JAMAICA BAUXITE MINING LTD

Annual Report 2014/2015

Contents

JAMAICA BAUXITE MINING LIMITED

Company Structure and Overview

The Jamaica Bauxite Mining Ltd. (“JBM”) was incorporated on February 13, 1975 to administer the Government of Jamaica’s equity in the bauxite and alumina industries. It holds 51% of Noranda Jamaica Bauxite Partners (“NJBP"), 7% of West Indies Alumina Company (“Windalco”) and 100% of the former Reynolds Operations at Lydford and the Port of Ocho Rios.

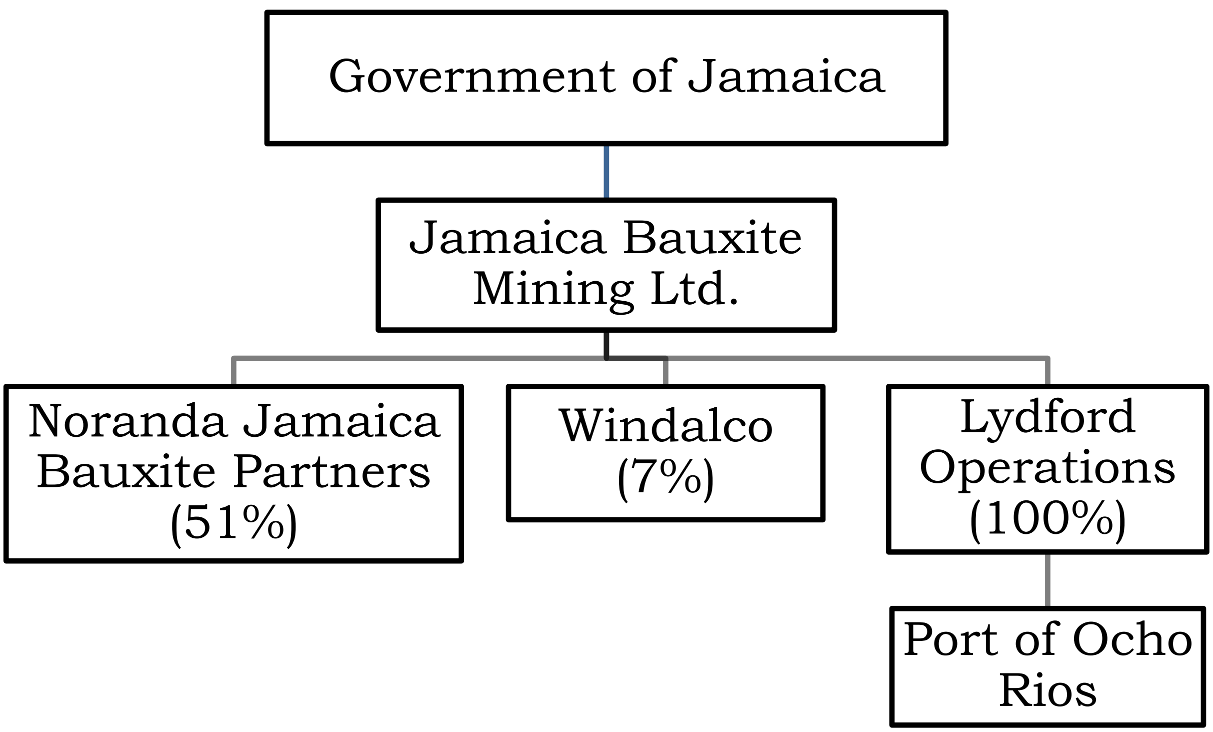

Figure 1

During fiscal year 2014/15, JBM sought to collect revenue from the following sources:

1. Lydford Operations, Port of Ocho Rios

Twenty-nine (29) cruise ships with 98,468 passengers and crew called at the Port in 2014/15. Although the number of ships remained constant with the previous fiscal year, the number of crew and passengers was up 10%. Sugar shipments climbed by 38% to 88,521 metric tonne as the port facilitated and expedited shipments faster than previous fiscal years. There were seven (7) limestone shipments during the fiscal year, two (2) more than the previous fiscal year with total tonnage increasing by a substantial 23% to 202,604 metric tonnes.

2. Noranda Jamaica Bauxite Partners

JBM received an annual Use of Asset Fee from its equity in Noranda Jamaica Bauxite Partners ("NJBP"). This fee was paid in United States dollars at an interest rate of 10% per annum. JBM received a rate of 14.68% for the first 15 years of the partnership with Kaiser and the rate will remain at 10% as long as the Partnership continues. Any new injection of capital by JBM will attract an interest rate of 14.68%.

NJBP chose not to request any additional capital from JBM during the previous fiscal year.

3. Windalco Joint Venture

Divestment of JBM's 7% stake in the Ewarton Works Alumina Plant was completed. Before the divestiture was completed, JBM continued to accumulate substantial losses attributable to the venture as the price of alumina fell along with worldwide commodity markets.

Board of Directors

There was one change to the Board of Directors, as Mr. Richard Bertram resigned from the Board. Mr. Linton A. Walters continued as Chairman alongside Directors, Dr. Conrad Douglas, Dr. Marie Freckleton, Dr. Margaret Sylvester Reid, Mr. Brando Hayden, Mr. Carl Thomas and Miss Karen Ho Young while Mr. Coy Roache continued as Managing Director.

JBM Operations

Lydford Operations

Lydford Operations were again profitable. Profits remained constant from the previous fiscal year, and Lydford Operations has now maintained profitability for six consecutive fiscal years. It has proven itself to be a reliable, vital profit centre for JBM. Revenues have continued to rise throughout the period, as more focus has been placed on revitalizing not only the Reynolds Pier, but also the buildings, houses and lands in the JBM portfolio. As such, JBM has undertaken a reorganization and reclassification of staff as attrition and retirement has opened the door for new personnel to take the Lydford Operations into the future as the JBM's new core business.

