



ANNUAL REPORT 2018



Net Weight: 110g (3.88oz)

TOP UP ON CRACKERS

RECIPE CURRY CHICKEN SALAD

LET'S MAKE IT!



3 TBSP CURRY POWDER
2 CHICKEN BREASTS
3 OZ ONIONS DICED
6 OZ MAYONNAISE
PINCH OF SALT

PINCH OF PEPPER
1 TSP PARSLEY CHOPPED
2 SPRING ONIONS
2 TSP VEGETABLE OIL
ECLIPSE CRACKERS

1. SLICE CHICKEN BREASTS IN STRIPS AND SEASON WITH HALF THE CURRY POWDER (1½ TBSP).
2. PAN SEAR CHICKEN IN FRYING PAN WITH MEDIUM HEAT UNTIL COOKED.
3. MIX ONION, MAYONNAISE, SALT, PEPPER, PARSLEY, SPRING ONIONS AND REMAINING CURRY.
4. DICE CHICKEN AND ADD TO MAYONNAISE MIXTURE.
5. STIR AND CHILL.
6. SERVE WITH ECLIPSE CRACKERS.

RECIPE BY CHEF DANE SADDLER



#IAMACRACKERFAN



INSTAGRAM.COM/WIBISCO & FB.COM/WIBISCO



***THE WEST INDIA BISCUIT
COMPANY LTD.***

FINANCIAL STATEMENTS

***FOR THE YEAR ENDED AUGUST 31, 2018
(EXPRESSED IN BARBADOS DOLLARS)***





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ONE HUNDRED AND NINTH ORDINARY GENERAL MEETING

Notice is hereby given that the One Hundredth and Ninth Ordinary General Meeting of the Shareholders of The West India Biscuit Company Limited will be held at the Registered Office of the Company, Gill's Road, Bridgetown, on Friday, 8th Day of February 2019 at 11.00 a.m. for the following purposes:

1. To receive and consider the Accounts and Reports of the Directors and Auditors for the year ended August 31, 2018.
2. To elect Directors.
3. To appoint Auditors and fix their remuneration.
4. To transact any other business of an Ordinary General Meeting.

By order of the Board of Directors.

Bridgetown
November 22, 2018

A handwritten signature in black ink, appearing to read "E. Gill", written over a horizontal line.

E. Gill (Ms)
Secretary



CORPORATE INFORMATION

Incorporated October 12, 1910

REGISTERED OFFICE

Gill's Road
Whitepark Road
St. Michael, Barbados BB11083
Telephone: 1-246-227-6200
Facsimile: 1-246-426-5035
Email: admin@wibisco.com
www.wibisco.com

BOARD OF DIRECTORS

Mr. Christopher D. Bynoe – Chairman
Mr. Michael R Bynoe
Mr. Robert Bermudez
Mr. Ricardo Williams
Mr. Gerald A. King

CORPORATE SECRETARY

Ms. Elaine Gill

AUDITORS

Ernst & Young
One Welches, Welches,
St. Thomas
Barbados BB22025

BANKERS

CIBC FirstCaribbean International Bank (Barbados) Limited
Warrens, St. Michael, Barbados

REGISTRAR & TRANSFER AGENT

Corporate Services Limited

ATTORNEYS-AT-LAW

Hanschell & Company
Croton Court,
Corner Pine & Belmont Roads
Belleville, St. Michael, Barbados



FINANCIAL HIGHLIGHTS

(expressed in Barbados dollars)

	2018	2017	2016	2015	2014	2013
Turnover - millions of dollars	60.9	57.4	54.9	55.0	59.1	53.2
Pre-tax profits -millions of dollars	10.4	9.7	9.7	8.5	6.5	4.4
Net income - millions of dollars	9.0	9.0	8.6	7.5	5.9	3.9
Earnings per share - cents	296.7	296.4	278.6	246.7	193.6	129.0
Dividends per share - cents	80.0	80.0	80.0	55.0	55.0	205.0
Dividend cover	3.7	3.7	3.5	4.5	3.5	0.6
Net asset value per share - dollars	22.4	20.5	18.0	15.5	15.2	13.8
Share price - dollars: year ended August 31, 2018	20.0	17.43	14.4	10.5	10.5	10.0



CHAIRMAN'S REPORT

I am pleased to report another successful year. Gross revenues were \$60.9M compared to \$57.4M for the previous year, an increase of 6%. This is commendable for the Company despite the current economic challenges and after the austerity measures introduced towards the latter part of the financial year by the Government in collaboration with the International Monetary Fund.

Export sales remain an important element of the Company's success. Export revenues have increased during the year under review, while management continues to explore new market opportunities. Trading in the Panama market commenced from January 2018 and reentry into the Belize market commenced from the month of March 2018.

Net Income before tax for the year rose by 7% over the corresponding period despite several one-off expenses.

Once again, our management and team of employees have risen to the challenges and delivered an exceptionally good performance.

During the year the Company successfully completed a U.S. Food & Drug Administration (FDA) Food Safety Preventative Control Inspection of its production facilities. This inspection formed part of the verification process to ensure that food items being supplied to the United States are produced in a manner that meets applicable U.S. food safety standards.

The Company embarked on the implementation of a new Enterprise Resource Planning system, Microsoft Dynamics AX during the financial year. It is expected that this new accounting system will increase the efficiency of the business as this software solution will address the information needs of the Company by integrating all relevant business functions throughout the organization. This system went live on October 8th, 2018.

I am happy to report that Mr. Lorenzo Roach, took up the position of General Manager of WIBISCO effective March 2018. Mr. Roach brings with him a wealth of experience in the manufacturing industry serving in management positions in both Supply Chain Management and Plant Operations. We are confident that he will continue to build on WIBISCO's strong legacy as a leader in the manufacturing industry.

As a consequence of the need to prepare the Company for growth in the midst of uncertain times, the Board of Directors has declared a final dividend of 55 cents per share, same as prior year.

I wish to thank the staff and management for their devotion to the business this past year. Again, I salute the Barbados Workers' Union for their wise and mature partnership as together we create a globally competitive company.

Thank you for your continued confidence in our Company.

A handwritten signature in black ink, appearing to read "C. D. Bynoe", written over a horizontal line.

C. D. Bynoe
Chairman



DIRECTORS' REPORT

REPORT OF THE DIRECTORS to be presented to the Shareholders at the One Hundred and Ninth Ordinary General Meeting to be held at the Company's Registered Office, Gill's Road, Bridgetown, on February 8, 2019.

The Directors submit herewith the Audited Statement of Accounts for the year ended August 31, 2018.

Net income for the year	\$ 8,964,426
Balance at August 31, 2017	\$54,472,845
Share retirement	\$ (16,494)
Dividends paid	\$ (2,418,003)
Balance at August 31, 2018	<u>\$61,002,774</u>

Mr. Robert Bermudez retires by rotation but is eligible for re-election for a period not exceeding three years.

The retiring Auditors, Ernst & Young, Chartered Accountants, offer themselves for reappointment.

A handwritten signature in black ink, appearing to read "E. Gill", positioned above a horizontal line.

E. Gill
Secretary

Bridgetown
November 22, 2018



CORPORATE GOVERNANCE OVERVIEW

Board Composition and Structure

The maximum number of Directors permitted by the Articles of Incorporation of the Company is ten and the minimum is three. The Board of Directors presently consists of five members, three of whom are independent Non-Executive Directors. The remaining two are the Chief Executive Officer and the Group Finance Executive.

The Board of Directors considers that the quality, skills and experience of Directors enhances the Board's effectiveness and the collective Board is required to have the core set of skills essential to the efficient and prudent operation of the Company's business.

