ACCOUNTANTS= REPORT

TO THE MEMBERS OF

SKNA TRADING AND DEVELOPMENT COMPANY LIMITED AND ITS SUBSIDIARIES

On the basis of information provided by management we have compiled, in accordance with the International Standard on Auditing applicable to compilation engagements, the consolidated statement of financial position of SKNA Trading and Development Company Limited and its Subsidiaries as of 31 October 2011 and statements of consolidated income, consolidated comprehensive income, consolidated cash flows and consolidated statement of equity for the nine months then ended. Management is responsible for these financial statements. We have not audited or reviewed these financial statements and accordingly express no assurance thereon.

PKF
Chartered Accountants

BASSETERRE - St Kitts

SKNA TRADING AND DEVELOPMENT COMPANY LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME
FOR THE NINE MONTHS ENDED 31 OCTOBER 2011
(Expressed in Eastern Caribbean Dollars)
(Unaudited)

	Notes	Nine Months to 31 October 2011 (Unaudited)	Twelve Months to 31 January 2011 (Audited) (Restated)
TURNOVER	2(q)	117,285,718	182,178,948
Cost of Sales and Related Costs		(82,306,679)	(134,824,618)
Gross Profit		34,979,039	47,354,330
Other Operating Income		7,482,537	9,979,686
Operating Costs		(11,178,064)	(14,821,852)
Distribution Costs		(2,602,682)	(3,102,070)
Administrative Costs		(16,799,616)	(21,252,628)
Finance Costs		(4,901,294)	(5,492,863)
Other Expenses		(2,521,530)	(2,534,605)
Share of Results of Associated Companies		1,638,870	1,612,158
INCOME BEFORE TAXATION		6,097,260	11,742,156
Income Tax Expense:	14		
Provision for Taxation - Parent and Subsidiary Companies		(2,738,974)	(3,411,962)
- Associated Companies		(587,896)	(616,299)
		(3,326,870)	(4,028,261)
Deferred Taxation (Notes 2(p), 13 & 14)		775,557	653,265
		(2,551,313)	(3,374,996)
INCOME FOR THE YEAR		$3,545,947	$8,367,160
Attributable to:			
Equity holders of the Parent		3,447,734	8,150,022
Non-controlling Interest		98,213	217,138
		$3,545,947	$8,367,160
Basic Earnings per Share	15	$0.07	$0.16

The attached Notes form an integral part of these Consolidated Financial Statements.

SKNA TRADING AND DEVELOPMENT COMPANY LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 31 OCTOBER 2011
(Expressed in Eastern Caribbean Dollars)
(Unaudited)

	Nine Months to 31 October 2011 (Unaudited)	Twelve Months to 31 January 2011 (Audited) (Restated)
Income for the Period	3,545,947	8,367,160
OTHER COMPREHENSIVE INCOME:		
Adjustment – Re: Derecognition of interest in associated company (see Note 4)	(647,212)	-
Negative goodwill on acquisition of interest in subsidiary company	714,260	-
Unrealised Holding Gain	(181,661)	(57,058)
Other	-	(60,373)
Bonus Shares Received (Note 4)	-	56,232
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$3,431,334	$8,305,961
Attributable to:		
Equity holders of Parent	3,350,114	8,093,968
Non-controlling interest	81,220	211,993
	$3,431,334	$8,305,961

The attached Notes form an integral part of these Consolidated Financial Statements.

SKNA TRADING AND DEVELOPMENT COMPANY LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2011
(Expressed in Eastern Caribbean Dollars)
(Unaudited)

	NOTES	Nine Months to 31 October 2011 (Unaudited)	Twelve Months to 31 January 2011 (Audited)
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3 & 10	139,227,577	126,320,950
Investments	4	48,248,357	47,921,230
Accounts Receivable – Non-Current	5	55,281,596	47,278,355
Insurance Statutory Deposit	6	2,315,864	2,315,864
Intangibles	7 & 2(y)	1,212,712	1,355,721
		246,286,106	225,192,120
Current Assets			
Cash and Short-term Investments	8	21,823,020	25,432,726
Accounts Receivable - Current	5	38,721,781	33,088,115
Inventories and Goods in transit	2(f)	75,936,561	62,132,659
Total Current Assets		136,481,362	120,653,500
TOTAL ASSETS		$382,767,468	$345,845,620

The attached Notes form an integral part of these Consolidated Financial Statements.

SKNA TRADING AND DEVELOPMENT COMPANY LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2011
(Continued)
(Expressed in Eastern Caribbean Dollars)
(Unaudited)

EQUITY AND LIABILITIES	Notes	Nine Months to 31 October 2011 (Unaudited)	Twelve Months to 31 January 2011 (Audited) (Restated)
Equity			
Share Capital	9	52,000,000	52,000,000
Reserves		105,960,230	104,250,451
		157,960,230	156,250,451
Non-controlling interest		4,560,059	1,886,878
Total Equity		162,520,289	158,137,329
Non-current Liabilities			
Bank Loans – Non-current	10	28,020,037	13,246,318
Insurance and Other Funds	11	33,199,135	31,637,884
Accounts Payable – Non-Current	12	667,478	3,222,572
Deferred Tax Liability	13	3,217,164	3,313,831
		65,103,814	51,420,605
Current Liabilities			
Loans and overdrafts	10	28,966,275	25,197,097
Accounts Payable	12	123,669,637	110,003,057
Provision for Taxation	14	2,507,453	1,087,532
Total Current Liabilities		155,143,365	136,287,686
Total Liabilities		220,247,179	187,708,291
TOTAL EQUITY AND LIABILITIES		$382,767,468	$345,845,620

The attached Notes form an integral part of these Consolidated Financial Statements.