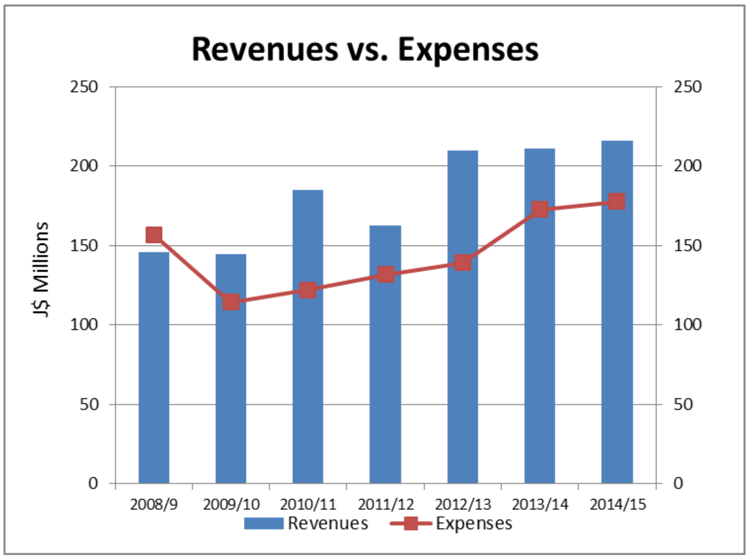

Figure 2 – Lydford Operations – Revenues vs. Expenses

In order to maintain this profitability, property and plant maintenance was undertaken, including:

1. the covering of the roof of the pier
2. conveyors for sugar and limestone repaired
3. renovation of old offices (closer to Lydford)
4. all houses have been fully repaired

Plans are also being developed which will enable the Reynolds Pier to have the ability to take larger cruiser ships and enhance the overall landscape of the Port and its environs. These plans are being developed in collaboration with the Port Authority of Jamaica.

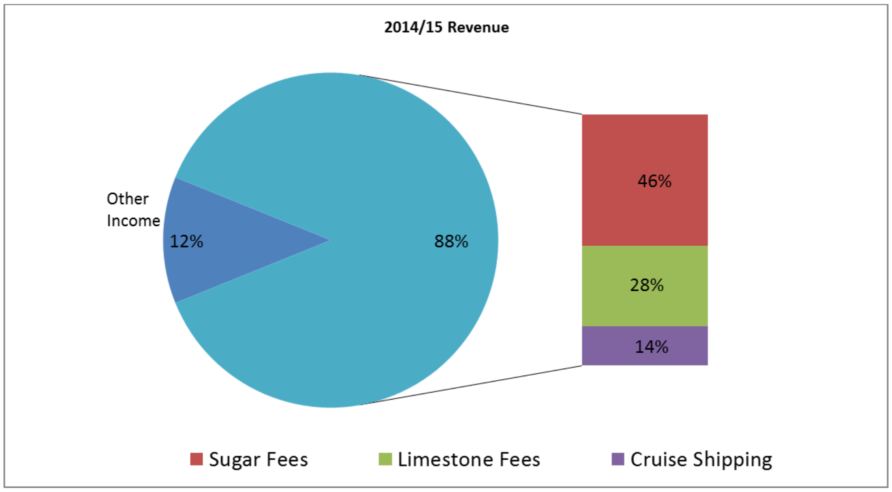

Figure 3 – Source of Revenues

Lydford Operations has also been actively seeking new ways to utilize its land and various buildings already existing. Currently Lydford Operations leases the old Reynolds power plant to a company that repairs old transformers for the Jamaica Public Service Company. Other leases include factory space to bammy and flavoured honey manufacturers as well as office space to Browns Town Community College for truck driving training and mechanic skills training. All houses in the Lydford portfolio were fully rented.

JBM has entered into lease agreements with China Harbour Engineering Company, builders of the North South leg of Highway 2000, for parcels of lands for their offices, housing and operations. JBM has tentatively discussed selling some of its non-core assets, comprised solely of land needed for the incoming Highway 2000 in Crescent Park. JBM has also facilitated early entry onto the property pending completion of the sale.

Noranda Jamaica Bauxite Partners (NJBP)

JBM is the majority (51%) owner of the Noranda Jamaica Bauxite Partners. Noranda Bauxite is the managing partner as JBM retains its role as part of the Executive Committee as majority partner. The Company mines bauxite and exported 100% of output to overseas alumina processing plants.

The downturn in the price of aluminium and by proxy, alumina and bauxite has affected NJBP's operations and they are no longer operating at full capacity. JBM is in discussions with NJBP to improve the situation. The 51% interest in the mining assets of the partnership of Noranda Bauxite Partners continues to pay JBM a "Use of Assets Fee" as stipulated in the Partnership Agreement.

Windalco Joint Venture

JBM's Joint Venture ("JV") Agreement in Windalco is with UC Rusal Alumina Jamaica Limited ("UCRusal") was dissolved during the fiscal year 2014/15. Up until the divestiture was completed, the JV accumulated J$109million of operating losses, or about 20% of revenues earned up to that time. Since the end of the fiscal year, aluminium prices have dropped almost 20% and are below US$1,500 per metric tonne. The JBM sold 6,782 MT of alumina to UCRusal thereby reducing the outstanding debt owed to Windalco by US$1.97mln before the divestment was completed.

JBM, on behalf of CAP, completed the repayment of the loan relating to the long-term alumina supply agreement signed with Glencore in 2002 during the previous fiscal year. However, this contract will continue to be a burden on JBM even after the divestiture as the company still has to pay the contractual penalty due because of the failure of JBM to supply alumina during Windalco's closure. The penalty incurred during 2014/15 was J$216.4mln.

Future Prospects

The Board of Directors of JBM and its parent Ministry continue to engage industry players with the view of constructing an alumina processing plant to capture the value-add of alumina versus raw bauxite sales both at Noranda and Lydford.

However, as the commodities "super cycle" has now ended, many producers are delaying new capital expenditure in places without significant sources of energy. Aluminium prices on the world market have fallen to US$1,500 per MT and it will be some time before it returns to US$2,200 (as this is the breakeven price for most aluminium smelters). Hopefully energy solutions for the island will be finalized by this time.