The Board's mandate extends to the approval and implementation of the Company's strategic plan and budget and its corporate objectives, approval and monitoring of investment opportunities and major capital expenditure, the review and approval of financial statements and their disclosure, the approval of dividends and the review and monitoring of internal controls, risk management and legal and regulatory compliance. The Board is also responsible to ensure that the Company has the appropriate structures and programs in place to operate within the highest ethics, compliance and corporate governance practices.

Board Committee Structure

To assist in carrying out its mandate the Board has established two Committees namely the Audit and Corporate Governance Committee. An Audit Committee Charter as well as the Board Mandate can be viewed on the Company's website: www.wibisco.com. The composition of Boards can be seen in the Report on Page 6.

The Audit Committee

The Audit Committee members are:-

- Christopher D. Bynoe - Chairman
- Gerald A. King
- Ricardo Williams

The mandate of the Audit Committee is to appoint external auditors for subsequent approval by shareholders, oversee the work of external auditors and recommend their compensation to the Board. In addition the Committee is also required to review the annual audit plan, review and approve the audited financial statements, associated management letter, attestation on the effectiveness of the internal control structure and procedures for financial reporting.

The Committee also oversees the Internal Audit function providing the policy and framework for an effective system of internal controls, ensures compliance with legal, statutory and regulatory requirements and to assure and maintain the independence of the internal audit process.



The Committee is also responsible for providing an appropriate confidential mechanism for whistleblowers to provide information on potentially fraudulent financial reporting or breaches of internal control to the Audit Committee.

The Corporate Governance Committee

The Corporate Governance Committee members are:-

Mr. Christopher D. Bynoe – Chairman
Mr. Michael R. Bynoe
Mr. Robert Bermudez
Mr. Ricardo Williams
Mr. Gerald A. King

The Corporate Governance Committee's primary role is to develop and recommend to the Board of Directors procedures and policies to establish and to maintain the best standards of corporate governance.

Rotation, Election and Re-election of Directors

In accordance with both the by-laws of the Company and the provisions of the Companies Act Chapter 308 of the Laws of Barbados, one Director, Mr. Robert Bermudez retire by rotation and being eligible, offers himself for re-election for a term not exceeding three years.

Mr. Bermudez is the Chairman of Massy Holdings Ltd. He has a strong reputation for pragmatic and shrewd business judgment and has enjoyed a distinguished career in business in Trinidad & Tobago and the Caribbean. Mr. Bermudez is the Chancellor of The University of the West Indies.



GENERAL MANAGER'S REPORT

The West India Biscuit Company Limited registered another good performance for the year ended August 31, 2018. Gross revenues improved by 6% or \$3.5M climbing from \$57.4M to \$60.9M. The Company continued its cost and process optimization strategies during the year and this resulted in profit before taxes increasing by 7% despite several significant one-off expenses incurred during the year.

Exports revenues were strong, registering sales growth of 8% or \$1.3M above the prior year. In its bid to penetrate Central America, WIBISCO launched its flagship Shirley and Tea Time biscuits in Panama in January 2018. This was achieved in collaboration with the Barbados Investment Development Corporation. Successful re-entry in the Belize market took place in March 2018 and it is anticipated that the WIBISCO brands will continue to grow in this market.

The Balance Sheet of the Company continues to be strong. In 2017, new sweet biscuit packaging equipment was installed and the Company is benefiting from this installation in terms of efficiencies and output. During 2018, the Company with support from its parent company embarked on the implementation of a new Enterprise Resource Planning (ERP) system. The new system went live on October 8, 2018 and it is expected that this system will improve the efficiencies of the business in all areas.

During 2019, the Company will continue to focus on achievement of greater competitiveness in our manufacturing plant and a number of initiatives and investments are planned in this regard.

The team at WIBISCO must be commended for the successful completion of its first U.S. Food & Drug Administration (FDA) Food Safety Preventative Control Inspection of its production facilities. This inspection is a new requirement for all products being exported in the United States to ensure compliance to the U.S. food safety standards.

We congratulate the management and staff of WIBISCO for their loyalty and commitment during the year to achieve these results. We also extend appreciation to the Barbados Workers' Union, our partners in building a competitive manufacturing business in Barbados. Appreciation is also extended to our local, regional and international trade partners for their support and our loyal customers for continuing to make the WIBISCO brands, their brands of choice.

A handwritten signature in blue ink, appearing to read "Lorenzo Roach", written over a horizontal line.

Lorenzo Roach
General Manager



BIO - LORENZO ROACH

Mr. Lorenzo Roach's career has centered on manufacturing, which he describes as a passion of his. After joining Barbados's leading beverage manufacturing group in 2000 as a Quality Assurance Technician, Mr. Roach spent the next 17 years in various positions throughout that organization's strata. Notably, Mr. Roach was appointed as Beverage Plant Manager for the island's local Coca Cola franchise bottler, having direct responsibility for the full operations of that business. Subsequent to that, Mr. Roach then went on to lead the team at the island's sole dairy and juice production facility as Supply Manager before making the move to WIBISCO.

With a Master's degree in Business Administration (with Distinction) from the University of the West Indies (UWI) and extensive experience across the various disciplines associated with manufacturing, Mr. Roach joins the WIBISCO team eager to contribute to the company's continued success.



MANAGEMENT TEAM



LORENZO ROACH
General Manager



DELROY WALSH
Operations Manager



LAINA JACOB
Human Resource Manager



DIANE PAYNE
Commercial Manager



JASMINE LASHLEY
Supply Chain Manager



ELAINE GILL
Finance Manager / Company Secretary



ADDITIONAL INFORMATION REQUIRED IN ACCORDANCE WITH THE BARBADOS STOCK EXCHANGE AGREEMENT

Additional information for the year ended August 31, 2018, required in accordance with the Barbados Stock Exchange Listing Agreement.

- (a) According to the Company's Register at August 31, 2018, the interest of persons who were Directors at that date were as follows:-

C.D. Bynoe	1,000 shares
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- (b) At August 31, 2018, the following companies held more than 5% of the share capital of the company:

Bermudez Group Limited
Russell Investments Ltd.
Bermudez Biscuit Company Limited



NEW YORK

WIBISCO exports many products throughout the Caribbean as well as to Miami, New York, and the UK. Among the Caribbean markets being served are Trinidad and Tobago, Grenada, St. Vincent, Dominica, Montserrat, Antigua and Barbuda, St. Kitts and Nevis, Saint Maarten, Anguilla, The British Virgin Islands, The US Virgin Islands, Jamaica and the Cayman Islands. Arrangements are in place to export even further afield in the near future and our packaging has been upgraded to compete in the international arena.

 **WIBISCO** exports locations

UNITED KINGDOM

MIAMI

CAYMAN ISLANDS

JAMAICA

US/BRITISH VIRGIN ISLANDS

ANGUILLA

SAINT MAARTEN

ANTIGUA & BARBUDA

ST. KITTS & NEVIS

MONTSERRAT

GUADELOUPE

DOMINICA

MARTINIQUE

ST. LUCIA

ST. VINCENT

BARBADOS

GRENADA

TRINIDAD & TOBAGO

Caribbean Sea

The background of the entire page is a vibrant, green aurora borealis (Northern Lights) against a dark, starry night sky. The aurora consists of several bright, glowing bands of light that curve and shimmer across the frame, creating a sense of movement and depth. The stars are small, white pinpoints of light scattered throughout the dark background.

***THE WEST INDIA BISCUIT
COMPANY LTD.***

FINANCIAL STATEMENTS

For the year ended August 31, 2018
(Expressed in Barbados Dollars)



Ernst & Young Ltd
P.O. Box 261
Bridgetown, BB11000
Barbados, W.I.

Tel: 246 430 3900
Fax: 246 426 9551
246 430 3879
www.ey.com

Street Address
One Welches
Welches
St. Thomas, BB22025
Barbados, W.I.