Approved by the Board of Directors on

D M Morton - Chairman

E A Kelly – Finance Director

SKNA TRADING AND DEVELOPMENT COMPANY LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 31 OCTOBER 2011
(Expressed in Eastern Caribbean Dollars)
(Unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES	Nine Months to 31 October 2011 (Unaudited)	Twelve Months to 31 January 2011 (Audited)
Income before Taxation	6,097,260	11,742,156
ADJUSTMENTS TO RECONCILE NET PROFIT TO NET CASH FROM OPERATING ACTIVITIES		
Depreciation	3,776,372	4,999,200
Gain on Disposal of Property, Plant and Equipment	(310,375)	(704,913)
Amortisation of Intangibles	149,070	228,502
Share of results of Associated Companies	(1,638,870)	(1,612,158)
Increase in Employment and Insurance Funds	1,561,251	903,359
Non-controlling Interest in earnings of subsidiaries	(98,213)	(217,138)
Realised Gain – revalued land inventory	-	(46,184)
	9,536,495	15,292,824
Increase in Inventories	(13,803,902)	(2,425,257)
Increase in Accounts Receivable	(5,633,666)	(6,361,253)
Increase in Accounts Payable - Current	13,666,580	6,214,266
Taxation Paid	(2,571,478)	(4,355,312)
Net cash inflow from operating activities	1,194,029	8,365,268
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of Property, Plant and Equipment	913,102	1,256,149
Purchase of Property, Plant and Equipment	(2,634,248)	(5,585,925)
Purchase of Investments	(2,274,124)	(5,043,225)
Dividends from associated companies	31,937	671,769
Unconsolidated Investment in subsidiary now consolidated	-	4,393,653
Insurance Statutory Deposit	-	(1,482,340)
Intangible asset purchased	(6,061)	(37,645)
Proceeds from disposal of Intangibles	-	1,625
Acquisition of subsidiary's net assets excluding cash equivalent and tax liabilities	(9,280,089)	-
Negative Goodwill on acquisition of subsidiary	(714,260)	-
Net cash outflow from investing activities	(13,963,743)	(5,825,939)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease)/Increase in non-current payables	(2,555,093)	2,453,457
Increase/(Decrease) in non-current loans and overdrafts	14,773,719	(3,662,782)
Increase/(Decrease) in current loans and overdrafts	3,769,178	6,851,295
Increase in non-controlling interest	2,735,445	217,138
Dividends paid to Shareholders	(1,560,000)	(3,250,000)
Increase in non-current receivables	(8,003,241)	(1,913,957)
Net Cash Inflow from Financing Activities	9,160,008	695,151

Net (Decrease)/Increase in cash and cash equivalents	(3,609,706)	3,234,480
Cash and cash equivalents at beginning of period	25,432,726	22,198,246
Cash and cash equivalents at end of period	$21,823,020	$25,432,726

The attached Notes form an integral part of these Consolidated Financial Statements

SKNA TRADING AND DEVELOPMENT COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 OCTOBER 2011
(Expressed in Eastern Caribbean Dollars)
(Unaudited)

1 PRINCIPAL ACTIVITIES

St Kitts Nevis Anguilla Trading and Development Company Limited, incorporated in St Kitts, is the Parent Company of a diversified trading, manufacturing and service group. A list of subsidiary companies and their main activities is given at the end of this report.

The registered office of the company is situated at Fort Street, Basseterre, St Kitts.

The Company is listed on the Eastern Caribbean Stock Exchange.

2 SIGNIFICANT ACCOUNTING POLICIES

a) **Basis of Accounting**:

These consolidated financial statements are prepared on the historical cost basis modified to give effect to the revaluation of certain property, plant and equipment and available for sale financial assets.

The consolidated financial statements of the group have been prepared in accordance with International Financial Reporting Standards (IFRSs).

The accounting policies adopted are consistent with those of the previous financial year including the adoption of the new and amended IAS, IFRS and IFRIC (International Financial Reporting Interpretations Committee);

Standards and interpretations adopted in the current period

IFRS 3	Business combinations	-	effective 1 July 2009
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	-	effective 1 January 2010
IFRS 8	Operation segments	-	effective 1 January 2010
IAS 1	Presentation of Financial Statements	-	effective 1 January 2010
IAS 7	Statement of Cash Flows	-	effective 1 January 2010
IAS 17	Leases	-	effective 1 January 2010
IAS 27	Consolidated and Separate Financial Statements	-	effective 1 July 2009
IAS 28	Investment in Associates	-	effective 1 July 2009
IAS 32	Financial Instruments: Presentation	-	effective 1 February 2010
IAS 36	Impairment of Assets	-	effective 1 January 2010
IAS 38	Intangible Assets	-	effective 1 July 2009
IAS 39	Financial Instruments: Recognition and Measurement	-	effective 1 January 2010

2 SIGNIFICANT ACCOUNTING POLICIES (cont'd)

a) **Basis of Accounting**: (cont'd)

Standards and interpretations in issue and effective but not applicable

IFRS 1	Amendment relating to oil and gas assets and determining whether an arrangement contains a lease	-	effective 1 January 2010
IFRS 2	Share-based Payment – Amendments relating to group cash-settled share-based payment transactions	-	effective 1 January 2010
IAS 31	Interest in Joint Ventures – Consequential	-	effective 1 July 2009
IFRIC 9	Reassessment of Embedded Derivatives	-	effective 1 July 2009
IFRIC 16	Hedges of a Net Investment in a Foreign Operation	-	effective 1 July 2009
IFRIC 17	Distribution of Non-cash Assets to Owners	-	effective 1 July 2009
IFRIC 18	Transfer of Assets from Customers	-	effective 1 July 2009

Standards and interpretations in issue but not yet effective

IAS 12	Income Taxes	-	effective 1 January 2012
IAS 24	Related Party Disclosures	-	effective 1 January 2011
IFRS 7	Financial Instruments: Disclosures	-	effective 1 January 2011
IFRS 9	Financial Instruments – Classification and Measurement	-	effective 1 January 2013
IFRIC 13	Customer Loyalty Programmes	-	effective 1 January 2011
IFRIC 14	IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction	-	effective 1 January 2011
IFRIC 19	Extinguishing Financial Liabilities With Equity Instruments	-	effective 1July 2010

b) **Revenue Recognition**:

The group principally derives its revenue from sales to third parties, rendering of services, interest income, dividends, premium income and rental income.