Managing Director	Chairman
Coy Roache, CD	**Linton A. Walters**

Appendix

Senior Executives' Compensation

Position of Senior Executive	Salary ($)	Vacation Leave Pay ($)	Performance Incentive ($)	Traveling Allowance Or Value of Assignment of Motor Vehicle ($)	Pension or Other Retirement Benefits ($)	Other Allowances (Uniform & Housing) ($)	Non-Cash Benefits (Health Insurance/ Lunches) ($)	Total ($)
Managing Director	8,728,436.04	-	-	589,620.00	-	-	60,000.00	9,378,056.04
Director of Finance & Administration	4,301,706.96	-	-	487,860.00	-	-	60,000.00	4,849,566.96
General Manager	2,293,790.02	-	123,192.26	796,500.00	-	397,725.96	79,446.00	3,690,654.24
Director of Finance	1,870,745.98	-	107,038.97	75,000.00	-	397,725.96	79,446.00	2,529,956.91
Port Manager	2,177.891.12	-	105,862.12	120,000.00	-	397.725.96	79,446.00	2,880.925.20

1. **JBM's Head Office is based at 36 Trafalgar Road (Kingston 10).**
2. **The Managing Director and the Director of Finance & Administration were transferred from Bauxite & Alumina Trading Company of Jamaica Limited to Jamaica Bauxite Mining Limited on March 1, 2014.**

Directors’ Compensation

Position of Director	Fees $	Motor Vehicle Upkeep/Travelling Or Value of Assignment of Motor Vehicle $	Honoraria $	All Other Compensation Including Non- Cash Benefits As Applicable	Total $
Chairman	144,000.00	120,000.00	-	-	264,000.00
Director	155,000.00	135,000.00	-	-	290,000.00
Director	80,000.00	120,000.00	-	-	200,000.00
Director	101,000.00	135,000.00	-	-	236,000.00
Director	83,500.00	120,000.00	-	-	203,500.00
Director	96,000.00	135,000.00	-	-	231,000.00
Director	104,500.00	135,000.00	-	-	239,500.00
Director	93,500.00	171,240.00	-	-	264,740.00

JAMAICA BAUXITE MINING LIMITED
Financial Statements
for year ended
March 31, 2015

JAMAICA BAUXITE MINING LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2015

JAMAICA BAUXITE MINING LIMITED

YEAR ENDED 31ST MARCH 2015

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REPORT OF THE INDEPENDENT AUDITORS TO THE DIRECTORS OF JAMAICA BAUXITE MINING LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Jamaica Bauxite Mining Limited which comprise the statement of financial position as at 31st March 2015 and the statement of comprehensive income, changes in equity and cash flows for the year then ended together with a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control.

REPORT OF THE INDEPENDENT AUDITORS
TO THE DIRECTORS OF
JAMAICA BAUXITE MINING LIMITED

Auditors' Responsibility (cont'd)

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements, give a true and fair view of the financial position of Jamaica Bauxite Mining Limited as at 31st March 2015, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards and the Jamaican Companies Act.

Other Matter
The financial statements of Jamaica Bauxite Mining Limited for the year ended 31st March 2014, were audited by another auditor who reported an emphasis of matter on going concern of the entity on 3rd December 2014.

Report on additional requirements of the Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, and the financial statements which are in agreement with the accounting records, give the information required by the Jamaican Companies Act in the manner so required.

UHY Dawgen
Signature

UHY DAWGEN CHARTERED ACCOUNTANTS

February 24, 2016

JAMAICA BAUXITE MINING LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

	Notes	2015 $	2014 $
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	5	123,485,689	729,498,883
Investment Property	6	14,732,386	16,111,077
Investment	7	1,975,994,048	1,881,615,741
		2,114,212,123	2,627,225,701
Current Assets			
Inventories	8	2,669,002	256,649,268
Trade and Other Receivables	9	385,801,518	687,896,381
Taxation Recoverable		60,369,356	50,258,862
Cash and Cash Equivalents	10	1,154,412,538	2,109,496,746
		1,603,252,414	3,104,301,257
Total Assets		3,717,464,537	5,731,526,958
EQUITY AND LIABILITIES			
Capital and Reserves			
Issued Share Capital	11	10,000,000	10,000,000
Capital Reserve	12	1,156,784,682	1,081,336,518
Revaluation Reserve	13	56,707,619	56,707,619
Accumulated Deficit		(1,335,178,546)	(1,541,115,860)
		(111,686,245)	(393,071,723)
Current Liabilities			
Trade and Other Payables	14	2,666,267,124	6,124,598,681
Deferred Income	14a	1,135,503,842	-
Taxation Payable		27,379,816	-
		3,829,150,782	6,124,598,681
Total Equity and Liabilities		3,717,464,537	5,731,526,958

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

APPROVED FOR ISSUE BY THE BOARD February 24, 2016 **AND SIGNED ON ITS BEHALF BY:**

Coy Roache, Director

Linton A. Walters, Director

JAMAICA BAUXITE MINING LIMITED
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

	Notes	2015 $	2014 $
Revenue	15	534,967,042	1,499,212,321
Operating Costs		(664,312,519)	(1,739,381,980)
		(129,345,477)	(240,169,659)
Finance Income	16	245,016,626	235,325,880
Other Income	17	214,953,194	211,302,887
Foreign Exchange Gain		763,243,494	-
(Loss)/Gain on Disposal of Property, Plant and Equipment		(609,592,500)	43,183
		484,275,337	206,502,291
Administrative Expenses		(240,505,691)	(316,786,108)
Other Operating Expenses		-	(357,040,489)
		243,769,646	(467,324,306)
Finance Costs	18	(10,392,516)	(71,411,126)
Operating Profit/(Loss) for the year	19	233,377,130	(538,735,432)
Debts Forgiven	20	-	1,816,570,025
Profit for the year		233,377,130	1,277,834,593
Taxation	21	27,439,816	-
Total Comprehensive Income		205,937,314	1,277,834,593

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

JAMAICA BAUXITE MINING LIMITED

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31ST MARCH 2015

(Expressed in Jamaican Dollars unless otherwise indicated)

	Share Capital $	Capital Reserve $	Revaluation Reserve $	Accumulated Surplus/ (Deficit) $	Total $
Balance at 31st March 2013	10,000,000	1,081,336,518	56,707,619	(2,818,950,453)	(1,670,906,316)
Total Comprehensive Income for year	-	-	-	1,277,834,593	1,277,834,593
Balance at 31st March 2014	10,000,000	1,081,336,518	56,707,619	(1,541,115,860)	(393,071,723)
Total Comprehensive Income for year	-	-	-	205,937,314	205,937,314
Net Assets from BATCO	-	75,448,164	-	-	75,448,164
Balance at 31st March 2015	10,000,000	1,156,784,682	56,707,619	(1,335,178,546)	(111,686,245)