Independent Auditor's Report

To the Shareholders of The West India Biscuit Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The West India Biscuit Company Limited, which comprise the statement of financial position as at 31 August 2018, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 August 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

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 the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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. These matters were 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 these matters. For each item below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
Valuation of the underlying pension assets	
<p>As described in Note 12 – Post-employment, the defined benefit and defined contribution schemes are funded through investments in two mutual funds which are authorized to manage the plan’s underlying assets and calculate the fair value. The pension obligation is calculated by management’s expert actuary using assumptions and data provided by management.</p> <p>For our audit of the pension asset reported in the financial statements, the fair value of the underlying assets is important because the composition of the investment portfolio and the work of the experts and assumptions involved in determining the pension obligation.</p>	<p>As part of our overall audit response, we performed the following procedures over the valuation of the underlying pension asset, present value of the obligation and overall assessment of whether the pension asset reported in the financial statements was not materially misstated:</p> <p>Obtained an understanding of the types of underlying assets within the pension plan.</p> <p>Reviewed the results of the procedures performed by the third party and analysed changes in the investment portfolio and net asset values of the plan.</p> <p>Reviewed the underlying data and assessed the assumptions which management provided to the expert actuary to compute the pension obligation.</p>

Information Other than the Financial Statements and Auditor’s Report Thereon

Management and the Audit Committee are responsible for the other information. The other information comprises the information included in the annual report, such as the Chairman’s Report, General Manager’s Report and Biographies, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Financial Statements

Management and the Audit Committee are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing 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 Company or to cease operations, or has no realistic alternative but to do so.

Management and the Audit Committee are responsible for overseeing 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 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 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.
- 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

We communicate with Management and the Audit Committee 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 provide those charged with governance 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.

From the matters communicated with Management and the Audit Committee, we determine those matters that were of most significance in the audit of the 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 matter 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.

Other Matters

This report is made solely to the Company's shareholders, as a body, in accordance with Section 147 of the Companies Act of Barbados. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law and subject to any enactment or rule of law to the contrary, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinion we have formed.

The engagement partner on the audit resulting in this independent auditor's report is John-Paul Kowlessar.

A handwritten signature in black ink that reads 'Ernst & Young Ltd'.

November 22, 2018



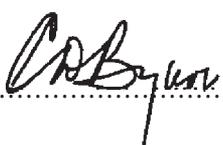
STATEMENT OF FINANCIAL POSITION

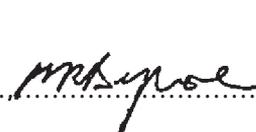
As at August 31, 2018 (expressed in Barbados dollars)

	Notes	2018 \$	2017 \$
Current assets			
Cash in hand and at bank	5	26,063,334	24,482,496
Trade and other receivables	6	6,544,321	5,609,478
Due from related companies	7	770,572	989,244
Prepaid expenses		536,102	686,815
Inventories	8	5,620,576	5,992,438
Corporation tax recoverable		186,211	186,211
		<u>39,721,116</u>	<u>37,946,682</u>
Current liabilities			
Bank overdraft	5	13,783	56,371
Trade and other payables	9	4,081,040	3,988,420
Due to related companies	7	1,810,596	3,715,939
Current income tax liability		1,259,484	991,795
		<u>7,164,903</u>	<u>8,752,525</u>
Working capital		32,556,213	29,194,157
Available-for-sale financial asset	10	8,421,739	8,518,370
Property, plant and equipment	11	23,189,198	21,294,751
Pension plan asset	12	5,689,437	5,112,997
Deferred tax liability	18	(2,133,023)	(2,015,554)
		<u>67,723,564</u>	<u>62,104,721</u>
Net assets			
Represented by:			
Equity			
Share capital	13	2,998,898	3,042,816
Other reserves	14	3,721,892	4,589,060
Retained earnings		61,002,774	54,472,845
		<u>67,723,564</u>	<u>62,104,721</u>

The accompanying notes form an integral part of these financial statements.

Approved by the Board of Directors on November 22, 2018 and signed on its behalf by:

.....Director

.....Director



STATEMENT OF CHANGES IN EQUITY

For the year ending August 31, 2018 (expressed in Barbados dollars)

	Note	Share Capital	Available for-sale revaluation reserve	Retained earnings	Other	Total equity
		\$	\$	\$	\$	\$
Balance at August 31, 2016		3,042,816	1,251,834	47,933,523	1,438,381	53,666,554
Net Income for the year		-	-	8,957,325	-	8,957,325
Other comprehensive income		-	996,214	-	902,631	1,898,845
Dividends paid (\$0.80 per share)		-	-	(2,418,003)	-	(2,418,003)
Balance at August 31, 2017		3,042,816	2,248,048	54,472,845	2,341,012	62,104,721
Net Income for the year		-	-	8,964,426	-	8,964,426
Other comprehensive income		-	(1,093,588)	-	226,420	(867,168)
Share Retirement	13	(43,918)	-	(16,494)	-	(60,412)
Dividends paid (\$0.80 per share)		-	-	(2,418,003)	-	(2,418,003)
Balance at August 31, 2018		2,998,898	1,154,460	61,002,774	2,567,432	67,723,564

The accompanying notes form an integral part of these financial statements.



STATEMENT OF COMPREHENSIVE INCOME

For the year ended August 31, 2018 (expressed in Barbados dollars)

	Notes	2018 \$	2017 \$
Sales	20	60,878,343	57,444,871
Cost of sales		(35,540,878)	(32,927,819)
Gross profit		25,337,465	24,517,052
Other operating income	16	412,250	399,766
Selling and distribution expenses		(8,976,982)	(8,473,750)
Supply chain expenses		(2,078,747)	(2,123,623)
Administrative expenses		(3,399,584)	(3,398,611)
Finance cost		(91,030)	(73,311)
Other operating expenses		(834,684)	(1,140,052)
Income before taxation		10,368,688	9,707,471
Taxation	18	(1,404,262)	(750,146)
Net income for the year		8,964,426	8,957,325
Other comprehensive income			
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)</i>			
Fair value (loss)/gains on available-for-sale financial assets	10	(1,093,588)	996,214
Net other comprehensive (loss)/ income to be reclassified to profit or loss in subsequent periods		(1,093,588)	996,214
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)</i>			
Gain from defined pension plan asset	12	266,376	1,077,543
Deferred tax movement on pension asset		(39,956)	(174,912)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods.		226,420	902,631
Total other comprehensive (loss)/ income		(867,168)	1,898,845
Total comprehensive income for the year, net tax		8,097,258	10,856,170
Basic and diluted earnings per share - cents	19	296.7	296.4

The accompanying notes form an integral part of these financial statements.



STATEMENT OF CASH FLOWS

For the year ended August 31, 2018 (expressed in Barbados dollars)

	Notes	2018 \$	2017 \$
Cash flows from operating activities			
Income before taxation		10,368,688	9,707,471
Adjustments for:			
Depreciation	11	1,362,588	1,497,799
Pension benefits paid	12	(646,201)	(686,166)
(Loss)/gain on disposal of property, plant and equipment		102,603	(20,494)
Pension plan charge	12	336,137	429,610
Operating profit before working capital changes		11,523,815	10,928,208
Increase in trade and other receivables		(934,843)	(324,858)
Decrease in due from related companies		218,672	18,458
Decrease in prepaid expenses		150,713	652,732
(Decrease)/increase in inventories		371,862	(489,690)
Increase/(decrease) in trade and other payables		92,620	(399,520)
(Decrease)/increase in due to related companies		(1,905,343)	1,543,820
Cash generated from operations		9,517,496	11,929,150
Corporation tax paid		(1,059,060)	(701,649)
Net cash generated from operating activities		8,458,436	11,227,501
Cash flows from investing activities			
Purchase of available-for-sale financial asset	10	(996,957)	(6,354)
Purchase of property, plant and equipment	11	(3,478,962)	(3,685,503)
Proceeds on disposal of property, plant and equipment		119,324	20,500
Net cash used in investing activities		(4,356,595)	(3,671,357)
Cash flows from financing activities			
Share repurchase		(60,412)	-
Dividends paid		(2,418,003)	(2,418,003)
Net cash used in financing activities		(2,478,415)	(2,418,003)
Net increase in cash and cash equivalents		1,623,426	5,138,141
Cash and cash equivalents - beginning of year		24,426,125	19,287,984
Cash and cash equivalents - end of year	5	26,049,551	24,426,125

The accompanying notes form an integral part of these financial statements.



