortgagor. The loan is repayable in one hundred and two equal monthly payments. (See note 4).

(ii) The loan is secured by a bill of sale over a motor vehicle owned by the company. The vehicle is comprehensively insured with the bank's interest noted as mortgagor. The loan is repayable in ninety-six consecutive monthly payments. (See note 4).

15. Accounts payable and accrued charges

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Trade payables	163,230,236	192,211,684	162,615,216	192,095,684
Other payables and accrued charges	38,529,797	18,830,644	38,529,797	18,830,644
	201,760,033	211,042,328	201,145,013	210,926,328

16. Operating revenue

Operating revenue represents the invoiced value of services provided by the company, after discounts allowed and net of general consumption tax.

17. Expenses by nature

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Administrative:				
Directors' remuneration – Executive	33,389,000	28,504,579	33,389,000	28,504,579
Directors' fees – non – executive	2,642,500	2,218,125	2,642,500	2,218,125
Staff costs	175,768,901	187,674,122	172,566,188	181,738,212
Audit fees	3,213,513	2,600,000	2,760,000	2,300,000
Depreciation and amortisation	18,561,185	15,920,91	18,561,185	15,920,917
Amortisation – right – of – use asset	5,353,208	5,353,206	5,353,208	5,353,206
Other administrative expenses	99,847,670	73,666,796	98,807,339	73,609,295
	338,775,977	315,937,745	334,079,420	309,644,334
Selling and distribution:				
Advertising, promotion & entertainment	2,681,780	1,040,032	2,034,907	517,967
Travelling	70,000	-	70,000	-
	2,751,780	1,040,032	2,104,907	517,967
Total administrative and selling and distribution expenses	341,527,757	316,977,777	336,184,327	310,162,301
Impairment losses on financial assets:				
Trade receivables (note 11(i))	82,479	4,602,155	82,479	4,602,155

Notes to the Financial Statements
Year ended October 31, 2023

17. Expenses by nature (continued)

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Staff costs				
Salaries	147,738,191	158,788,246	144,845,981	153,869,883
Employer's statutory contributions	21,078,657	21,691,544	20,768,154	20,855,688
Other staff costs	6,952,053	7,194,332	6,952,053	7,012,641
	175,768,901	187,674,122	172,566,188	181,738,212

18. Net finance income/(cost)

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Finance income:				
Foreign exchange gain	2,988,503	-	2,988,503	-
Interest income	10,579,359	7,039,385	10,565,957	7,011,882
	13,567,862	7,039,385	13,554,460	7,011,882
Finance cost:				
Loan charges and interest	(774,305)	(707,452)	(774,305)	(707,452)
Foreign exchange loss	-	(7,085,087)	-	(7,085,087)
Lease interest	(8,057,342)	(8,397,777)	(8,057,342)	(8,397,777)
Bank charges	(2,294,146)	(1,376,344)	(2,279,882)	(1,365,960)
	(11,125,793)	(17,566,660)	(11,111,529)	(17,556,276)
	2,442,069	(10,527,275)	2,442,931	(10,544,394)

19. Taxation

		Group		Company	
		2023	2022	2023	2022
		$	$	$	$
(a)	Current taxation	16,059,297	39,464,580	16,059,297	39,464,580
	Remission of income tax	(16,059,297)	(39,464,580)	(16,059,297)	(39,464,580)
	Deferred taxation:				
	Origination of temporary differences	764,945	978,813	-	-
	Total taxation in the statement of profit or loss	764,945	978,813	-	-
(b)	Reconciliation of effective tax rate:				
	Profit before taxation	56,551,555	143,060,178	59,611,338	146,975,430
	Computed "expected" tax expense @ 25%	14,137,889	35,765,045	14,902,835	36,743,857
	Tax relieved under the JMJSE	(15,294,352)	(38,485,767)	(16,059,297)	(39,464,580)
	Difference between results for Financial statements and tax reporting purposes in respect of:				
	Disallowed items, net	1,921,408	3,699,535	1,156,462	2,720,723
	Actual tax expense in the statement of profit or loss	764,945	978,813	-	-

Notes to the Financial Statements
Year ended October 31, 2023

19. Taxation (continued)

c). Effective July 26, 2019, the company's shares were listed on the Junior Market of the Jamaica Stock Exchange (JMJSE). By notice dated August 13, 2009, the Minister of Finance and the Public Service, issued and gazetted the Income Tax (Jamaica Stock Exchange Junior Market) Notice, 2009. The Notice effectively granted a remission of income tax to eligible companies that are admitted to the JMJSE if certain conditions were achieved after that date of initial admission. Consequently, the company is entitled to a remission of income tax for ten years from the date of listing in the proportions set out below, provided the shares remain listed for at least 15 years.