Sales to third parties:

Revenue from sale of products to third parties is recognized when the significant risks and rewards of ownership have been passed to the buyer and the amounts can be measured reliably.

2 **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

b) **Revenue Recognition**: (cont'd)

Rendering of services:

Revenue is recognized in the accounting period in which the services are provided by reference to the stage of completion.

Interest income:

Interest from hire purchase is apportioned over the period in which the instalments are received, in the proportion which instalments received bear to total selling price. Other interest income is recognized as the interest accrues, unless collectibility is in doubt.

Dividend:

Dividend income is recognized when the group's right to receive payment is established.

Premium income:

For general insurance business, premium income is accounted for when invoiced, which corresponds to the date insurance cover becomes effective. Any subsequent revisions are accounted for in the year during which these occur.

Rental income:

Rental income is accounted for on a straight-line basis over the lease term.

c) **Basis of Consolidation**:

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

2 SIGNIFICANT ACCOUNTING POLICIES (cont'd)

c) Basis of Consolidation: (cont'd)

Acquisition of subsidiaries are accounted for using the purchase method of accounting. The cost of acquisition is measured at the fair value of the assets taken up, shares issued or liabilities undertaken at the date of acquisition. The excess of the cost of acquisition over the fair value of the net assets of the subsidiary acquired is recorded as goodwill. Where necessary, accounting policies have been changed to ensure consistency with the policies adopted by the group.

d) Investment in associated companies:

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income to the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

After application of the equity method, the Group determines whether it is necessary to recognize an additional impairment loss on the Group's investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the income statement.

Upon loss of significant influence over the associate, the Group measures and recognizes any retaining investment as its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the value of the retaining investment and proceeds from disposal is recognized in profit or loss.

2 SIGNIFICANT ACCOUNTING POLICIES (cont'd)

e) **Business Combination**:

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquire (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If after reassessment, the et of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquire and the fair value of the acquirer's previously held interest in the acquire (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

When a business combination is achieved in stages, the Group's previously held equity interest is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

f) **Inventories and Goods in Transit**:

Inventories and goods in transit are valued at the lower of cost and net realizable value, which have been applied consistently with the previous financial year. The cost of finished products and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity).

g) **Hire Purchase Transactions**:

The gross profit and interest charges relating to hire purchase sales are apportioned over the period in which the instalments are received in the proportion which instalments received bear to the total selling price. Hire purchase stock is valued at hire purchase sale price less deferred gross profit and interest charges and less cash received on account. This value is not greater than cost or net realizable value and has been consistently applied over the years.

2 SIGNIFICANT ACCOUNTING POLICIES (cont'd)

h) Policyholders' Funds

St Kitts Nevis Insurance Company Limited (SNIC), a wholly owned subsidiary, is required to set aside and maintain funds for both statutory and actuarial reasons to adequately safeguard the policyholders' interests. These funds are shown separately from the funds attributable to the shareholders and are not available for distribution. An actuary values the long term insurance funds at intervals not exceeding three years.

i) Underwriting Profits:

Underwriting profits are on general insurance business stated after setting off reinsurance premiums and after making adequate provisions for unearned premiums, outstanding claims and claims equalization reserve.

j) Provisions for Unearned Premiums:

Provisions for unearned premiums represent the proportions of the premiums written in the period less reinsurance thereon which relate to periods of insurance subsequent to the end of the reporting period and have been computed on a monthly pro rata fractional basis (the "24^{th}'s" method).

k) Outstanding Claims:

Outstanding claims comprise the estimated cost of all claims incurred but not settled at the end of the reporting period, less recoveries from re-insurers. Provision is also made for claims incurred but not reported until after the end of the reporting period. Differences between the provisions for outstanding claims and subsequent settlements and revisions are included in the revenue statements in the year the claims are settled.

l) Claims Equalisation Reserve:

Claims Equalisation Reserve represents annual transfers from gross premiums on fire, motor and miscellaneous business deemed necessary by the Directors to provide for unforeseen risks and catastrophes, in keeping with standard practice in the insurance industry.

2 **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

m) **Property, Plant and Equipment**:

The Freehold and Leasehold properties were independently and professionally revalued in January 1995 and in December 2007 at market values prevailing at those dates. Properties acquired after that date are stated at cost. Surpluses on revaluation are taken directly to Capital Reserve. Property, plant and equipment are stated at cost less related accumulated depreciation.

n) **Depreciation of Property, Plant and Equipment**:

Depreciation is provided for at varying annual rates calculated to write off the cost of Property, Plant and Equipment other than Leasehold Properties over their expected useful lives.

o) **Foreign Currencies**:

All amounts are stated in Eastern Caribbean Dollars. Transactions during the year between the Group and its customers and suppliers are converted into local currencies at the rates of exchange ruling at the dates of the transactions. Differences arising therefrom are reflected in the current's year results. Assets and liabilities in foreign currencies are translated into Eastern Caribbean Dollars at the rates of exchange prevailing at the end of the reporting period.

p) **Taxation**:

The company follows the liability method of accounting for deferred tax whereby all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes are provided for at the current corporation tax rate. Deferred tax assets are only recognized when it is probable that taxable profits will be available against which the assets may be utilized.

q) **Turnover**:

Turnover principally comprises sales to third parties, commissions and gross general insurance premiums.