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

1. General information

The Company is incorporated under the Laws of Barbados. Its principal activity is the manufacture and sale of biscuits. The company also sells biscuits and snacks manufactured by related parties.

The Company is registered and domiciled in Barbados at Gill's Road, St. Michael.

The Company is listed on the Barbados Stock Exchange and is a 66% subsidiary of Bermudez Group Limited, a company registered in the Republic of Trinidad and Tobago.

2. Significant accounting policies

Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. They have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and available-for-sale financial assets.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

New and amended standards and interpretations which are applicable

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended August 31, 2017 except for the standards noted below:

- *IAS 7 Disclosure Initiative – Amendments (Effective January 1, 2017)*
- *IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses - Amendments (Effective January 1, 2017)*

There was no impact on the financials.

Standards issued but not yet effective

The following is a list of standards and interpretations that issued but are not yet effective up to the date of issuance of the Company's financial statements. The Company intends to adopt these standards and interpretations, if applicable, when they become effective.

- *IFRS 9 Financial Instruments (Effective January 1, 2018)*



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

2. Significant accounting policies (continued)

Standards issued but not yet effective (continued)

- *IFRS 15 Revenue from Contracts with Customers (Effective January 1, 2018)*
- *IFRS 16 Leases (Effective January 1, 2019)*
- *Annual improvements applicable to annual periods beginning on or after January 1, 2018*
 - *IFRS 1 First-time Adoption of International Financial Reporting*
 - *IAS 28 Investments in Associates and Joint Ventures*

Foreign currency translation

Functional and presentation currency

These financial statements are presented in Barbados dollars which is also the Company's functional currency.

Transactions and balances

Transactions arising during the year involving foreign currencies are translated into the functional currency at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in income.

Revenue recognition

Revenue comprises the fair value for the consideration received or receivable for the sale of goods in the ordinary course of the Company's activities. Revenue is shown net of Value-Added Tax, National Social Responsibility Levy, returns, rebates and discounts.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable the future economic benefits will flow to the entity and when specific criteria have been met for each of the company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of goods - wholesale

Sale of goods is recognised when the Company has delivered products to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products (though there is a suggested retail price), and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery does not occur until, for key account customers, the products have been delivered to the specified location, for export customers, the products have left the sea-port and wholesaler notified, and either the wholesaler has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

2. Significant accounting policies (continued)

Revenue recognition (continued)

Sale of goods - retail

The Company operates one retail outlet for the sale of its products. Sale of goods is recognised when the Company sells its products to the customer. Retail sales are usually in cash.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Interest and other income

Interest and other income are recognized on an accrual basis.

Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, if it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. Impairment losses are recognised in income.

Financial instruments

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity of another entity.

Financial assets

The Company classifies its financial assets in the following categories: trade and other receivables and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Financial liabilities

The Company's financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method. At the reporting date, the following items were classified as financial liabilities: trade and other payables and due to related companies.



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

3. Risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out under policies approved by the Board of Directors. The Board provides guidance for overall risk management.

Market risk

Foreign exchange risk

The Company's transactions in foreign currencies are mainly for purchases of raw materials and sale of products.

These transactions are denominated mainly in United States dollars. There is a fixed exchange rate between the Barbados dollar and the United States dollar and there is no significant exposure to foreign exchange risk.

Cash flow and fair value interest rate risk

The Company has no interest bearing financial assets; therefore the Company's income and cash flows are independent of changes in market interest rates.

The Company's interest rate risk arises from bank overdraft. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. When utilised, the bank overdraft bears interest at the rate of 6% (2017 – 6%) per annum. Since the Company has no long-term borrowings, the Company is not exposed to fair value interest rate risk.

Exposure to fair value interest rate risk results from fluctuations in the fair value of borrowings in response to changes in market interest rates.

Price risk

The Company's available-for-sale investment is exposed to price risk arising from changes in the market value. The effects of a 1% increase or decline in price on the Company's investment would result in a change in the statement of changes in comprehensive income of \$84,133 (2017 - \$85,184).

Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The Company's credit risk arises from cash and cash equivalents, deposits with financial institutions as well as credit exposures to wholesale and retail customers and other receivables.

NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

3. Risk management (continued)

Credit risk (continued)

The Company's policy is to ensure that sales of product on credit are made to customers with appropriate credit history, financial position, credit quality and other factors. The utilisation of credit limits is regularly maintained. Sales to retail customers are generally in cash. Credit risk on trade receivables is limited, as trade receivables are shown net of provision for impairment.

The amount of the Company's maximum exposure to credit risk is indicated by the carrying value of its financial assets.

The maximum credit risk exposure is as follows:

	Notes	2018 \$	2017 \$
Cash in hand and bank	5	26,063,334	24,482,496
Trade and other receivables	6	6,544,321	5,609,478
Due from related parties	7	770,572	989,244
		<hr/>	<hr/>
		33,378,227	31,081,218

Liquidity risk

In order to manage liquidity risk, management seeks to maintain sufficient levels of cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities to meet reasonable expectations of its short-term obligations.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting to the contractual maturity date. The amounts disclosed in the schedule are contractual undiscounted cash flows.

	Notes	Less than 1 year 2018 \$	Less than 1 year 2017 \$
Bank overdraft	5	13,783	56,371
Trade and other payables	9	4,081,040	3,988,420
Due to related companies	7	1,810,596	3,715,939
		<hr/>	<hr/>
		5,905,419	7,760,730

The table below analyses the Company's financial assets into relevant maturity groupings based on the remaining period at the reporting to the contractual maturity date.



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

3. Risk management (continued)

Liquidity risk (continued)

		Less than 1 year	Less than 1 year
	Notes	2018 \$	2017 \$
Cash in hand and bank	5	26,063,334	24,482,496
Trade and other receivables	6	6,544,321	5,609,478
Due from related parties	7	770,572	989,244
		<hr/>	<hr/>
		33,378,227	31,081,218

Capital risk management

The Company's objectives when managing capital are to maximize shareholders' returns and benefits for other stakeholders' and to maintain an optimal capital structure to reduce the cost of capital.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 August 2018 and 2017.

Fair value of financial assets and liabilities

Fair value amounts represent estimates of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market value, if one exists.

Financial instruments carried at fair value in the financial statements are measured in accordance with a fair value hierarchy. This hierarchy is as follows:

Level 1 - quoted instruments in active markets for identical instruments;

Level 2 - inputs other than quoted prices in Level 1 that are observable for the instrument either directly or indirectly;

Level 3 - inputs for the instrument that are not based on observable market data.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The quoted market price used for financial assets held by the Company is the current close price. These instruments are included in level 1.



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

3. Risk management (continued)

Fair value of financial assets and liabilities (continued)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Specific valuation techniques used to value such financial instruments include quoted market prices for similar instruments and discounted cash flow analysis.

The available-for-sale financial assets are classified as level 1.