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

JAMAICA BAUXITE MINING LIMITED
STATEMENT OF CASH FLOWS
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

	2015 $	2014 $
CASH FLOWS FROM OPERATING ACTIVITIES:		
Total Comprehensive Income for the year	205,937,314	1,277,834,593
Adjustments to Reconcile Comprehensive Income for the year to Net Cash (Used in)/Provided by Operating activities:		
Gain on Foreign Exchange (Fixed Asset Disposal)	(812,267,289)	-
Depreciation	37,144,436	78,470,000
Loss/(Gain) on disposal of Property, Plant & Equipment	609,592,500	(43,000)
Increase in value of Windalco Investment	(83,445,509)	-
Interest Income	(50,379,771)	(56,459,000)
Transfer of Property, Plant and Equipment	-	(10,093,000)
Gain on Foreign Exchange (Investment)	(94,378,307)	(187,215,000)
Debts Forgiven	-	(1,816,570,000)
Loss on Foreign Exchange (short-term loan)	-	21,073,000
Taxation Provision	27,439,816	-
	(160,356,810)	(693,002,407)
(Increase)/Decrease in Current Assets:		
Inventories	253,980,266	87,085,000
Trade and Other Receivables	(32,601,908)	131,622,000
Increase/(Decrease) in Current Liabilities:		
Trade and Other Payables	(3,458,331,557)	498,207,000
Deferred Income	1,135,503,842	-
Due to Related Party	-	(36,418,000)
Cash Used in Operations	(2,261,806,167)	(12,506,407)
Interest Received	40,464,256	41,782,000
Taxation Paid	(10,170,494)	-
Net Cash (Used in)/Provided by Operating activities	(2,231,512,405)	29,275,593
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to Property, Plant and Equipment	(37,619,967)	(70,799,000)
Proceeds from Disposal of Property, Plant & Equipment	1,238,600,000	390,000
Net Assets from BATCO	75,448,164	-
Net Cash Provided by/(Used in) Investing Activities	1,276,428,197	(70,409,000)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Debts Forgiven	-	1,816,570,000
Repayment of Long-term Loans	-	(273,998,000)
Repayment of Short-term Loans	-	(910,024,000)
Net Cash provided by Financing Activities	-	632,548,000
Net (Decrease)/Increase in Cash and Cash Equivalents	(955,084,208)	591,414,593
Cash and Cash Equivalents at beginning of Year	2,109,496,746	1,518,082,153
Cash and Cash Equivalents at end of year	1,154,412,538	2,109,496,746

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

1. Identification

Jamaica Bauxite Mining Limited (JBM), a limited liability company, was incorporated under the Laws of Jamaica on February 13, 1975. The company is domiciled in Jamaica, with registered office and principal place of business located at PCJ Resource Centre, 36 Trafalgar Road, Kingston 10, Jamaica, West Indies.

The main activities of the company comprise investment in the bauxite and alumina industry, trading in alumina and the operation of a port. In addition, the company has a seven percent (7%) interest in a Joint Operation with United Company RUSAL Limited (UC RUSAL), a company incorporated in the British Virgin Islands. Up to 31st May 2001, the joint venture was between Jamaica Bauxite Mining Limited (JBM) and Alcan Inc. However, Alcan Inc. sold its ninety-three percent (93%) share in the joint venture to Glencore Alumina Jamaica Limited. As of 1st June 2001, the joint venture was between Glencore Alumina Jamaica Limited and JBM. Effective 26th February 2007, Glencore International AG transferred its shares in Glencore Alumina Jamaica Limited to UC RUSAL. In addition, Glencore Alumina Jamaica Limited terminated its Joint Venture Agreement with JBM. Effective 26th February 2007, UC RUSAL became the Joint Venture partner with JBM. All provisions of the Joint Venture Agreement remained in full force and effect from the effective date.

By an agreement dated 29th May 2014, the company sold its seven percent (7%) interest in the Joint Venture with UC RUSAL Alumina Jamaica Limited (UC RUSAL), to UC RUSAL for US$11,000,000.00. As at 30th April 2014, JBM owed UC RUSAL US$23,975,919.00 in respect of its share of expenses in the Joint Venture, and was entitled to alumina from UC RUSAL in the amount of US$2,823,051 which was set off against the debt of US$23,975,919.00. The resultant debt of US$21,152,868.00 was reduced by the sales proceeds of US$11,000,000.00, leaving a debt of US$10,152,868.00 which was to be settled within thirty (30) days of the agreement. This balance was settled by 30th June 2014.

The Accountant General, a Corporation Sole, holds ninety-nine percent (99%) of the shares in JBM on behalf of the Government of Jamaica and one percent (1%) of the shares is held by the Managing Director.

2. Adoption of Standards, Interpretation and Amendments:

(a) Standards and Interpretations in respect of published standards that are in effect:

The International Accounting Standards Board (IASB) issued certain new standards and interpretations as well as amendments to existing standards, which became effective during the year under review. Management has assessed the relevance of these new standards, interpretations and amendments and has adopted and applied in these financial statements, those standards which are considered relevant to its operations.

IAS 32 - Financial Instruments: Presentation (Amendments) (Effective January 2014)

The objective of this amendment to IAS 32 is to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas: i) the meaning of 'currently has a legally enforceable right of set-off'; ii) the application of simultaneous realisation and settlement; iii) the offsetting of collateral amounts; and iv) the unit of account for applying the offsetting requirements.

2. Adoption of Standards, Interpretation and Amendments - (Cont'd):

(a) Standards and Interpretations in respect of published standards that are in effect (cont'd):

Amendments to IAS 36 - Impairment of Assets: Recoverable Amount Disclosures for Non Financial Assets (Effective January 2014)

The Amendments reduce the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarify the disclosures required, and introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount (based on fair value less costs of disposal) is determined using a present value technique.

IFRIC 21 - Levies (Effective January 2014)

This provides guidance on accounting for levies in accordance with the requirements of ***IAS 37, Provisions, Contingent Liabilities and Contingent Assets.*** The interpretation defines a levy as an outflow from an entity imposed by a government in accordance with Legislation. It requires an entity to recognize a liability for a levy when and only when the triggering event specified in the legislation occurs.

These affected the financial statements for accounting periods beginning on or after the first day of the months stated. The adoption of these Standards and amendments had no material impact on the company's financial statements.