Years 1 to 5	100 %	August 1, 2019 to July 31, 2024
Years 6 to 10	50%	August 1, 2024 to July 31, 2029

20. Earnings per stock unit

The calculation of earnings per stock unit is based on the profit after taxation and the weighted average number of stock units in issue during the year.

	2023	2022
	$	$
Net profit attributable to shareholders	57,316,500	144,038,991
Ordinary stock units	945,690,252	945,690,252
Earnings per stock unit	6c	15c

21. Dividends

During the year the Board of Directors approved dividend and the payments were as follows:

- Final for 2021/2022, paid on January 31, 2023, comprising ordinary dividend of $0.0065 per ordinary share and a special dividend of $0.0304 per ordinary share to shareholders on record at January 13, 2023.

22. Segment reporting

The company has three reportable segments: production, media and agency. Performance is measured based on segment gross profit and management has determined that this measure is the most relevant in evaluating results and allocating resources. Assets and liabilities are not assigned to each segment. Segment information for the reporting period are as follows:

Year Ended October 31, 2023

	Production	Media	Agency	Total
	$	$	$	$
Revenue	296,066,125	672,910,888	155,772,617	1,124,749,630
Direct costs	(131,562,801)	(578,297,463)	(25,970,720)	(735,830,984)
Gross profit	164,503,324	94,613,425	129,801,897	388,918,646

Year Ended October 31, 2022

	Production	Media	Agency	Total
	$	$	$	$
Revenue	430,547,135	716,215,865	198,018,456	1,344,781,456
Direct costs	(207,901,660)	(606,962,598)	(55,610,906)	(870,475,164)
Gross profit	222,645,475	109,253,267	142,407,550	474,306,292

Notes to the Financial Statements
Year ended October 31, 2023

23. Related party transactions

The statements of financial position and profit or loss and other comprehensive income includes the following related party transactions arising from the ordinary course of business during the year.

	2023 $	2022 $
Transactions during the year:		
Scope Caribbean Ltd – income (eliminated on consolidation)	4,177,510	554,500
Scope Caribbean Ltd – costs (eliminated on consolidation)	2,401,000	2,746,225
Lease payments – Kimala Bennett Realty Company	10,430,442	10,430,443
Due from/to (eliminated on consolidation)	2,340,603	-
Year end balances:		
Due from (note 10)	1,362,285	8,997,186

24. Financial risk management

Exposure to various types of financial instrument risk arises in the ordinary course of the company's business. The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies are reviewed on a regular basis and reflect changes in market conditions and the company's activities.

(a) Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk arises principally on trade and other receivables, cash and cash equivalents and investments. There is no significant concentration of credit risk and the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

The maximum exposure to credit risk at the reporting date was:

	2023 $	2022 $
Cash and cash equivalents	358,161,555	352,293,062
Investment	343,833	408,302
Due from related parties	1,362,285	8,997,186
Accounts receivable	371,699,094	353,063,356
	731,566,767	714,761,906

(i) Trade receivables

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the company's customer base has less of an influence on credit risk.

A credit policy has been established under which each customer is analysed individually for creditworthiness. Credit is granted to customers on the approval of management. During the credit approval process, the customer is assessed for certain indicators of possible delinquency. In monitoring customer credit risk, customers are grouped according to the ageing of their debt. The company does not require collateral in respect of trade and other receivables.

Notes to the Financial Statements
Year ended October 31, 2023

24. Financial risk management (continued)

(a) Credit risk (continued):

(i) Trade receivables (continued)

The company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The allowances for doubtful debts are based on the ageing of the receivables and the customer's ability to pay.

The expected loss rates are based on the payment profile for sales over the last 24 months as well as the historical losses during the period. Individual customer payment history also forms a critical part in the analysis. The historical rates are adjusted to reflect forward looking economic factors affecting the customer's ability to pay. Trade receivables are written off when there is no reasonable expectation of recovery.

The expected credit loss for trade receivables as at October 31, 2023 were as follows:

	Current	31-60 days	61-90 days	Over 90 days	Total
ECL rate	1%	1.5%	2%	5%	
Gross carrying amount	74,459,850	54,719,854	77,591,802	138,285,226	345,056,732
Lifetime ECL	744,599	820,798	1,551,836	6,914,261	10,031,494

October 31, 2022

	Current	31-60 days	61-90 days	Over 90 days	Total
ECL rate	1%	1.5%	2%	5%	
Gross carrying amount	114,222,417	78,662,391	15,676,334	146,266,569	354,827,711
Lifetime ECL	1,142,224	1,179,936	313,527	7,313,328	9,949,015

(ii) Cash and cash equivalents

The company limits its exposure to credit risk by maintaining these balances with financial institutions which management considered to be stable and only with counterparties that are appropriately licensed and regulated. Management does not expect any counterparty to fail to meet its obligations.