The carrying value of the Company's other financial assets and its financial liabilities are considered by management to approximate their fair value.

All other instruments use a Level 2 valuation technique.

The following describes the methodologies and assumptions used to determine fair values for those financial instruments which are not already recorded at fair values in the financial statements.

For financial assets and liabilities that are liquid, it is assumed that the carrying value approximates to their fair value. These financial assets and liabilities comprise of cash and bank overdraft, trade and other receivables, due from related companies, trade and other payables, and due to related companies.

Set out below, is a comparison by class of the carrying amounts and fair values of the Company's financial instruments.

	Notes	2018 Carrying Value \$	Fair Value \$
Assets			
Cash and cash equivalents	5	26,063,334	26,063,334
Trade and other receivables	6	6,544,321	6,544,321
Due from related companies	7	770,572	770,572
Available-for-sale financial assets	10	8,421,739	8,421,739
Liabilities			
Bank Overdraft	5	13,783	13,783
Trade and other payables	9	4,081,040	4,081,040
Due to related companies	7	1,810,596	1,810,596



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

3. Risk management (continued)

Fair value of financial assets and liabilities (continued)

	Notes	2017 Carrying Value \$	Fair Value \$
Assets			
Cash and cash equivalents	5	24,482,496	24,482,496
Trade and other receivables	6	5,609,478	5,609,478
Due from related companies	7	989,244	989,244
Available-for-sale financial assets	10	8,518,370	8,518,370
Liabilities			
Bank Overdraft	5	56,371	56,371
Trade and other payables	9	3,988,420	3,988,420
Due to related companies	7	3,715,939	3,715,939

4. Critical accounting estimates, judgements and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The development of estimates and the exercise of judgement in applying accounting policies may have a material impact on reported assets, liabilities, revenues and expenses within the next financial year. The items which may have the most effect on the Company's financial statements are set out below:

Revaluation of property, plant and equipment

The Company periodically utilises professional valuers to determine the fair value of its properties. Valuations are determined through the application of a variety of different valuation methods, which are all sensitive to the underlying assumptions chosen.

Impairment of available-for-sale financial assets

The Company follows the guidance of IAS 39 to determine when an available-for-sale financial asset is impaired. This determination requires significant judgement. In making this judgement, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

Pension benefits

The present value of pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. These assumptions are disclosed in note 12. Any changes in these assumptions will impact the carrying amount of pension obligations or assets.



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

4. Critical accounting estimates, judgements and assumptions (continued)

Income taxes

The Company is subject to income taxes in Barbados. Significant judgement is required in determining the provision for income taxes. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Provision for impairment of receivables

The Company estimates an allowance for impairment of trade receivables which management estimates are uncollectible based on the current market conditions and known concerns within the age of trade receivable.

5. Cash and cash equivalents

For cash flow purposes, cash and cash equivalents is comprised of cash and bank balances, less bank overdraft with an original maturity date of three months or less.

	2018	2017
	\$	\$
Cash in hand and bank	26,063,334	24,482,496
Bank overdraft	(13,783)	(56,371)
	<u>26,049,551</u>	<u>24,426,125</u>

The Company has a credit operating line with CIBC First Caribbean International Bank totalling \$3M (2017 - \$3M). The facility covers loans, bank overdraft and letters of credit. The credit operating line is secured by (i) the equitable mortgage over the property at Gill's Road White Park, St. Michael (ii) assignment of property insurance and stock at Gills Road, St Michael and (iii) two customs bonds of \$30,000 each. Interest on the facility is charged at a rate of 6% (2017 - 6%) per annum.

6. Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is recognised in income.

When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'other operating income'.



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

6. Trade and other receivables (continued)

	2018	2017
	\$	\$
Trade receivables	4,370,674	3,883,275
Less: provision for impairment	(40,877)	(33,374)
Trade receivables – net	4,329,797	3,849,901
Other receivables	2,234,823	1,787,338
Less: provision for impairment	(20,299)	(27,761)
	<u>6,544,321</u>	<u>5,609,478</u>

As at 31 August 2018, receivables of \$3,018,407 (2017 - \$2,765,263) were fully performing. Trade receivables that are less than three months past due are generally not considered impaired. As at 31 August 2018, receivables of \$1,211,216 (2017 - \$1,020,608) were past due. The amount of \$40,877 (2017 - \$33,374) is considered impaired. The ageing of trade receivables is as follows:

	2018	2017
	\$	\$
Up to 30 days	3,018,407	2,765,263
30 to 60 days	972,419	821,215
60 to 90 days	238,797	199,393
Over 90 days	141,051	97,404
	<u>4,370,674</u>	<u>3,883,275</u>

Ageing of the provision for impairment is as follows:

	2018	2017
	\$	\$
Over 90 days	40,877	33,374
	<u>40,877</u>	<u>33,374</u>

Movement on the provision for impairment of receivables is as follows:

	2018	2017
	\$	\$
Balance - beginning of year	61,135	20,137
Increase in provision for impairment of receivables	41	40,998
Balance - end of year	<u>61,176</u>	<u>61,135</u>



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

7. Related party transactions and balances

During the year, the Company had the following transactions with related companies.

	2018	2017
	\$	\$
Sale of goods		
Associates	6,221,457	6,076,621
	2018	2017
	\$	\$
Purchase of goods:		
Associates	11,602,298	12,284,933
Purchase of services:		
- Management services (parent company)	471,616	647,561
- Commissions paid (associates)	40	9,892

The above transactions constitute sale and purchase of goods and services in the normal course of business.

Key management compensation

Key management comprises directors and senior management of the Company.

Compensation to these individuals was as follows:

	2018	2017
	\$	\$
Salaries and other short-term employee benefits	1,053,257	1,150,921
Post-employment benefits	122,766	184,208
Directors' fees	62,968	63,000

Year-end balances arising from sales/purchases of goods/services

	2018	2017
	\$	\$
Receivables from associated companies	770,572	989,244
Payables to associated companies	1,810,596	3,715,939



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

8. Inventories

Inventories of raw materials and finished products are stated at the lower of cost and net realisable value. Cost is determined on an average basis and includes duty, transport and handling costs in the case of raw materials and all direct expenditure and production overheads in the case of finished products. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling costs. Inventories of machinery parts are valued at landing cost. Allowance is made for obsolete, slow-moving and damaged goods.

	2018	2017
	\$	\$
Raw materials	995,891	1,097,636
Packages, cartons, etc.	891,205	945,172
Finished goods	1,251,236	1,612,450
Machinery spares	1,640,929	1,494,840
Work in progress	7,921	713
	<hr/>	<hr/>
	4,787,182	5,150,811
Provision	(7,774)	(35,865)
Goods in transit	841,168	877,492
	<hr/>	<hr/>
Total inventories at the lower of cost and net realisable value	5,620,576	5,992,438

Inventory written down and expensed during the year totalled \$143,820 (2017 - \$26,934).

Below is the movement of the provision for inventory.

Opening balance	(35,865)
Reversal of provision relating to spares, scrap and usage variance	35,865
Additional provision made of obsolete inventory	(7,774)
Balance as at August 31, 2018	<hr/> (7,774) <hr/>

9. Trade and other payables

Trade payables are recognised initially at fair value and subsequently measured at cost.

	2018	2017
	\$	\$
Trade payables	1,635,577	1,581,960
Other payables	2,445,463	2,406,460
	<hr/>	<hr/>
	4,081,040	3,988,420



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

10. Available-for-sale financial asset

The Company classifies its financial assets as available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Available-for-sale financial assets are non-derivatives and are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

Regular purchases and sales of financial assets are recognised on the trade-date; the date on which the Company commits to purchase or sell the asset. Investments are measured initially at cost and are subsequently re-measured at their fair value based on quoted close prices. Cost of purchase includes transaction costs.