(b) Standards and Interpretations in respect of published standards which are not in effect:

Certain new, revised and amended standards and interpretations have been issued which are not yet effective for the current year and which the company has not early-adopted. The company has assessed the relevance of all the new standards, amendments and interpretations with respect to the company’s operations and has determined that the following are likely to have an effect on the company's financial statements.

Improvements to IFRSs 2010–2012 cycle contains amendments to certain standards and interpretations and are effective for accounting periods beginning on or after July 1, 2014. The main amendments are as follows:

- **IFRS 13 - Fair Value Measurement (Effective July 2014)**

  Clarifies that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure certain short-term receivables and payables on an undiscounted basis (amends basis for conclusion only).

- **IAS 16 - Property, Plant and Equipment (Effective July 2014)**

  Proportionate restatement of accumulated depreciation under the revaluation method.
  For all depreciable assets:

  The depreciable amount (cost less residual value) should be allocated on a systematic basis over the asset's useful life [IAS 16.50].

  The residual value and the useful life of an asset should be reviewed at least at each financial year-end and, if expectations differ from previous estimates, any change is accounted for prospectively as a change in estimate under IAS 8. [IAS 16.51]

2. Adoption of Standards, Interpretation and Amendments - (Cont'd):

(b) Standards and Interpretations in respect of published standards which are not in effect (Cont'd):

Improvements to IFRSs 2010–2012 cycle contains amendments to certain standards and interpretations and are effective for accounting periods beginning on or after July 1, 2014. The main amendments are as follows (cont'd):

- **IAS 16 - Property, Plant and Equipment (Effective July 2014) (cont'd)**

  The depreciation method used should reflect the pattern in which the asset's economic benefits are consumed by the entity [IAS 16.60]; a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate. [IAS 16.62A]

  The depreciation method should be reviewed at least annually and, if the pattern of consumption of benefits has changed, the depreciation method should be changed prospectively as a change in estimate under IAS 8. [IAS 16.61] Expected future reductions in selling prices could be indicative of a higher rate of consumption of the future economic benefits embodied in an asset. [IAS 16.56]

  Depreciation should be charged to profit or loss, unless it is included in the carrying amount of another asset [IAS 16.48].

  Depreciation begins when the asset is available for use and continues until the asset is derecognised, even if it is idle. [IAS 16.55]

- **IAS 24 - Related Party Disclosures (Effective July 2014)**

  Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entity. [IAS 24.9]

  If an entity obtains key management personnel services from a management entity, the entity is not required to disclose the compensation paid or payable by the management entity to the management entity's employees or directors. Instead the entity discloses the amounts incurred by the entity for the provision of key management personnel services that are provided by the separate management entity*. [IAS 24.17A, 18A]

Improvements to IFRSs 2011–2013 cycle contains amendments to certain standards and interpretations and are effective for accounting periods beginning on or after July 1, 2014. The main amendments are as follows:

- **IFRS 13 - Fair Value Measurement (Effective July 2014)**

  Scope of paragraph 52 (portfolio exception) clarifies that the scope of the portfolio exception defined in paragraph 52 of IFRS 13 includes all contracts accounted for within the scope of IAS 39 Financial Instruments: Recognition and Measurement or IFRS 9 Financial Instruments, regardless of whether they meet the definition of financial assets or financial liabilities as defined in IAS 32 Financial Instruments: Presentation.

2. Adoption of Standards, Interpretation and Amendments - (Cont'd):

(b) Standards and Interpretations in respect of published standards which are not in effect (Cont'd):

Improvements to IFRSs 2011–2013 cycle contains amendments to certain standards and interpretations and are effective for accounting periods beginning on or after July 1, 2014. The main amendments are as follows (cont'd):

- **IAS 24 - Related Party Disclosures**

  This has been amended to extend the definition of 'related party' to include a management entity that provides key management personnel services to the reporting entity, either directly or through a group entity. The reporting entity is required to separately disclose the amounts that it has recognized as an expense for those services provided by the management entity but it is not required to disclose compensation paid by the management entity to the individuals providing the key management personnel services.

- **IFRS 10 - Consolidated Financial Statements (Effective January 2016)**

  The objective of IFRS 10 is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. [IFRS 10:1]

  - The standard requires a parent entity (an entity that controls one or more other entities) to present consolidated financial statements.
  - defines the principle of control, and establishes control as the basis for consolidation.
  - set out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee.
  - sets out the accounting requirements for the preparation of consolidated financial statements.
  - defines an investment entity and sets out an exception to consolidating particular subsidiaries of an investment entity.

  An entity may apply IFRS 10 to an earlier accounting period, but if doing so it must disclose the fact that is has early adopted the standard and also apply:

- IFRS 11 Joint Arrangements
- IFRS 12 Disclosure of Interests in Other Entities
- IAS 27 Separate Financial Statements (as amended in 2011)
- IAS 28 Investments in Associates and Joint Ventures (as amended in 2011).

  At the date of initial application of the amendments, the entity will assesses whether it is an investment entity on the basis of the facts and circumstances that exist at that date and additional transitional provisions apply [IFRS 10:C3B–C3F].

2. Adoption of Standards, Interpretation and Amendments - (Cont'd):

(b) Standards and Interpretations in respect of published standards which are not in effect (Cont'd):

Improvements to IFRSs 2011-2013 cycle contains amendments to certain standards and interpretations and are effective for accounting periods beginning on or after 1 January 2016. The main amendments are as follows cont'd):

IAS 28 - Investments in Associates and Joint Ventures (Effective January 2016)

- The objective of IAS 28 (as amended in 2011) is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. [IAS 28(2011).1]
- Scope of IAS 28 - IAS 28 applies to all entities that are investors with joint control of, or significant influence over, an investee (associate or joint venture). [IAS 28(2011).2]

IAS 27 - Separate Financial Statements (Effective January 2016)

The objective of setting standards to be applied in accounting for investments in subsidiaries, joint ventures, and associates when an entity elects, or is required by local regulations, to present separate (non-consolidated) financial statements.

IFRS 11 - Joint Arrangements (Effective January 2016)

IFRS 11, Joint Arrangements outlines the accounting by entities that jointly control an arrangement. Joint control involves the contractually agreed sharing of control and arrangements subject to joint control are classified as either a joint venture (representing a share of net assets and equity accounted) or a joint operation (representing rights to assets and obligations for liabilities, accounted for accordingly).