The company considers that cash and cash equivalents have low credit risk. No impairment allowances were recognised on initial adoption of IFRS 9 and there has been no change during the year.

(b) Market risk:

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security or its issuer, or factors affecting all securities traded in the market. The company has no significant exposure to market risk as financial instruments subject to this risk are not material.

(i) Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The company minimises interest rate risk by investing mainly in fixed rate instruments and contracting liabilities at fixed rates, where possible. The company's interest rate risk arises mainly from bank loans.

The company does not account for any interest bearing financial instrument at fair value therefore a change in interest rates at the reporting date would not affect the carrying value of the company's financial instruments.

Notes to the Financial Statements
Year ended October 31, 2023

24. Financial risk management (continued)

(b) Market risk (continued):

(i) Interest risk (continued):

At October 31, 2023, interest bearing assets aggregated $233,171,619 (2022: $233,226,981) financial liabilities subject to interest aggregated $22,648,269 (2022: $9,031,544).

An increase in interest rates of 100 basis points would increase profit for the year and retained earnings by approximately $2,105,233 (2022: $2,241,954). A reduction in interest rates of 100 basis points would have an equal but opposite effect, assuming all other variables remain constant.

(ii) Foreign currency risk:

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company is exposed to currency risk on transactions that are denominated in a currency other than its functional currency. The principal currency giving rise to this risk is the United States dollars (US$).

The company manages foreign exchange exposure by maintaining adequate liquid resources in appropriate currency and by managing the timing of payments of foreign currency liabilities.

The company's exposure to foreign currency risk at the reporting date was as follows:

	2023	2022
	US$	US$
Financial assets	1,523,354	1,619,299
Financial liabilities	(15,552)	(12,993)
Net assets	1,507,802	1,606,306

Average exchange rates were as follows:

	US $1.00
At October 31, 2022	154.13
At October 31, 2023	156.08

Sensitivity analysis:

A 5% strengthening or weakening of the United States dollar against the Jamaican dollar would increase/(decrease) equity and profit by $11,766,888 (2022: $11,911,252). This analysis assumes that all variables, in particular, interest rates remain constant. The analysis is performed on the same basis for 2022.

(iii) Equity price risk:

Equity price risk arises from FVTPL equity securities held by the company as part of its investment portfolio. Management monitors the mix of debt and equity securities in its investment portfolio based on market expectations. The primary goal of the company's investment strategy is to maximise investment returns.

A 10% increase in the market price at the reporting date would cause an increase in gain on investments classified as FVTPL of $34,383 (2022: $40,830). A 10% decrease would have an equal but opposite effect on the net results or shareholders equity.

Notes to the Financial Statements
Year ended October 31, 2023

24. Financial risk management (continued)

(c) Liquidity risk:

Liquidity risk, also referred to as funding risk, is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid resources to meet its financial liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to reputation. Liquidity risk may result from an inability to sell a financial asset at, or close to, fair value.

The following are the contractual maturities of financial liabilities (including interest payments where applicable) measured at amortised costs.

	Carrying amount $	Contractual cash flows $	0-1 year $	2-5 year $	>5 year $
October 31, 2023					
Accounts payable	201,760,033	201,760,033	201,760,033	-	-
Lease liability	95,308,995	176,376,992	10,430,442	53,573,310	112,373,240
Long – term loan	22,648,269	28,371,063	10,243,025	10,358,879	7,769,159
	319,717,297	406,508,088	222,433,500	63,932,189	120,142,399
October 31, 2022					
Accounts payable	211,042,328	211,042,328	211,042,328	-	-
Lease liability	97,682,096	192,550,162	10,478,276	36,884,813	145,187,073
Long – term loan	9,031,544	11,176,172	2,032,031	8,128,125	1,016,016
	317,755,968	414,768,662	223,552,635	45,012,938	146,203,089

(d) Operational risk:

Operational risk is the risk of direct or indirect losses arising from a variety of causes associated with the entity's processes, personnel, technology, infrastructure and external factors, other than financial risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to its reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

(e) Capital management

The policy of the company's Board of Directors is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of business and ensure it continues as a going concern.

The company considers its capital to be its total equity inclusive of unappropriated profits and capital reserves. The company's financial objective is to generate a targeted operating surplus, in order to strengthen and provide for the future continuity of the company as a going concern in order to provide returns for its shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital.

The Directors regularly review the financial position of the company at meetings and monitor the return on capital and the level of dividends to the ordinary shareholders.

There was no change to the company's approach to capital management policies during the year.

Notes to the Financial Statements
Year ended October 31, 2023

25. Fair value of financial instruments

The fair value of short – term monetary assets and liabilities are assumed to approximate their carrying values due to their relatively short – term nature. Long – term loans are carried at the contractual settlement amounts.