Gains and losses, net of tax arising from changes in the fair value of available-for-sale financial assets are shown as other comprehensive income in the statement of comprehensive income.

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is recognised in income. Impairment losses on equity investments are not reversed through income; increases in their fair value after impairment are recognised in other comprehensive income.

Sagicor Financial Corporation

	2018 No. of shares	2018 \$	2017 No. of shares	2017 \$
Balance - beginning of year	3,482,715	8,518,370	3,479,538	7,515,802
Purchases	459,599	988,872	3,177	6,354
Fair value (loss)/gain	-	(1,096,703)	-	996,214
Balance - end of year	3,942,314	8,410,539	3,482,715	8,518,370

Goddards Enterprise Ltd.

	2018 No. of shares	2018 \$	2017 No. of shares	2017 \$
Balance - beginning of year	-	-	-	-
Purchases	2,800	8,085	-	-
Fair value (loss)/gain	-	3,115	-	-
Balance - end of year	2,800	11,200	-	-
Total Investment	3,945,114	8,421,739	3,482,715	8,518,370



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

11. Property, plant and equipment

Land and buildings comprise mainly factory, retail outlet and offices. Land and buildings are shown at valuation, based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation except work-in-progress which is not depreciated. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of income in the period in which they are incurred.

Changes in the carrying amount arising on revaluation of land and buildings are credited to other comprehensive income in the statement of comprehensive income.

If an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in revaluation surplus in equity. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

If an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in the income for the year. However, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in revaluation surplus in equity.

Land and work-in-progress are not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Buildings	-	50 years
Plant and machinery	-	5 – 20 years
Furniture and equipment	-	4 – 10 years
Motor vehicles	-	5 – 10 years
Parking lot	-	50 years

The assets' residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'gain/loss on disposal' in income.

NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)



11. Property, plant and equipment (continued)

At August 31, 2018

	Note	Land	Buildings	Plant and machinery	Furniture and equipment	Work-in-progress	Motor vehicles	Parking lot	Total
		\$	\$	\$	\$	\$	\$	\$	\$
Opening net book value		5,204,000	8,338,297	5,752,529	598,816	48,817	661,977	690,315	21,294,751
Additions /transfers		1,422,060	836,960	484,669	205,995	427,704	101,574	-	3,478,962
Cost of disposals		-	-	(1,343,906)	(632,284)	-	(910,784)	-	(2,886,974)
Depreciation charge	15	-	(216,884)	(825,692)	(170,303)	-	(133,288)	(16,421)	(1,362,588)
Accumulated depreciation Disposal		-	-	1,127,162	627,101	-	910,784	-	2,665,047
Closing net book value		6,626,060	8,958,373	5,194,762	629,325	476,521	630,263	673,894	23,189,198
Cost or valuation		6,626,060	12,163,154	14,703,267	3,712,569	476,521	2,529,112	821,095	41,031,778
Accumulated depreciation		-	(3,204,781)	(9,508,505)	(3,083,244)	-	(1,898,849)	(147,201)	(17,842,580)
Net book value		6,626,060	8,958,373	5,194,762	629,325	476,521	630,263	673,894	23,189,198

NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)



11. Property, plant and equipment (continued)

At August 31, 2017

Note	Land	Buildings	Plant and machinery	Furniture and equipment	Work-in-progress	Motor vehicles	Parking lot	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Opening net book value	5,204,000	8,367,412	3,496,372	577,769	130,786	623,977	706,737	19,107,053
Additions /transfers	-	183,341	3,116,786	268,727	(81,969)	198,618	-	3,685,503
Cost of disposals	-	-	(3,725,611)	(913,814)	-	(366,479)	-	(5,005,904)
Depreciation charge	-	(212,456)	(860,623)	(247,680)	-	(160,618)	(16,422)	(1,497,799)
Accumulated depreciation Disposal	-	-	3,725,605	913,814	-	366,479	-	5,005,898
Closing net book value	5,204,000	8,338,297	5,752,529	598,816	48,817	661,977	690,315	21,294,751
Cost or valuation	5,204,000	11,326,194	15,562,503	4,151,724	48,817	3,326,808	821,095	40,441,141
Accumulated depreciation	-	(2,987,897)	(9,809,974)	(3,552,908)	-	(2,664,831)	(130,780)	(19,146,390)
Net book value	5,204,000	8,338,297	5,752,529	598,816	48,817	661,977	690,315	21,294,751



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

11. Property, plant and equipment (continued)

In 2015, the Company engaged an accredited independent Valuer to determine the fair value of its land and buildings. Revalued property and equipment uses a Level 2 valuation technique in the hierarchy to determine and disclose fair value. Fair value is determined by reference to market-based evidence. This means that the valuation performed by the Valuer was based on active market prices adjusted for any difference in the nature, location or condition of the specific property. The date of the valuation was May 31, 2015 when the land and buildings were revalued to \$13,500,000. The deficit of the revaluation below the carrying value of the land and buildings was debited to revaluation surplus.

If the land and buildings were stated on the historical cost basis, the amounts would be as follows:

	2018	2017
	\$	\$
Cost	16,871,565	14,612,545
Accumulated depreciation	(2,989,177)	(2,745,827)
Net book value	<u>13,882,388</u>	<u>11,866,718</u>

12. Post-employment benefits

Pension obligations

The Company operates defined benefit and defined contribution pension plans for its monthly and weekly paid employees under segregated fund policies with Sagicor Life Inc.

The schemes are funded through investments in two mutual funds managed by Sagicor Life Inc. whom are authorised to exercise complete discretion over the investment and reinvestment of the plan's assets and the reinvestment of the proceeds of sale and the variation of investments made.

The Company's contributions made to the plans are based on rates determined by the plans' actuary. Both plans are managed by independent Trustees who are appointed by representative from the management and staff of the company and operated under the rules of respective trust deeds.

There were no changes to the trust deeds.

The solvency of the plans is assessed by independent actuaries every three years to determine the funding requirements for the plans. The financial statements of the plans are audited annually by independent external auditors. Contributions are determined by periodic actuarial calculations.

A defined benefit plan is a pension plan that defines an amount of pension benefits that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

12. Post-employment benefits (continued)

Pension obligations (continued)

A defined benefit plan is a pension plan that defines an amount of pension benefits that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The asset/liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The last full actuarial valuation was conducted as of August 31, 2015 and revealed at that date a fund surplus of \$2,288,000.

Defined benefit plan

The Company operates a defined benefit plan comprising both weekly and monthly paid members of the Company as at December 31, 2012 at which date the plan was effectively closed to new entrants. The benefit plan is divided into two sections; In accordance with the rules of the defined benefit (Section One – weekly paid staff), members contribute the rate of 3% of Pensionable Earnings and the employer pays the balance of the cost of Section One of the Plan for a maximum of 35 years.

Members of Section Two (monthly paid staff) of the Plan are not required to make contributions to the Plan however they are allowed to make additional voluntary contributions while the employer pays the balance of the cost of Section Two of the Plan.

Defined contribution plan

The Company operates a defined contribution plan for all future employees of the Company who enrol as members of the plan on or after January 1, 2013. Members of the defined contribution plan contributes a rate of 2% of pensionable earnings up to the amount of the National Insurance (NIS) Ceiling and 5% on the Pensionable Earnings in excess of the National Insurance Ceiling whereas, the company contributions are based on the following scale:

Length of Membership	Pensionable Earnings < NIS Ceiling	Pensionable Earnings > NIS Ceiling
<10 years	2%	5%
10 – 20 years	4%	10%
> 20 years	6%	15%

Key assumptions and quantitative sensitivity analyses

The cost of the defined pension plan and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future promotional salary increases, future salary increases, future increases to pensions and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

12. Post-employment benefits (continued)

Key assumptions and quantitative sensitivity analyses (continued)

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

The mortality rate is based on 1994 Uninsured Pensioner Mortality Generational Table at 2016 with projection scale AA. Mortality tables tend to change only at intervals in response to demographic changes.