The IASB has signaled an intention to conduct a post-implementation review of IFRS 11, commencing in 2016.

IFRS 12 - Disclosure of Interests in Other Entities (Effective January 2016)

The objective of IFRS 12 is to require the disclosure of information that enables users of financial statements to evaluate: [IFRS 12:1]

- the nature of, and risks associated with, its interests in other entities
- the effects of those interests on its financial position, financial performance and cash flows

Where the disclosures required by IFRS 12, together with the disclosures required by other IFRSs, do not meet the above objective, an entity is required to disclose whatever additional information is necessary to meet the objective. [IFRS 12:3]

2. Adoption of Standards, Interpretation and Amendments - (Cont'd):

(b) Standards and Interpretations in respect of published standards which are not in effect (Cont'd):

IFRS 12 - Disclosure of Interests in Other Entities (cont'd)

IFRS 12 is required to be applied by an entity that has an interest in any of the following: [IFRS 12:5]

- subsidiaries
- joint arrangements (joint operations or joint ventures)
- associates
- unconsolidated structured entities

IFRS 12 does not apply to certain employee benefit plans, separate financial statements to which IAS 27 *Separate Financial Statements* applies (except in relation to unconsolidated structured entities and investment entities in some cases), certain interests in joint ventures held by an entity that does not share in joint control, and the majority of interests in another entity accounted for in accordance with IFRS 9 *Financial Instruments* . [IFRS 12:6]

- **IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations**

  Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued.

  Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements.

- **IAS 19 - Employee Benefits**

  Clarifies that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid.

IAS 1 - Presentation of Financial Statement (Effective January 2016)

The amendment addresses perceived impediments to preparers exercising their judgement in presenting their financial reports by making the following changes.

Clarifies that information should not be obscured by aggregating or by providing immaterial information materiality consideration apply to the all parts of the financial statements, and even when a standard requires a specific disclosure, materiality considerations do apply;

2. Adoption of Standards, Interpretation and Amendments - (Cont'd):

(b) Standards and Interpretations in respect of published standards which are not in effect (Cont'd):

IAS 1 - Presentation of Financial Statement (Effective January 2016) (cont'd)

Clarifies that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and clarification that an entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregated as single line items based on whether or not it will subsequently be reclassified to profit or loss;

Provides additional examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need to be presented in the order so far listed in paragraph 114 of IAS 1.

IAS 16 - Property, Plant and Equipment and IAS 38 Intangible Assets (Effective January 2016)

- Clarify that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment;

- Introduce a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated;

- Add guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset.

IFRS 15 - Revenue from Contracts with Customers (IAS 18 will be superseded by IFRS 15 Revenue from Contracts with Customers) (Effective January 1, 2017)

IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers.

The five steps in the model are as follows:

- Identify the contract with the customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contracts
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Guidance is provided on topics such as the point in which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced.

2. Adoption of Standards, Interpretation and Amendments - (Cont'd):

(b) Standards and Interpretations in respect of published standards which are not in effect (Cont'd):

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

This replaces the existing guidance in ***IAS 39, Financial Instruments: Recognition and Measurement.*** IFRS 9 introduces new requirements for the classification, measurement and recognition of financial assets and financial liabilities, in order to ensure that relevant and useful information is presented to users of financial statements. It replaces the multiple classification and measurement models in IAS 39 with a single model that has only two classification categories: amortized cost and fair value. The determination of classification will be made at initial recognition and depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

These affect financial statements for accounting periods beginning on or after the first day of the month stated. The company is assessing the impact these amendments will have on its 2016 and 2017 financial statements.

3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies:

(a) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board (IASB) and under the historical cost convention except as stated below.

There is a deviation from IAS 31 -Interest in Joint Ventures. The company's fifty-one percent (51%) interest in the mining assets of the Partnership of Noranda Jamaica Bauxite Partners is not accounted for using the proportionate consolidation or equity method.

(b) Basis of Preparation

These financial statements have been prepared in accordance with IFRS and under the historical cost convention except for land and building which are included at valuation.

(c) Significant Accounting Policies

(i) **Use of Estimates and Judgements:**

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. These estimates are based on historical experience and management's best knowledge of current events and actions and are reviewed on an on-going basis. Actual results could differ from those estimates.

There were no critical judgements, apart from those involving estimation, that management has made in the process of applying the company's accounting policies that have a significant effect on the accounts recognised in the financial statements.

The significant accounting policies that have been used in the financial statements are summarised below and have been consistently applied for all the years presented:

(Expressed in Jamaican Dollars unless otherwise indicated)

3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(c) Significant Accounting Policies (cont'd):

(ii) **Property, Plant and Equipment:**

Property, plant and equipment of the company and Joint operation are carried at cost less accumulated depreciation and impairment. Joint operation assets included in property, plant and equipment represent the company's interest of seven percent (7%) in those assets.

The useful life of property, plant and equipment-depreciation is provided so as to write down the respective assets to their expected useful lives and as such, the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements.

- Company

Depreciation is calculated on the straight-line basis at such rates as will write off the cost/deemed cost of the various assets over the period of their expected useful lives. The useful lives are approximated as follows:

Structures, Residence, Paved Roads & Yards	40 years
Pier and Port Facilities & Equipment	12-40 years
Water and Power Generation & Distribution Equipment	10-40 years
Overload Conveyor	12-20 years
Other Plant, Machinery & Equipment	5-10 years

No depreciation is charged on certain classes of assets at Lydford, which are being held for future use but are not currently being used in production. Land is not depreciated.

- Joint Operation Assets

Depreciation on plant and machinery and equipment is calculated on the straight-line basis at rates estimated to write off those assets over their expected useful lives. The useful lives approximate from thirteen to thirty (13-30) years.

Construction-in-progress is not depreciated. Upon completion, the assets will be depreciated from the date of completion.

- Repairs and Renewals

The costs of repairs and renewals which do not enhance the value of existing assets are written off to profit or loss as they are incurred.

(iii) **Investment in Joint Operations:**

The company's seven percent (7%) interest in a Joint operation with UC RUSAL is accounted for using the proportionate consolidation method whereby the company's share of the assets, liabilities, income and expenses are included line by line in the financial statements.