DISCLOSURE OF SHAREHOLDINGS

THE LIMNERS AND BARDS LIMITED

Shareholding of Directors, senior managers and top ten shareholders

At October 31, 2023

	DIRECTORS	TOTAL	Direct	Connected Party
	Kimala Bennett	728,265,602		
	Kimala Bennett Private Company Limited			728,181,394
	Adrian Randle			84,208
	Tashara-Lee Johnson	21,698,669	21,461,669	
	Ann-Marie Francis			237,000
	Steven Gooden	2,728,412	2,728,412	-
	Michael Bennett	1,000,000	1,000,000	-
	Rochelle Cameron	100,000	100,000	-
	Maxine Walters	-	-	-
	Kareem Tomlinson	-	-	-
	SENIOR MANAGEMENT			
	Kimala Bennett	728,265,602		728,265,602
	Tashara-Lee Johnson	21,698,669	21,461,669	237,000
	Colleen Corke-Campbell	10,000	10,000	-
	Samantha Whyte	50,000	50,000	-
	Kimberley Adamson	-	-	
	Dexter Musgrave	-	-	-
	Wendy-Ann Smith Anderson	-	-	-
	TOP TEN (10) SHAREHOLDERS			
1	Kimala Bennett Private Company Limited	728,181,394	77.0000%	-
2	NCB Capital Markets. A/C 2231	36,843,131	3.8959%	-
3	JAMAICA MONEY MARKET BROKERS LTD	23,689,880	2.5050%	-
4	Tashara – Lee Johnson	21,461,669	2.2694%	-
5	ATL Group Pension Fund Trustee Nominee Ltd	16,000,000	1.6919%	-
6	JCSD TRUSTEE SERVICES LIMITED A/C BARITA UNIT TRUST CAPITAL GROWTH FUND	13,667,762	1.4453%	-
7	MF & G Asset Management Limited	7,677,523	0.8118%	-
8	PAM-Pooled Equity Fund	6,252,063	0.6611%	
9	Douglas Orane	5,000,000	0.5287%	-
10	Randy Rowe	4,671,008	0.4939%	-
				-
	Total Units Owned by Top 10 Shareholders	863,444,430		
	Total Issued Capital	945,690,252		
	Total Percentage Owned by Top 10 Shareholders	91.3031%		

FORM OF PROXY

I/We____of________________________________

____

being member/members of THE LIMNERS AND BARDS LIMITED ("The LAB") hereby appoint_______________________________

of____ or failing him **The Chairman of the Board** of **The Limners and Bards Limited.** as my/our proxy vote for me/us on my/our behalf at the Annual General Meeting of the company to be held on July 18, 2024 at 10:00 a.m. at the **Head Office of the LAB, Units 4-5, 69 Constant Spring Road, Kingston 10, Jamaica.** and/or virtually and at any adjournment thereof. Please indicate with an X in the space provided how you wish your proxy to vote on the Resolution referred to. Unless otherwise indicated, the proxy will vote as he thinks fit.

RESOLUTION	FOR	AGAINST
RESOLUTION NO. 1 Directors' Report and Auditors Report and Audited Financial Statements		
RESOLUTION NO. 2 To ratify the ordinary dividends of $0.0065 per share and special dividends of 0.0304 paid on January 31, 2023		
RESOLUTION NO. 3 Retirement and Re-election of Director		
Resolution 3a "THAT Mr. Michael Bennett be and is hereby re-elected a Director of the company".		
Resolution 3b "THAT Ms. Maxine Walters be and is hereby re-elected a Director of the company".		
Resolution 3c "THAT Ms. Tashara Lee Johnson be and is hereby elected a Director of the company."		
RESOLUTION NO. 4 Directors' Remuneration		
RESOLUTION NO. 5 Appointment and remuneration of the Auditors		

Signed this _________ day of____________________2024. Signature: ____

NOTES:

1. This Form of Proxy must be lodged at the Registered Office of the company (69-75 Constant Spring Road, Kingston 10) or the Registrar, Jamaica Central Securities Depository ("JCSD"), 40 Harbour Street, Kingston, not later than forty-eight (48) hours before the meeting.
2. Any alterations in this Form of Proxy should be initiated.
3. In the case of joint holders, the signature of one holder will be sufficient but the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint-holders, seniority being determined by the order in which the names stand on the register.
4. If the appointer is a Corporation, this Form of Proxy must be executed under its common seal or under the hand of an Office or Attorney duly authorised.
5. An adhesive stamp of $100.00 must be affixed to the Form of Proxy.

THE LAB

ANNUAL REPORT 2023

NEW ROADS AHEAD