Future salary and pension increases are based on historical data and union negotiated terms.

Principal actuarial assumptions used for accounting purposes

	2018	2017
	%	%
Discount rate at the end of year	8.00	7.75
Expected return on plan assets	7.00	6.75
Future salary increases	4.50	4.25
Future pension increases	3.00	2.75

Risk factors that may impact the company

The defined benefit pension plan exposes the Company to:

- Longevity risk
- Inflation risk since the benefits to the current employees are based on the last five years prior to retirement
- Interest rate risk due to the liabilities being of longer duration than the dated securities
- Investment risk in order to counter the inflation risk and improve the investment return.

A quantitative sensitivity analysis for significant assumptions as at August 31, 2018 is as shown below:

Assumptions	Sensitivity Level	Impact on defined benefit obligation \$
Discount rate	(+1)/-1%	(2,463,313)/1,781,749
Future salary increases	(+.5)/-.5%	523,558/(619,443)
Life expectancy	Increase by 1 year	(611,160)



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

12. Post-employment benefits (continued)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to be made in the future years out of the defined benefit obligations

	2018	2017
	\$	\$
Less than 1 year	325,726	343,803
Between 1 – 2 years	380,454	362,111
Between 2 – 5 years	1,298,977	1,285,184
Over 5 years	3,256,568	3,072,215

The following is the expected asset split of the plan assets

	2018	2017
	%	%
Mortgages	7.14	7.85
Bonds	26.13	27.97
Equities	50.68	47.48
Property	6.66	7.20
Other	9.39	9.50
	<hr/> 100.00	<hr/> 100.00

Expected contributions

The best estimate of expected pension plan contribution to be paid for the year ending August 31, 2018 is \$633,893 (August 31, 2017: \$677,939).

Defined benefit obligations maturity profile

The average duration of the defined benefit plan obligation at the end of the reporting period is 18.38 years (2017: 18.84 years).



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

12. Post-employment benefits (continued)

Amounts recognised in comprehensive income in respect of the plans are as follows.

	2018	2017
	\$	\$
Benefit costs		
Current service costs	581,864	614,119
Interest costs	958,571	958,821
Expected return on plan assets	(1,326,704)	(1,218,853)
Administrative costs	122,406	75,523
Defined benefit costs recognised in profit and loss	<u>336,137</u>	<u>429,610</u>

	2018	2017
	\$	\$
Re-measurement of defined benefit asset		
Loss from change in assumptions	(31,889)	-
Experienced gains	(997,537)	(1,051,459)
Expected return on plan assets	1,326,704	1,218,853
Actual return on plan assets	(563,654)	(1,244,937)
Defined benefit costs recognised in other comprehensive income	<u>(266,376)</u>	<u>(1,077,543)</u>

The amounts recognised in the statement of financial position for the plans are determined as follows:

	2018	2017
	\$	\$
Employee benefit asset		
Present value of obligation	(12,157,197)	(12,016,346)
Fair value of plan assets	17,846,634	17,129,343
Net assets in statement of financial position	<u>5,689,437</u>	<u>5,112,997</u>

NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

12. Post-employment benefits (continued)

Changes in the fair value of plan asset

	2018	2017
	\$	\$
Balance at the beginning of the year	17,129,343	15,688,424
Plan Assets At Fair Value		
Net interest	563,654	1,244,937
Contributions by employees	145,287	136,687
Contribution by employers	646,201	686,166
Benefits paid	(515,445)	(533,348)
Administrative expenses	(122,406)	(75,523)
Balance at the end of the year	<u>17,846,634</u>	<u>17,129,343</u>

Changes in the defined benefit obligation

	2018	2017
	\$	\$
Balance at the beginning of the year	12,016,346	11,909,526
Benefit Obligation		
Net interest	958,571	958,821
Current service cost	581,864	614,119
Experience adjustments	(1,029,426)	(1,051,459)
Contributions by employees	145,287	138,687
Benefits paid	(515,445)	(553,348)
Balance at the end of the year	<u>12,157,197</u>	<u>12,016,346</u>

Movement in the net asset recognised in the statement financial position are as follows:

	2018	2017
	\$	\$
Net asset at the beginning of the year	5,112,997	3,778,898
Net expense recognised in the statement of comprehensive income	(336,137)	(429,610)
Net expense recognised in the statement of Other comprehensive income/(loss)	266,376	1,077,543
Other movements (contributions)	646,201	686,166
Net asset at the end of the year	<u>5,689,437</u>	<u>5,112,997</u>



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

13. Share capital

Ordinary shares are classified as equity and incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Authorised:

The Company is authorised to issue an unlimited number of common shares of no par value.

	2018 #	2018 \$	2017 #	2017 \$
Balance – beginning	3,022,504	3,042,816	3,022,504	3,042,816
Retired Shares	(3,183)	(43,918)	-	-
Balance – ending	<u>3,019,321</u>	<u>2,998,898</u>	<u>3,022,504</u>	<u>3,042,816</u>

During the year the Company made the decision to repurchase and retire 3,183 outstanding shares.

As the company's common shares have no par value it is difficult to determine the original sale price of the shares that have been retired. Thus to record the retirement of the shares purchased, the average cost of the shares was used as the original sale price (\$0.99) and deducted from capital. The difference was deducted from the Share Premium Account which at the end of August 31, 2018 was \$0 (2017 - \$40,768).

14. Other reserves

	Notes	2018 \$	2017 \$
Revaluation of land and buildings			
Balance – beginning of year		1,321,544	1,321,544
Balance – end of year		<u>1,321,544</u>	<u>1,321,544</u>
Pension plan asset			
Balance - beginning of year		1,019,468	116,837
Gain (Loss) from defined pension plan asset	12	266,376	1,077,543
Deferred Tax		(39,956)	(174,912)
Balance – end of year		<u>1,245,888</u>	<u>1,019,468</u>
Available-for-sale financial assets			
Balance - beginning of year		2,248,048	1,251,834
Change in fair value for the year	10	(1,093,588)	996,214
Balance – end of year		<u>1,154,460</u>	<u>2,248,048</u>
Total other reserves		<u>3,721,892</u>	<u>4,589,060</u>



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

15. Expenses by nature

	Notes	2018 \$	2017 \$
Depreciation expense	11	1,362,588	1,497,799
Employee benefit expense	17	13,890,493	13,954,359
Changes in inventories of finished goods and work-in-progress	8	354,006	(69,611)
Raw materials and consumables used		25,355,464	23,807,390
Transportation		965,121	795,094
Advertising costs		1,778,945	1,890,781
Audit fees		54,855	113,400
Bad debts provision		(7,079)	43,621
Maintenance expenses		595,034	502,404
Occupancy costs of retail outlet		72,368	59,447
Other expenses		6,409,080	5,436,253
Finance cost		91,030	73,311
Total cost of goods sold, selling and distribution expenses, supply chain expenses, administrative expenses and other expenses		50,921,905	48,104,248

16. Expenses by nature

	2018 \$	2017 \$
(Loss)/gain on disposal of property, plant and equipment	(102,603)	20,494
Dividend income	358,472	348,113
Miscellaneous income	156,381	31,159
	412,250	399,766

17. Employee benefit expense

	Note	2018 \$	2017 \$
Wages and salaries		10,312,592	10,315,851
National Insurance		1,046,326	992,781
Pension charge	12	336,137	429,610
Other staff costs		2,195,438	2,216,117
		13,890,493	13,954,359



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

18. Taxation

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date on taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liability

	Note	2018 \$	2017 \$
Accelerated tax depreciation		8,530,713	8,324,027
Net assets of pension plans	12	5,689,437	5,112,997
		<hr/>	<hr/>
		14,220,150	13,437,024
		<hr/>	<hr/>
Deferred tax liability at tax rate of 15% (2017 - 15%)		2,133,023	2,015,554
		<hr/>	<hr/>

The above temporary differences have no expiry dates.