2 **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

r) **Borrowing costs**:

Borrowings costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

The group capitalizes borrowing costs for all eligible assets where construction was commenced on or after January 1, 2009.

s) **Trade and Other Payables**:

Liabilities for trade and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the group.

t) **Provisions**:

Provisions are recognized when the group has a present obligation (legal or constructive) as a result of a past event where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

u) **Trade and Other Receivables**:

Trade receivables are recognized and carried at original invoice amounts less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

v) **Use of estimates**:

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated.

2 SIGNIFICANT ACCOUNTING POLICIES (cont'd)

w) Investments:

Available-for-sale:

These are securities, which are not held with the intention of generating profits from market movements, and the general purpose is to hold these securities for an indefinite period.

Investments are initially recognized at cost, being the fair value of the consideration given, including acquisition charges associated with the investment. For securities where there is no quoted market price, fair value has been estimated by management at cost less amounts written off.

Investments in companies quoted on the Eastern Caribbean Securities Exchange are carried at fair value based on quoted market prices at the year end. All unrealized gains and losses on revaluation are reported as part of shareholders' equity in the capital reserve account, until the securities are disposed of, at which time the cumulative gain or loss previously recognized in equity is included in the Income Statement.

Held to maturity:

Investments in which management has the intent and ability to hold to the fixed maturity date are classified as held to maturity and included in non current assets and carried at cost.

x) Cash and cash equivalents:

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand and at bank and short term investments.

y) Intangibles:

Goodwill:

Goodwill is being amortised over a period of 10 years effective from year ended 31 January 2009.

Licences from travel agencies:

The amortisation policy of this intangible asset is yet to be determined by management.

2 **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

y) **Intangibles:** (Cont'd)

Software:

Intangible assets are identifiable non-monetary assets without physical substance. Acquired computer software licences, upgrades to software and related costs that are expected to contribute to the future economic benefit of the company are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives at a rate of 20% per annum.

Costs associated with maintaining computer software programmes are recognized as an expense when incurred.

3 PROPERTY, PLANT AND EQUIPMENT

	Total	Land and Buildings	General Equipment
Nine months ended 31 October 2011			
Cost or Valuation - At Beginning of period	162,298,766	118,168,825	44,129,941
Additions Re: Acquisition of a subsidiary	25,163,044	2,583,845	22,579,199
Additions at Cost	2,634,248	1,138,533	1,495,715
Disposals/Transfers at Cost	(2,209,729)	(12,374)	(2,197,355)
Cost or Valuation - At End of period	187,886,329	121,878,829	66,007,500
Depreciation - At Beginning of period	35,977,819	4,409,240	31,568,579
Depreciation Charge in period	3,776,372	1,098,402	2,677,970
Depreciation on Disposals	(1,607,005)	(289)	(1,606,716)
Additions Re: Acquisition of a subsidiary	10,511,566	71,633	10,439,933
Depreciation - At End of period	48,658,752	5,578,986	43,079,766
Net Book Value – 31 October 2011	$139,227,577	$116,299,843	$22,927,734

SKNA TRADING AND DEVELOPMENT COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 OCTOBER 2011
(Expressed in Eastern Caribbean Dollars)
(Unaudited)

3 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Total	Land and Buildings	General Equipment
Year Ended 31 January 2011			
Cost or Valuation - At Beginning of year	159,998,440	116,609,932	43,388,508
Additions at Cost	5,585,925	404,723	5,181,202
Disposals/Transfers at Cost	(3,285,598)	-	(3,285,598)
Cost or Valuation - At End of year	162,298,767	117,014,655	45,284,112
Depreciation - At Beginning of year	33,712,979	2,931,738	30,781,241
Depreciation Charge in year	4,999,200	1,477,502	3,521,698
Depreciation on Disposals	(2,734,362)	-	(2,734,362)
Depreciation - At End of year	35,977,817	4,409,240	31,568,577
Net Book Value - 31 JANUARY 2011	$126,320,950	$112,605,415	$13,715,535

Revaluation of Freehold and Leasehold Properties:

Revaluation in 2007

In December 2007, the Parent and Subsidiary Companies' freehold and leasehold properties were again independently revalued by Cooper Kauffman Limited, Professional Valuers. The surplus of $38,881,024 arising on this revaluation was credited to Capital Reserve during the year ended 31 January 2009. Subsequent additions have been included at cost.

Two (2) parcels of leasehold land on which there are buildings of two subsidiary companies have been leased from Government for periods of 50 years effective 1982 and 1985 respectively.

SKNA TRADING AND DEVELOPMENT COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 OCTOBER 2011
(Expressed in Eastern Caribbean Dollars)
(Unaudited)

		31 October 2011 (Unaudited)	31 January 2011 (Audited)
4	**INVESTMENTS AT COST AND VALUATION**		
a)	**Associated Companies**:		
	ST KITTS MASONRY PRODUCTS LIMITED		
	6,500 Ordinary Shares of $100 each - At Valuation	4,168,600	3,764,768
	ST KITTS BOTTLING COMPANY LIMITED		
	98,269 Ordinary Shares of $5 each - At Valuation (see note below)	-	2,289,824
	MALLIOUHANA - ANICO INSURANCE CO LTD		
	81,375 Shares of $10 each - At Valuation	3,132,810	2,908,666
	Sub-total	7,301,410	8,963,258
b)	**Available-for-Sale Investments**:		
	ST KITTS NEVIS ANGUILLA NATIONAL BANK LTD		
	500,000 Ordinary Shares of $1 each - Quoted	2,000,000	2,066,666
	Fixed Deposit	1,210,000	210,000
	CARIB BREWERY (ST KITTS & NEVIS) LTD		
	333,000 Ordinary Shares of $1 each - At Cost	516,150	516,151
	THE BANK OF NEVIS LIMITED		
	46,862 Ordinary Shares of $1 each – Quoted	257,741	281,172
	Fixed Deposit	3,209,375	2,550,000
	THE CABLE BAY HOTEL DEVELOPMENT CO LTD		
	5,523 Ordinary Shares of US $100 each - At Cost	1,491,210	1,491,210
	Deposit on Shares (See Note 17(d))	137,053	137,053
	CABLE AND WIRELESS ST KITTS-NEVIS LTD		
	126,000 Shares of $1 each – Quoted	843,696	876,960
	Sub-total carried forward	9,665,225	8,129,212

