

INDEPENDENT AUDITORS' REPORT

The Shareholder
National Quarries Company Limited

The accompanying summary financial statements, which comprise of the statement of financial position as at 30 September 2011, the statement of comprehensive income, the statements of changes in shareholder's equity and cash flows for the year then ended, are derived from the audited financial statements of National Quarries Company Limited for the year ended 30 September 2011. We expressed an unmodified audit opinion on those financial statements in our report dated 23 November 2017. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of National Quarries Company Limited.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with the basis of criteria established by management. Under management's established criteria, management prepares the financial statements in accordance with International Financial Reporting Standards but summarises it by disclosing the statement of financial position, the statement of comprehensive income, the statement of changes in shareholder's equity and the statement of cash flows and excluding the summary of significant accounting policies and other explanatory information.



Auditors' Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of National Quarries Company Limited for the year ended 30 September 2011 are consistent, in all material respects, with the audited financial statements, on the basis of management's established criteria as described above.

Port of Spain
23 January 2018

NATIONAL QUARRIES COMPANY LIMITED STATEMENT OF FINANCIAL POSITION			NATIONAL QUARRIES COMPANY LIMITED STATEMENT OF COMPREHENSIVE INCOME		
ASSETS	30 September			For the year ended 30 September	
	2011 (\$)	2010 (\$)		2011 (\$)	2010 (\$)
Current Assets:			Sales	136,489,842	121,866,645
Cash in hand and at bank	1,823,437	6,078,901	Less: Cost of Sales	<u>130,286,413</u>	<u>117,613,419</u>
Investments	5,210,593	5,114,691		5,503,429	4,253,226
Accounts receivable and prepayments	5,582,105	4,491,299	Interest and other revenue	<u>149,231</u>	<u>4,966,962</u>
Inventories	46,018,802	59,756,300		<u>5,652,660</u>	<u>9,220,188</u>
Taxation recoverable	<u>3,106</u>	<u>-</u>	General and Administrative Expenses:		
Total Current Assets	<u>58,638,043</u>	<u>75,441,191</u>	Advertising and promotions	398,744	560,108
Non-Current Assets:			Audit fees	271,000	115,000
Development cost	19,251,077	22,235,440	Bank charges and interest	1,949,275	3,135,114
Fixed assets	<u>65,064,141</u>	<u>71,434,009</u>	Bad debt expense	132,889	4,022,902
Total Non-Current Assets	<u>84,315,218</u>	<u>93,669,449</u>	Commissions	-	60,782
Total Assets	<u>142,953,261</u>	<u>169,110,640</u>	Consultancy fees	482,092	815,320
			Depreciation	500,166	380,695
			Directors' fees	291,350	129,786
			Donations and subscriptions	52,594	-
			Electricity and telephone	129,368	551,364
			Entertainment	584,685	681,969
			Green Fund Levy	39,669	97,164
			Insurance	134,062	123,237
			Legal and professional fees	643,724	691,111
			Litigation expenses	162,560	659,522
			Miscellaneous expenses	297,668	129,811
			Motor vehicle expenses	531,728	255,273
			Printing and stationery	47,901	49,726
			Rates and taxes	-	67,149
			Rental	433,302	439,729
			Repairs and maintenance	358,122	493,095
			Salaries and staff benefits	6,806,336	6,711,297
			Security	551,694	700,961
			Severance benefit	143,033	429,602
			Staff training	99,249	228,382
			Travelling	<u>321,535</u>	<u>319,929</u>
			Net loss before taxation	(9,710,086)	(12,628,840)
			Taxation	<u>(267,516)</u>	<u>(246,474)</u>
			Net loss for the year	<u>(9,977,602)</u>	<u>(12,875,314)</u>
LIABILITIES AND SHAREHOLDER'S EQUITY					
Current Liabilities:					
Bank overdraft	5,162,851	3,557,518			
Accounts payable and accruals	62,188,550	80,464,027			
Taxation payable	-	7,595			
Loans - Current portion	<u>3,997,033</u>	<u>5,420,710</u>			
Total Current Liabilities	<u>71,348,434</u>	<u>89,449,850</u>			
Non-Current Liabilities:					
Royalties payable	23,186,959	19,086,862			
Provision for severance benefits	132,407	369,316			
Environmental rehabilitation	13,642,182	11,586,311			
Loans - Non-current portion	<u>13,623,104</u>	<u>17,620,524</u>			
Total Non-Current Liabilities	<u>50,584,652</u>	<u>48,663,013</u>			
Total Liabilities	<u>121,933,086</u>	<u>138,112,863</u>			
Shareholder's Equity:					
Stated capital	28,907,000	28,907,000			
Accumulated (deficit)/surplus	<u>(7,886,825)</u>	<u>2,090,777</u>			
Total Shareholder's Equity	<u>21,020,175</u>	<u>30,997,777</u>			
Total Liabilities and Shareholder's Equity	<u>142,953,261</u>	<u>169,110,640</u>			
					