	2018 \$	2017 \$
Deferred tax liability at the beginning of the year	2,015,554	2,156,234
Charge (credit) to the statement of income	77,513	(315,592)
Charge to other comprehensive income	39,956	174,912
	<hr/>	<hr/>
Deferred tax liability at the end of the year	2,133,023	2,015,554
	<hr/>	<hr/>



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

18. Taxation (continued)

Deferred tax (continued)

	2018 \$	2017 \$	Change \$	Tax effect \$
Accelerated tax depreciation	8,530,713	8,324,027	206,686	31,003
Net assets of pension plans	5,689,437	5,112,997	576,440	86,466
	<u>14,220,150</u>	<u>13,437,024</u>	<u>783,126</u>	<u>117,469</u>
Deferred tax liability (15%)	<u>2,133,023</u>	<u>2,015,554</u>	<u>117,469</u>	

The movement in the components of deferred income tax liability during the year are as follows:

Pension split

		2018 \$	Tax effect \$	2017 \$
Opening Balance	12	5,112,997		3,778,898
Profit and loss pension adjustment		<u>310,064</u>	46,510	<u>256,556</u>
Profit and loss tax effect		5,423,061		4,035,454
OCI tax effect	12	<u>266,376</u>	39,956	<u>1,077,543</u>
		<u>5,689,437</u>	<u>86,466</u>	<u>5,112,997</u>

Current tax

The taxation expense in the statement of comprehensive income comprises current and deferred tax charges.

	2018 \$	2017 \$
Current tax	1,326,749	1,065,738
Deferred tax credit	77,513	(315,592)
	<u>1,404,262</u>	<u>750,146</u>



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

18. Taxation (continued)

Current tax (continued)

The tax on the Company's income before taxation differs from the theoretical amount that would arise using the tax rate applicable to manufacturing companies in Barbados as follows:

	2018 \$	2017 \$
Income before taxation	10,368,688	9,707,471
Tax calculated at 15% (2017 - 15%)	1,555,303	1,456,121
Tax effect of the following:		
Expenses not deductible for tax purposes	27,624	318,292
Allowances claimed	(139,820)	(660,102)
Export allowance claimed	(38,697)	(48,582)
Other	(148)	(315,583)
Tax charge	1,404,262	750,146

19. Earnings per share

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are declared by the Company's directors.

Basic earnings per share are calculated by dividing the net income for the year attributable to equity holders by the weighted average number of shares in issue during the year.

The Company has no dilutive potential ordinary shares, therefore diluted earnings per share is the same as basic earnings per share.

	2018 \$	2017 \$
Net income attributable to equity shareholders	8,964,426	8,957,325
Weighted average number of ordinary shares	3,020,913	3,022,504
Basic and diluted earnings per share - cents	296.7	296.4



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

20. Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors which makes strategic decisions.

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors considers the business from a geographical perspective. Geographically, management considers the performance of product sales in Barbados, Caribbean and extra-regional countries. There are no other segments monitored by the Board of Directors.

Cost and assets cannot be readily allocated to operating segments as common property, plant and equipment, other assets, labour and overheads are used in the production process for all revenue segments.

The reportable operating segments derive their revenue primarily from the sale of biscuits, crackers and cookies on a wholesale basis.

An analysis of revenue by geographic segments is detailed as follows:

	2018	2017
	\$	\$
Total segment revenue		
Barbados	44,180,423	42,030,412
Caribbean	11,720,433	11,355,943
Extra-Regional countries	4,977,487	4,058,516
	60,878,343	57,444,871

The amounts provided to the board of directors are measured in a manner consistent with that of the financial statements.

21. Operating Leases

The Company leases delivery vans and other vehicles under operating leases from non-related parties. Under operating leases all rewards incidental to ownership are retained by the lessor. Payments made under operating leases are recognised in profit or loss. At minimum, lease payments amount to \$104,065 (2017 - \$40,732).



NOTES TO FINANCIAL STATEMENTS

For the year ended August 31, 2018 (expressed in Barbados dollars)

21. Operating Leases (continued)

The operating lease expenses recognised in profit or loss amounted to \$104,467 (2017 - \$51,144). Future obligation arising from operating leases:

	2018	2017
	\$	\$
Maturity		
Within 1 year	117,445	61,339
In 1 to 3 years	295,730	169,363
In 3 to 5 years	8,704	19,390
	<hr/> 421,879	<hr/> 250,092



NOTES



NOTES



PROXY FORM

The Secretary
The West India Biscuit Company Limited
Gill's Road
St. Michael

I/We

of

being a shareholder/shareholders of The West India Biscuit Company Limited hereby appoint

..... or failing him/her

..... or failing him/her

..... or failing him/her

to vote for me/us and on my/our behalf at the Annual General Meeting of The West India Biscuit Company Limited to be held on the 8th day of February, 2019 at 11.00 o'clock in the morning at the adjournment thereof.

Signed this Day of 2019

.....
Signature of Witness

.....
Signature of Shareholder



TOP UP ON **CRACKERS**

RECIPE AVOCADO SALSA & ENVITA



1/2 AVOCADO
1 TOMATO DESEEDED
1/2 CUCUMBER DESEEDED
1 OZ. OLIVE OIL

PINCH OF SALT
PINCH OF PEPPER
PINCH OF PARSLEY
ENVITA CRACKERS

1. DICE HALF OF A RIPE BUT FIRM AVOCADO.
2. DICE A WHOLE TOMATO. (REMOVE SEEDS)
3. PEEL & DICE HALF OF A MEDIUM-SIZED CUCUMBER. (REMOVE SEEDS)
4. IN A BOWL, COMBINE THE DICED AVOCADO, TOMATO AND CUCUMBER.
5. POUR 1 OZ. OLIVE OIL.
6. ADD A PINCH OF SALT.
7. ADD A PINCH OF PEPPER.
8. ADD A PINCH OF PARSLEY.
9. GENTLY STIR THE MIXTURE.
10. SERVE WITH ENVITA CRACKERS.

RECIPE BY CHEF DANE SADDLER

2 CANS OF TUNA
2 OZ. SWEET CHILI SAUCE
PINCH OF PARSLEY
2 SPRIGS OF CHIVES

1/2 LEMON
1/2 SMALL ONION
SODABIX CRACKERS

1. DRAIN TWO CANS OF TUNA AND ADD TO A BOWL.
2. POUR SWEET CHILI SAUCE OVER TUNA.
3. ADD A PINCH OF PARSLEY.
4. ADD 2 SPRIGS OF CHOPPED CHIVES.
5. SQUEEZE JUICE FROM 1/2 A LEMON.
6. CHOP AND ADD 1/2 A SMALL ONION.
7. STIR WELL TO COMBINE THE MIXTURE.
8. SERVE WITH SODABIX CRACKERS.

RECIPE

SWEET CHILI TUNA SALAD & SODABIX



RECIPE BY CHEF DANE SADDLER



#IAMACRACKERFAN

INSTAGRAM.COM/WIBISCO & FB.COM/WIBISCO



***THE WEST INDIA
BISCUIT COMPANY LTD.***

***GILLS ROAD, ST. MICHAEL, BARBADOS
TEL: (246) 227-6200 FAX: (246) 426-5053
EMAIL: CUSTOMERSERVICE@WIBISCO.COM***