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4 INVESTMENTS AT COST AND VALUATION (cont'd)	31 October 2011 (Unaudited)	31 January 2011 (Audited)
b) **Available-for-Sale Investments**: (cont'd)		
Sub-total carried forward	9,665,225	8,129,212
EASTERN CARIBBEAN HOME MORTGAGE BANK		
2,814 Class D Shares of $100 each - At Cost	717,907	717,907
TRU SERV CORPORATION		
332 Units of Common Stock	32,305	32,305
FORTRESS CARIBBEAN PROPERTY FUND LTD		
400,000 Ordinary Shares of Bds $1.50 each – Quoted	541,690	618,691
BANKS BARBADOS BREWERIES LTD		
3,300 Ordinary Shares of Bds $1 each - At Cost	501	501
NATIONAL BANK OF ANGUILLA LIMITED		
5,000 Shares of no par value - At Cost	202,500	202,500
Fixed Deposits (medium term)	4,393,437	4,164,697
CARIBBEAN COMMERCIAL BANK (ANGUILLA) LTD		
Fixed Deposits (medium term)	3,962,498	3,743,072
EASTERN CARIBBEAN SECURITIES EXCHANGE		
10,000 Class D Shares of $10 each fully paid - At Cost	100,000	100,000
FEDERATION MEDIA GROUP - Fully paid up		
1,000 Ordinary Shares of $100 each - At Cost	100,000	100,000
FIRST CARIBBEAN INTERNATIONAL BANK LTD		
100,000 Shares of no par value – Quoted	423,872	405,169
CARIBBEAN SHOE MANUFACTURERS LTD (inactive)		
175 Ordinary Shares of $1,000 each	1	1
CARIBBEAN INVESTMENTS CORPORATION		
40 Ordinary Shares of $100 each (In Liquidation)	1	1
Sub-total carried forward	20,139,937	18,214,056

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4 INVESTMENTS AT COST AND VALUATION (cont'd)

	31 October 2011 (Unaudited)	31 January 2011 (Audited)
b) Available-for-Sale Investments: (cont'd)		
Sub-total carried forward	20,139,937	18,214,056
WIRELESS VENTURES (ST KITTS –NEVIS) LIMITED		
669 Shares @ US $1,000 each – At Cost	2,616,160	2,616,160
PORT SERVICES LIMITED		
50,000 Ordinary Shares of $1 each – At Cost	50,000	50,000
OECS Distribution and Transportation Co Ltd		
Deposit on Shares	20,000	20,000
	22,826,097	20,900,216
c) Held to Maturity:		
10 Year Bonds Maturing between 1 to 5 years:		
Eastern Caribbean Home Mortgage Bank		
11th Issue (6% Interest Rate per annum)	300,000	300,000
13th Issue (5½% Interest Rate per annum)	450,000	450,000
17th Issue (6% Interest Rate per annum)	700,000	700,000
19th Issue (6% Interest Rate per annum)	8,650,000	8,650,000
20th Issue (6% Interest Rate per annum)	200,000	200,000
Sub-total carried forward	10,300,000	10,300,000

4 **INVESTMENTS AT COST AND VALUATION** (cont'd)

c) **Held to Maturity**: (cont'd)

Sub-Total Brought Forward	10,300,000	10,300,000
Government of St Kitts-Nevis (7½% Interest Rate per annum)	2,000,000	2,000,000
Government of Antigua (8¼% Interest Rate per annum)	1,000,000	1,000,000
	13,300,000	13,300,000
10 Year Bonds maturing after 5 years:		
Government of St Lucia (5½% Interest Rate per annum)	4,495,850	4,407,756
Property Holding and Development Company Limited (PRODEV) 8% Fixed Rate Bond	325,000	350,000
Sub-total	18,120,850	18,057,756
TOTAL INVESTMENTS	$48,248,357	$47,921,230

Subsidiary Company – St Kitts Bottling Company Limited

SKNA Trading and Development Company Limited purchased additional ordinary shares in St Kitts Bottling Company Limited thereby increasing its shareholdings to 51.67%. Effective 29 August 2011, St Kitts Bottling Compay Limited became a subsidiary of TDC Group of Companies (see note 24).

Effect of St Kitts Bottling Company Limited becoming a subsidiary is shown below:

Gain on derecognition of interest in associated company	1,451,377
Write back of reserves in associated company	(2,098,589)
Adjustment – Re: Derecognition of Associated Company	$(647,212)

Other Investments:

The investments in Caribbean Investments Corporation and Caribbean Shoe Manufacturers Limited have been written down to a nominal value of $1 each since no further material return is anticipated.

4 **INVESTMENTS AT COST AND VALUATION** (cont'd)

Associated Companies:

Investments in Associated Companies are accounted for on the equity basis as represented in the latest Financial Statements.

Quoted Investments:

Investments in Companies quoted on the Eastern Caribbean Stock Exchange are carried at fair value based on quoted market prices at the end of the period.

In the opinion of the Directors the aggregate value of investments is not less than the book value.

5 **ACCOUNTS RECEIVABLE**

	31 October 2011 (Unaudited)	31 January 2011 (Audited)
Trade Accounts Receivable and Loans - Current	30,401,990	27,093,655
Amount due by Associated Companies	549,405	985,094
Other Receivables and Prepayments	7,770,386	5,009,366
TOTAL - Current	$38,721,781	$33,088,115
Accounts Receivable – Non Current	$55,281,596	$47,278,355
Accounts Receivable:		
Within 2 to 5 years	28,356,470	23,985,930
After 5 years	26,925,126	23,292,425
	$55,281,596	$47,278,355

6 **INSURANCE STATUTORY DEPOSIT**

In accordance with the Insurance Act 2009, Section 23, all registered Insurance Companies are required to maintain a Statutory Deposit with the Accountant General. The amount of $2,315,864 (31 January 2011 = $2,315,864) was therefore deposited by St Kitts Nevis Insurance Company Limited in compliance with this legislation requirement.