3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(c) Significant Accounting Policies (cont'd):

(iii) **Investment in Joint Operations - (cont'd):**

The company's fifty-one percent (51%) interest in the mining assets of the partnership of Noranda Jamaica Bauxite Partners, (formerly St. Ann Jamaica Bauxite Partners) is denominated in United States Dollars. The Investment is measured at cost and is translated at the exchange rate ruling at the end of the reporting period. Gains and losses from fluctuation in exchange rates are included in profit or loss for the period.

(iv) **Inventories:**

Inventories are valued at the lower of cost, determined on the weighted average cost basis and net realisable value. Cost of inventories comprise invoiced value of alumina and spare parts plus applicable landing charges. Net realisable value is based on estimated selling price.

(v) **Taxation:**

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

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

Deferred tax is accounted for using the balance sheet liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. In principle, deferred tax liabilities are recognised for taxable differences and deferred tax assets are recognised to the extent that it is probable that profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is charged or credited to the statement of comprehensive income except when it relates to items credited or charged directly to equity, in which case, deferred tax is also dealt with in equity.

Current and deferred tax assets and liabilities are set off when they arise from the same taxable entity, relate to the same tax authority and when the legal right of off-set exists.

(vi) **Cash and Cash Equivalents:**

Cash and cash equivalents comprise current account balances, short term investments with maturity dates of three (3) months or less and petty cash.

3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(c) Significant Accounting Policies (cont'd):

(vii) **Foreign Currency Transactions:**

- Functional and Presentation Currency

  The financial statements are prepared and presented in Jamaican dollars, which is the functional currency of the company.

- Foreign Currency Transactions and Translation of Balances

  Foreign currency balances at the end of the reporting period have been translated at rates of exchange ruling at that date.

  Transactions in foreign currency are converted at rates of exchange ruling at the dates of those transactions.

  Gains and or losses arising from fluctuation in exchange rates are included in the statement of comprehensive income.

(viii) **Impairment of Non-current Assets:**

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. Management estimates expected future cash flows from each asset or cash generating unit and determines the recoverable amounts and the present value of the expected future cash flows.

Property, plant and equipment and investments are subject to impairment review, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may differ from estimates.

3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(c) Significant Accounting Policies (cont'd):

(ix) **Provisions:**

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the obligation can be made. Where the company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

(x) **Equity:**

Share capital is determined using the proceeds received for the shares that have been issued including any premiums received on the initial issuing of shares. Any transaction costs associated with the issuing of shares are deducted from premiums received.

Capital reserve comprises advances from Ministry of Finance and surplus on refinancing from Reynolds Jamaica Mines Limited.

Revaluation reserve comprises gains and losses due to the revaluation of certain property and equipment.

Accumulated loss include all current and prior period results as disclosed in the statement of comprehensive income.

(xi) **Revenue Recognition:**

Revenue represents the invoiced value of alumina, port and utilities services and investment and interest

Revenue from goods and services are recognised in the statement of comprehensive income upon delivery or performance of service.

Investment and interest income are recognised in the statement of comprehensive income when contracts come into effect or upon the transfer of risk to third parties.

(xii) **Pension costs:**

The company participates in a defined contribution pension scheme for its employees Contributions to the scheme are charged to the statement of comprehensive income in the period to which they relate.

(xiv) **Comparative Information**

Where necessary, comparative figures have been re-classified to conform with changes in presentation in the current year. In particular, comparatives have been adjusted to take into account the requirements of IFRS.

3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(c) Significant Accounting Policies (cont'd):

(xiii) **Related Party Transactions:**

A related party is a person or entity that is related to the company (referred to in IAS 24, *Related Party Disclosures* as the "reporting entity").

(a) A person or a close member of that person's family is related to the company if that person:

(i) has control or joint control over the company;

(ii) has significant influence over the company; or

(iii) is a member of the key management personnel of the company or of a parent of the company.

(b) An entity is related to the company if any of the following conditions applies:

(i) The entity and the company are members of the same company (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a company of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company.

(vi) The entity is controlled, or jointly controlled by a person identified in (a).

(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

4. Financial Risk Management:

The company's activities expose it to a variety of financial risks which require evaluation, acceptance and management of some degree of risks or combination of risks. Operational risks are inevitable consequences of being in business. The company's aim is to achieve an appropriate balance in risk and return and minimise potential adverse effects on the company's financial performance.

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instruments. Financial assets are derecognized when the contractual rights to cash flows from the financial asset expire, or when the financial asset and all the substantial risks and rewards are transferred. The financial liability is derecognized when it is extinguished, discharged, cancelled or expired. The company's management policies are designed to identify and analyse these risks, to set up appropriate controls and to monitor the risks by means of up-to-date information.

The Board of Directors is ultimately responsible for the establishment and oversight of the company's management framework. It provides policies for overall risk management, as well as principles and procedures covering the specific areas of risk. The Board manages and monitors those risks such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

The most important types of risks are credit risk, liquidity risk, market risk and other operational risks. Market risk includes currency risk, interest rate risk and other price risks.

These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The risks that the company primarily faces due to the nature of its assets and liabilities are interest rate risk and market risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

(a) Credit risk

The company is exposed to credit risk, which is the risk that its customers, or counter-parties will cause a financial loss for the company by failing to discharge their contractual obligations. Credit risk is the most important risk for the company's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from the company's receivables from customers. There is also credit risk in off-statement of financial position financial instruments, such as loan commitments. The company structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counter-party or groups of related counter-parties.

<u>Credit Review Process</u>

The company has established a credit quality review process and has credit policies and procedures which require regular analysis of the ability of counter parties to meet interest, capital and other repayment obligations.

(Expressed in Jamaican Dollars unless otherwise indicated)

4. Financial Risk Management (Cont'd):

(a) Credit risk (Cont'd)

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence that a financial asset or a group assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described as follows;

i) Trade Receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. the company's long - term receivables, cash and cash equivalents, trade and other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. A provision for doubtful debt is recognised when there is an indication that the debt is impaired. Impairment of trade receivables are presented within "operating expenses".

ii) Other Receivables

Other receivables consist mainly of miscellaneous loans. The company limits its exposure to credit risk by controlling the amount loaned.

iii) Cash and Cash Equivalents

Cash & Cash Equivalents consists mainly of deposits which are maintained with licensed and stable financial institutions having high credit quality. Savings and current accounts held at commercial banks are insured under the Jamaica Deposit Insurance Scheme with Jamaica Deposit Insurance Corporation. However as at the date of the Statement of Financial Position a maximum of $600,000 per Commercial Bank is insured under the scheme. Notwithstanding credit risk exposure in this area is considered low.