	Director	Director			

On 23 January 2018, the Board of Directors of National Quarries Company Limited authorised these financial statements for issue.

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**NATIONAL QUARRIES COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

	<u>Stated Capital</u> (S)	<u>Accumulated Surplus/(Deficit)</u> (S)	<u>Shareholder's Equity</u> (S)
Balance as at 1 October 2009	41,607,000	14,966,091	56,573,091
Deposit on Shares not receivable	(12,700,000)	-	(12,700,000)
Net loss for the year	-	(12,875,314)	(12,875,314)
Balance as at 30 September 2010	<u>28,907,000</u>	<u>2,090,777</u>	<u>30,997,777</u>
Balance as at 1 October 2010	28,907,000	2,090,777	30,997,777
Net loss for the year	-	(9,977,602)	(9,977,602)
Balance as at 30 September 2011	<u>28,907,000</u>	<u>(7,886,825)</u>	<u>21,020,175</u>

**NATIONAL QUARRIES COMPANY LIMITED
STATEMENT OF CASH FLOWS**

	For the year ended 30 September	
	<u>2011</u> (S)	<u>2010</u> (S)
Operating Activities:		
Net loss before taxation	(9,710,086)	(12,628,840)
Adjustment for items not requiring the use of funds: -		
Depreciation	7,990,565	7,863,311
Amortization of development costs	2,984,363	3,030,943
Profit on disposal of fixed assets	(36,730)	(11,052)
Bad debt expense	<u>132,889</u>	<u>4,022,902</u>
	1,361,001	2,277,264
Net change in accounts receivable and prepayments	(1,223,695)	16,626,410
Net change in inventories	13,737,498	(18,737,445)
Net change in accounts payable and accruals	(18,275,477)	22,747,679
Net change in provision for severance benefits	(236,909)	(4,282,666)
Additions to development cost	2,055,871	-
Net change in provision for environmental rehabilitation	4,100,097	1,393,542
Net change in royalties payable	(278,217)	2,429,382
Taxation	<u>1,240,169</u>	<u>(241,699)</u>
Cash provided by/(used in) operating activities		<u>22,212,467</u>
Investing Activities:		
Proceeds from disposal of fixed assets	64,565	40,387
Purchase of fixed assets	<u>(1,648,532)</u>	<u>(5,130,317)</u>
Cash used in investing activities		<u>(5,089,930)</u>
Financing Activities:	(5,421,097)	
Net change in loans	-	(4,943,370)
(Decrease)/increase in stated capital	<u>(5,421,097)</u>	<u>(12,700,000)</u>
Cash (used in)/provided by financing activities		<u>(17,643,370)</u>
Net change in cash resources	(5,764,895)	(520,833)
Cash resources - at beginning of year	<u>7,636,074</u>	<u>8,156,907</u>
- end of year	<u>1,871,179</u>	<u>7,636,074</u>
Represented by:		
Cash in hand and at bank	1,823,437	6,078,901
Investments	5,210,593	5,114,691
Bank overdraft	<u>(5,162,851)</u>	<u>(3,557,518)</u>
	<u>1,871,179</u>	<u>7,636,074</u>

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