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7 INTANGIBLES - $1,212,712 (31 January 2011 = $1,355,721)

	31 October 2011	31 January 2011
Goodwill – City Drug Store (2005) Limited (see Note (i) below)	1,250,000	1,250,000
Less: Amortisation	(468,750)	(375,000)
	781,250	875,000
Licence from Travel Agency (See Note (ii) below)	400,000	400,000
Software:		
Brought Forward (see note 2 (x))	515,341	480,410
Additions	6,061	37,645
Disposals	-	(2,714)
	521,402	515,341
Less: Amortisation		
- Accumulated Amortisation Brought Forward	434,620	332,204
- Amortisation for Current Period	55,320	103,502
- Disposals	-	(1,086)
	489,940	434,620
	31,462	80,721
TOTAL	$1,212,712	$1,355,721

Intangibles represent:

i) Goodwill of $1,250,000 being the excess of the cost of acquisition over the net tangible assets acquired on the purchase of The City Drug Store Limited on 1 May 2005. Effective from year ended 31 January 2009, impairment is assessed annually.

ii) Purchase of licences from a travel agency in the amount of $400,000. Amortisation policy of this intangible asset has not yet been determined by management.

iii) Software which is being amortised over 5 years.

In the opinion of the Directors, the fair value of these intangibles is not less than the written down value.

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8 CASH AND SHORT TERM INVESTMENTS

Included in cash and short term investments is an amount of $12,937,945 (31 January 2011 = $12,937,945) which represents Government of St Kitts and Nevis and Nevis Island Administration Treasury Bills stated at cost [Face Value $13,231,680 (31 January 2011 = $13,231,680)] maturing on a quarterly and annual basis. Interest is earned at rates of 6½% and 6¾% per annum free of tax.

9 SHARE CAPITAL

	31 October 2011 (Unaudited)	31 January 2011 (Audited)
Authorised		
500,000,000 Ordinary Shares of $1 each	$500,000,000	$500,000,000
Issued and Allotted		
52,000,000 Ordinary Shares of $1 each	$52,000,000	$52,000,000

Dividends:

In accordance with the Company's Articles of Association, dividends are prorated on the basis of the amounts paid on application and on calls, having regard to the number of months during the year for which the amounts were paid.

10 BANK LOANS AND OVERDRAFTS

	31 October 2011 (Unaudited)	31 January 2011 (Audited)
Overdrafts	24,442,274	22,283,423
Loans - Current portion	4,524,001	2,913,674
OVERDRAFTS/LOANS-CURRENT	$28,966,275	$25,197,097
Bank Loans	32,544,038	16,159,992
Less Current Portion	(4,524,001)	(2,913,674)
LOANS - NON-CURRENT	$28,020,037	$13,246,318
Non-current Loans:		
Amounts Payable:		
Within 2 to 5 years	16,643,097	12,427,721
After 5 years	11,376,940	818,597
TOTAL	$28,020,037	$13,246,318

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10 **BANK LOANS AND OVERDRAFTS** (Cont'd)

Secured loans are repayable over periods varying from one (1) to ten (10) years at rates of interest varying from LIBOR plus 1.5% to 10%.

Collateral:

The Group=s bankers hold debentures creating fixed and floating charges and an equitable mortgage on the Group=s assets, including capital of the Parent Company and certain subsidiaries amounting to approximately $61,877,000 (31 January 2011 = $61,877,000).

11 **INSURANCE AND OTHER FUNDS**	31 October 2011 (Unaudited)	31 January 2011 (Audited)
Insurance Funds	26,156,161	24,955,369
Employee Benefit Funds	3,652,857	3,460,526
Policyholders= Funds	3,390,117	3,221,989
TOTAL	$33,199,135	$31,637,884

12 **ACCOUNTS PAYABLE**	31 October 2011 (Unaudited)	31 January 2011 (Audited)
Customer Deposits	64,940,085	56,205,168
Trade Accounts Payable	19,744,310	14,970,429
Amount due to Associated Companies	1,004,135	1,304,357
Sundry Accounts Payable and Accrued Charges	37,981,107	37,523,103
TOTAL - Current	$123,669,637	$110,003,057
ACCOUNTS PAYABLE – Non-Current	$667,478	$3,222,572

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13 **DEFERRED TAX LIABILITY**	31 October 2011 (Unaudited)	31 January 2011 (Audited) (Restated)
Deferred Tax Liability – brought forward	3,313,831	3,967,097
Acquisition through business combination	678,890	-
Deferred Tax Credit (Note 14)	(775,557)	(653,266)
Deferred Tax Liability – carried forward	$3,217,164	$3,313,831
Deferred Tax Liability (net) comprises:		
Deferred Tax Asset	(7,974,288)	(5,127,553)
Deferred Tax Liability	11,191,452	8,441,384
	$3,217,164	$3,313,831
Deferred Tax Asset comprises:		
Unutilised Capital Allowances	6,444,317	3,971,279
Unutilised Tax Losses	1,274,534	977,979
Accelerated Depreciation	255,437	178,295
	$7,974,288	$5,127,553
Deferred Tax Liability comprises:		
Accelerated Capital Allowances	$11,191,452	$8,441,384

14 **PROVISION FOR TAXATION**	31 October 2011 (Unaudited)	31 January 2011 (Audited) (Restated)
Provision for Taxation		
- Current Period	2,046,273	1,190,015
- Previous Years	461,180	(102,483)
TOTAL	$2,507,453	$1,087,532

