

**Schedule 3**  
**FORM ECSRC - Q**

**(Select One)**

Quarterly Report  
For the period ended

\_\_\_\_\_ **31 December 2011**

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TRANSITION REPORT \_\_\_\_\_  
**(Applicable where there is a change in reporting issuer's financial year)**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Issuer Registration Number: \_\_\_\_\_ **002415** \_\_\_\_\_

**S. L. HORSFORD & COMPANY LIMITED**

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(Exact name of reporting issuer as specified in its charter)

**ST. KITTS**

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(Territory or jurisdiction of incorporation )

**P O Box 45**  
**Independence Square West**  
**Basseterre**

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(Address of principal executive Offices)

(Reporting issuer's:

Telephone number (including area code): \_ **(869) 465 2616**

Fax number:   **465 1042**   \_\_\_\_\_

Email address: **headoffice@horsfords.com**

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\_\_\_\_\_ **NONE** \_\_\_\_\_

(Former name, former address and former financial year, if changed since last report)

**(Provide information stipulated in items 1 to 8 hereunder)**

Indicate the number of outstanding shares of each of the reporting issuer's classes of common stock, as of the date of completion of this report. 20 February 2012

CLASS	NUMBER
ORDINARY SHARES	30,148,430

**SIGNATURES**

Name of Chief Executive Officer:  
W. Anthony Kelsick

Name of Director:  
Donald Kelsick



Signature

21 Feb, 2012

Signature

23 Feb 2012

Date

Date

**S L HORSFORD & COMPANY LIMITED**  
**And its Subsidiary Companies**

**QUARTERLY REPORT**

**October 2011    December 2011**

**Results of Operations**

Group sales were \$30,052,879 compared to \$29,589,006, an increase of \$463,871.00 or 1.6%. Horsford's Valu Mart IGA, the new supermarket in Nevis, which opened for business on 17 November 2011 together with the Gas Station which reopened in April 2011, accounted for the net increase in sales. Net profit was \$848,143 compared to \$3,134,947, a decrease of \$2,286,804 or 73.0%.

The slowdown in business activity is expected to continue in the coming months. Management has taken steps to pare down expenses in line with the decrease level of sales.

**Liquidity**

Working capital is adequate and no shortfalls are anticipated.

**Capital Resources**

At the 30 September 2011 the Company was committed to the completion of the shopping complex on Long Point Road, Baths, Nevis in the amount of \$2.1m for the purchase of equipment.

**Disclosure of Risk Factors**

There are no known risk factors unique to the Company.

**Legal Proceedings**

There were no outstanding legal proceedings.

**Changes in Securities and Use of Funds**

There were no changes in the rights of the shareholders.

No new securities were issued.

There are no restrictions on the payment of dividends. However, the Company must seek the consent of its bankers, the Royal Bank of Canada, before making a dividend payment.

**Defaults Upon Senior Securities**

There were no defaults. Principle and interest payments were paid as they fell due.

### **Submission of Matters to a Vote of Security Holders**

There were no shareholders meeting for this quarter.

### **Other Information**

The lands leased at C A P Southwell Industrial Estate were purchased from the government in September 2011.

## S.L. Horsford Group of Companies

Consolidated Balance Sheet as at DECEMBER 2011

	December-11 EC\$	September-11 EC\$
<b>CURRENT ASSETS</b>		
Cash at bank & on hand	1,240,531	299,755
Accounts Receivable	19,712,897	24,111,894
Inventories	33,556,081	<b>30,714,777</b>
	<b>54,509,509</b>	<b>55,126,426</b>
<b>CURRENT LIABILITIES</b>		
Loans & Bank Overdrafts	20,828,073	22,957,555
Accounts Payable & Accruals	7,514,411	8,665,655
Provision for Taxation	9,387	580,640
	<b>28,351,871</b>	<b>32,203,850</b>
<b>WORKING CAPITAL</b>	<b>26,157,638</b>	<b>22,922,576</b>
Investment in Associated Companies	13,183,759	13,183,759
Available for sale Investments	684,967	684,967
Fixed Assets	96,105,591	95,232,968
<b>TOTAL</b>	<b>136,131,956</b>	<b>132,024,270</b>
<b>FINANCED BY:</b>		
Share Capital	30,148,430	30,148,430
Reserves	83,189,852	83,189,852
Current Year Profits	848,143	
<b>SHAREHOLDERS' FUNDS</b>	<b>114,186,425</b>	<b>113,338,282</b>
Loans - Non - Current	16,060,684	12,801,141
Deferred Tax	5,884,847	5,884,847
<b>FUNDS EMPLOYED</b>	<b>136,131,956</b>	<b>132,024,270</b>

S.L. Horsford Group of Companies

Income Statement for the period October 2011 to December 2011

	October 2011 to December 2011	October 2010 to December 2010
	EC\$	EC\$
<b>SALES</b>	<u>30,052,879</u>	<u>29,589,006</u>
Gross Margin	6,143,371	7,564,164
Other Income	<u>3,062,056</u>	<u>3,487,245</u>
<b>GROSS REVENUE</b>	<u>9,205,427</u>	<u>11,051,409</u>
<b>EXPENSES</b>		
Building and Insurance	1,414,864	1,015,221
Office	317,674	380,359
Employment	3,892,750	3,837,675
Selling	1,028,000	1,065,209
Depreciation	711,624	708,438
Interest	520,654	504,055
Other	471,718	405,505
<b>TOTAL EXPENSES</b>	<u>8,357,284</u>	<u>7,916,462</u>
<b>NET INCOME</b>	<u>848,143</u>	<u>3,134,947</u>