14 PROVISION FOR TAXATION (Cont'd)

	31 October 2011 (Unaudited)	31 January 2011 (Audited) (Restated)
The Charge in the Income Statement comprises the following:		
Provision for Taxation	2,738,974	3,486,940
Overprovision – previous year	-	(74,977)
Deferred Tax (Note 13)	(775,557)	(653,266)
	1,963,417	2,758,697
Associated Companies	587,896	616,299
TOTAL	$2,551,313	$3,374,996

The Group's effective tax rate of 30.1% (31 January 2011 = 29.9%) differs from the Statutory rate as follows:

Profit before Taxation	$6,097,260	$11,742,156
Tax at statutory rate of 35%	2,134,041	4,109,755
Tax effect of expenses not deductible in determining taxable profits	1,796,646	380,167
Tax effect of income not assessable for taxation	(1,571,758)	(1,068,173)
Underprovisions – previous years	96,604	(231,255)
Tax effect of depreciation on non-qualifying assets	89,530	157,709
Other	6,250	26,793
	$2,551,313	$3,374,996

15 EARNINGS PER ORDINARY SHARE

Basic earnings per share is computed by relating profit attributable to ordinary shareholders to the number of ordinary shares in issue during the period/year.

	31 October 2011 (Unaudited)	31 January 2011 (Audited)
Net Income for the period/year	$3,545,947	$8,367,160
Number of ordinary shares in issue	52,000,000	52,000,000
Basic earnings per share	$0.07	$0.16

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16 PRIOR YEAR ADJUSTMENTS

Prior year adjustments comprise the following:

	31 October 2011 (Unaudited)	31 January 2011 (Audited)
Taxation	144,981	-
Reclassification of Reserves to Insurance Funds	-	(1,068,942)
Deferred Tax	11,296	211,656
TOTAL	$156,277	$(857,286)

17 CONTINGENT LIABILITIES AND COMMITMENTS

a) The Company is committed for calls on the unpaid portion of shares in its wholly-owned subsidiary, TDC Tours Limited, in the amount of $70,000 (31 January 2011 = $70,000);

b) At 31 October 2011, the Parent Company guaranteed bank loans and overdrafts on behalf of subsidiary companies;

c) At 31 October 2011, commitments in respect of open Letters of Credit established in the normal course of business amounted to $1,551,987 (31 January 2011 = $1,551,987);

d) The Company is committed to the investment in Cable Bay Hotel Development project for an additional amount of $5,480,102 (31 January 2011 = $5,480,102).

e) Pending Litigation – Parent Company

At 31 October 2011, there was a threat of legal action against the Parent Company in the approximate amount of EC $48,000.

TDC Nevis Limited:

A claim for personal injury has been made against this subsidiary in the approximate amount of EC$500,000. The company admits liability but not the quantum of the claim. Negotiations are in process to settle the claim. No provision has been made in these financial statements for this contingent liability.

18 TDC REAL ESTATE AND CONSTRUCTION LIMITED

Construction on twenty one (21) of the forty-three (43) villas at Sunrise Hill - Frigate Bay, St Kitts was completed. Another five (5) villas were under construction at period's end. The project is expected to be completed by July 2015.

It is estimated to cost EC $72 million of which $33,541,922 was expended at 31 October 2011. The Company was granted a five year tax-free holiday in respect of this development. This tax-free holiday has expired. As the project has not been completed, the Company has applied for a further extension of the tax-free holiday status.

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19 FINANCIAL INFORMATION BY SEGMENT

	REVENUE		PRE-TAX PROFIT	
SEGMENT	31 October 2011	31 January 2011	31 October 2011	31 January 2011
General Merchants and Shipping	90,794,334	139,683,609	419,542	4,174,452
Insurance and Finance	12,599,101	15,453,142	5,060,791	7,103,255
Rentals, Airline Agencies and Hotel	11,718,783	15,517,089	692,787	1,181,026
Real Estate	2,173,500	11,525,108	(75,860)	(716,577)
	$117,285,718	$182,178,948	$6,097,260	$11,742,156

	ASSETS		LIABILITIES	
SEGMENT	31 October 2011	31 January 2011	31 October 2011	31 January 2011
General Merchants and Shipping	189,505,948	165,775,559	102,879,899	78,963,336
Insurance and Finance	127,517,169	118,018,369	106,875,365	98,513,345
Rentals, Airline Agencies and Hotel	40,545,650	42,932,846	3,864,725	4,376,072
Real Estate	25,198,701	19,118,846	6,627,190	5,855,538
	$382,767,468	$345,845,620	$220,247,179	$187,708,291

	ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT		DEPRECIATION	
SEGMENT	31 October 2011	31 January 2011	31 October 2011	31 January 2011
General Merchants and Shipping	2,302,502	2,159,262	2,195,315	2,705,010
Insurance and Finance	48,502	334,573	122,005	166,239
Rentals, Airline Agencies and Hotel	276,188	3,079,870	1,431,966	2,013,747
Real Estate	7,056	12,220	27,086	114,204
	$2,634,248	$5,585,925	$3,776,372	$4,999,200

20 FINANCIAL INSTRUMENTS

a) Interest Rate Risk

Interest rates and terms of borrowing are disclosed in Note 10.

b) Credit Risk

The Group sells products and provides services to customers primarily in St Kitts-Nevis. The Group performs on-going credit evaluation of its customers and counterparties and provisions are made for potential credit losses.

c) Fair Values

The carrying amounts of the following financial assets and liabilities approximate their fair value: cash and bank balances, short-term deposits, accounts receivable, investments, accounts payable, loans and long-term liabilities.

d) Currency Risk

Substantially all of the Group=s transactions and assets and liabilities are denominated in Eastern Caribbean Dollars and United States Dollars. Therefore, the Group has no significant exposure to currency risk.

e) Liquidity Risk:

In order to manage liquidity risk, management seeks to maintain sufficient levels of cash and cash equivalents and available credit facilities such as loans and overdrafts to finance its operations and ongoing projects.

20 **FINANCIAL INSTRUMENTS** (cont'd)

e) Liquidity Risk: (cont'd)

The following table summarises the maturity profile of the Group's financial assets and liabilities:

Financial Liabilities:

Nine months ended 31 October 2011:

	Due within 1 Year	>1 Yr to 5 Yrs	>5 Years	Total
Overdrafts	24,442,274	-	-	24,442,274
Loans	4,524,001	16,643,097	11,376,940	32,544,038
Trade Payables	85,688,530	667,478	-	86,356,008
Other Payables	37,981,107	-	-	37,981,107
	$152,635,912	$17,310,575	$11,376,940	$181,323,427

Year Ended 31 January 2011:

	Due within 1 Year	>1 Yr to 5 Yrs	>5 Years	Total
Overdrafts	22,283,423	-	-	22,283,423
Loans	2,913,674	12,427,721	818,597	16,159,992
Trade Payables	72,479,954	3,222,571	-	75,702,525
Other Payables	37,523,103	-	-	37,523,103
	$135,200,154	$15,650,292	$818,597	$151,669,043

20 **FINANCIAL INSTRUMENTS** (cont'd)

e) Liquidity Risk: (cont'd)

Financial Assets:

Nine months ended 31 October 2011:

	Due within 1 Year	>1 Yr to 5 Yrs	>5 Years	Total
Cash and Short term Investments	21,823,020	-	-	21,823,020
Trade Receivables and Loans	30,951,395	28,356,470	26,925,128	86,232,993
Other Receivables	7,770,386	-	2,315,864	10,086,250
Investments	-	13,300,000	34,948,357	48,248,357
	$60,544,801	$41,656,470	$64,189,349	$166,390,620

Year Ended 31 January 2011:

	Due within 1 Year	>1 Yr to 5 Yrs	>5 Years	Total
Cash and Short term Investments	25,432,726	-	-	25,432,726
Trade Receivables and Loans	28,078,749	23,985,930	23,292,425	75,357,104
Other Receivables	5,009,366	-	2,315,864	7,325,230
Investments	-	13,300,000	34,621,230	47,921,230
	$58,520,841	$37,285,930	$60,229,519	$156,036,290

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21 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The following transactions were carried out with associated companies during the period:

	31 October 2011 $	31 January 2011 $
Sales of goods and services	12,060,400	16,080,578
Purchases of goods and services	2,549,860	3,399,812
Dividends received	31,937	671,769
Management and Administrative Fees	83,100	110,800

Compensation of key management personnel of the Company and its subsidiaries:

	31 October 2011	31 January 2011
Short-term employee benefits and retirement contributions	$1,962,000	$2,427,572

SKNA TDC Limited manages the TDC Pension Savings Plan for employees of the TDC Group of Companies. There is no liability for any shortfall in the Plan. At the end of the period, the SKNA TDC Limited was indebted to the TDC Pension Savings Plan in the amount of $4,894,128 (31 January 2011 = $3,547,292). Interest is being charged at the rate of 6 ½% per annum.

23 SUBSEQUENT EVENT

No event has occurred or is pending or in prospect subsequent to the end of the reporting period that would require adjustment to, or disclosure in these Consolidated Financial Statements.

24 BUSINESS COMBINATION AND ACQUISITION OF MINORITY INTEREST

On 29 August 2011, the Group obtained control of a subsidiary St Kitts Bottling Company Limited, an unlisted company specialing in the manufacturing of soft drinks.

The fair values of assets acquired and liabilities assumed were as follows:

Cash	547,005
Inventories	2,605,487
Accounts Receivable	3,774,319
Property, Plant and Equipment	14,499,745
	21,426,556
Accounts Payable	6,685,872
Loans and Overdrafts	9,283,964
	15,969,836
Net Assets	$5,456,720
Group's Share of Net Assets	2,819,487
Negative Goodwill on Acquisition	(714,260)
Total Consideration	$2,105,227
Fair Value of Previously Held Shares	2,001,738
Cash Consideration	103,489
Total Consideration	$2,105,227

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TDC GROUP OF COMPANIES – SUBSIDIARY COMPANIES

(Wholly-owned and resident in St Kitts-Nevis
except where otherwise stated)

GENERAL TRADING
TDC Nevis Limited
City Drug Store (2005) Limited
City Drug Store (Nevis) Limited
St Kitts Bottling Co Limited }
Antillean Beverages Limited } 51.67%

RENTAL AND HIRE PURCHASE:
TDC Rentals Limited
TDC Rentals (Nevis) Limited

INSURANCE AND REINSURERS:
St Kitts Nevis Insurance Co Ltd (SNIC)
SNIC (Nevis) Limited
East Caribbean Reinsurance Co Ltd - (80%) - Anguilla

FINANCE:
St Kitts Nevis Finance Co Ltd (FINCO)
Mercator Caribbean Company Ltd - (51%)

AIRLINE AGENTS AND TOUR OPERATORS:
TDC Airline Services Ltd
TDC Airline Services (Nevis) Limited
TDC Tours Limited

REAL ESTATE DEVELOPMENT:
TDC Real Estate and Construction Ltd
Conaree Estates Limited
Dan Dan Garments Limited
TDC Real Estate and Construction (Nevis) Limited

HOTEL OPERATOR:
Ocean Terrace Inn Limited
OTI Pieces of Eight Limited
Pelican Cove Marina Limited

SHIPPING SERVICES:
Sakara Shipping NV – Tortola, BVI

ASSOCIATED COMPANIES:
(Holding between 20% and 50%)
BLOCK MANUFACTURING AND READY MIX CONCRETE
St Kitts Masonry Products Limited - 50%

INSURERS:
Malliouhana Anico Insurance Co Ltd
- 25% (Anguilla)

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