Maximum Exposure to Credit Risk

	2015 $	2014 $
Trade Receivables	38,823,236	68,549,471
Other Receivables	346,978,282	619,346,910
Cash and Cash Equivalents	1,154,412,538	2,109,496,746
	1,540,214,055	2,797,393,127

4. Financial Risk Management (Cont'd):

(b) Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial liabilities when they fall due and to replace funds when they are withdrawn.

The company has made progress in strategically managing its liquidity risk by maintaining an appropriate level of resources in liquid or near liquid form. At the date of the statement of financial position the company faced liquidity risk in that, its current liabilities exceeded its current assets by $2,226,368 (2014 - $3,020,297,424).

There has been some change in the company's liquidity risk or the manner in which it measures and manages the risk. This is evident in the 26% decrease in the liquidity risk exposure between the year under review and the prior year.

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the company. It is unusual for companies ever to be completely matched since business transacted is often of uncertain term and of different types. An unmatched position potentially enhances profitability, but can also increase the risk of loss.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest bearing liabilities as they mature, are important factors in assessing the liquidity of the company and its exposure to changes in the interest rates and exchange rates.

JAMAICA BAUXITE MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

4. Financial Risk Management (Cont'd):

(b) Liquidity risk (Cont'd)

The following are the contractual maturities of financial assets and liabilities including interest payments as at 31st March 2015:

	Carrying Amount and Contractual Cash Flow $	0 - 6 months $	6 - 12 months $	No specific maturities $
Inventories	2,669,002	-	2,669,002	-
Trade and Other Receivables				
Trade	38,823,236	38,823,236	-	-
Other	346,978,282	-	346,978,282	-
Taxation Recoverable	60,369,356	-	-	60,369,356
Cash and Cash Equivalents	1,154,412,538	-	-	1,154,412,538
	1,603,252,414	38,823,236	349,647,284	1,214,781,894
Trade and Other Payables				
Trade	20,969,424	20,969,424	-	-
Other	2,645,297,700	-	2,645,297,700	-
Taxation Payable	27,379,816	-	27,379,816	-
	2,693,646,940	20,969,424	2,672,677,516	-
Net Current Assets/(Liabilities)	(1,090,394,526)	17,853,812	(2,323,030,232)	1,214,781,894

JAMAICA BAUXITE MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

4. Financial Risk Management (Cont'd)

(b) Liquidity risk (Cont'd)

The following are the contractual maturities of financial assets and liabilities including interest payments as at 31st March 2014.

	Carrying Amount and Contractual Cash Flow $	0 - 6 months $	6 - 12 months $	No specific maturities $
Inventories	256,649,268	-	256,649,268	-
Trade and Other Receivables				
Trade	68,549,471	68,549,471	-	-
Other	619,346,910	-	619,346,910	-
Taxation Recoverable	50,258,862	-	-	50,258,862
Cash and Cash Equivalents	2,109,496,746	-	-	2,109,496,746
	3,104,301,257	68,549,471	875,996,178	2,159,755,608
Trade and Other Payables				
Trade	2,368,035,014	2,368,035,014	-	-
Other	3,756,563,667	-	3,756,563,667	-
	6,124,598,681	2,368,035,014	3,756,563,667	-
Net Current Assets/(Liabilities)	(3,020,297,424)	(2,299,485,543)	(2,880,567,489)	2,159,755,608

(c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. These arise mainly from changes in interest rates and foreign currency exchange rates. Market risk is monitored by the company's financial department which carries out extensive research and monitors the price movement of financial assets on the local market. There has been no change to the company's exposure to market risks or the manner in which it manages and measures the risk.

(i) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate during a specified period due to changes in the market interest rates. The company's cash and cash equivalents are subject to interest rate risk. However, the company attempts to manage this risk by monitoring its interest-bearing instruments closely and procuring the most advantageous rates under contracts with interest rates that are fixed for the life of the contract, where possible.

JAMAICA BAUXITE MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

4. Financial Risk Management (Cont'd):

(c) Market Risk (Cont'd)

(i) Interest Rate Risk (cont'd)

Financial Assets
The company's interest bearing financial assets consist of excess cash invested in short-term deposits and it maintains interest-earning bank accounts with licensed financial institutions. Short-term deposits are invested for periods of one to three (1-3) months at fixed interest rates and are not affected by fluctuations in market interest rates up to the date of maturity. Interest rates on interest-earning banks accounts are not fixed, but are subject to fluctuations based on prevailing markets conditions.

Financial Liability
The company's interest-bearing liability consists of a debt owing to an associate, Glencore International AG.

Interest Rate Sensitivity
At the date of the statement of financial position, the Interest Profile of the company's interest-bearing financial instruments was:

		2015		2014
	Interest Rate %	$	Interest Rate %	$
Financial Assets				
Investment in Noranda	10.00%	1,975,994,048	10.00%	1,881,615,741
US$ Short-Term Investment	0.1% - 8.0%	815,482,369	0.1% - 8.0%	1,832,970,602
J$ Short-Term Investment	0.1% - 8.0%	267,432,584	0.1% - 8.0%	171,680,210
		3,058,909,001		3,886,266,553
Financial Liabilities				
Penalty and Interest - Glencore	8.00%	2,518,713,184	8.00%	3,477,543,142

During the period April 2014 to March 2015, BOJ 3-6 months commercial bank deposit rates decreased by approximately 241 basis points from 9.11% to 6.70%. This rate of movement is expected to continue in the foreseeable future as the Government continues to require that interest rates are contained at low single digit levels. Increases are expected to be marginal and sustainable only over the short term.

(Expressed in Jamaican Dollars unless otherwise indicated)

4. Financial Risk Management (Cont'd):

(c) Market Risk (Cont'd)

(i) Interest Rate Risk (cont'd)

A one percent (1%) movement in interest rate at the reporting date would have increased/(decreased) the reported (loss)/profit and accumulated losses by the amounts shown below:

	2015	2014
	$	$
Financial Assets		
1% (2014-1%) Increase in interest rates		
Investment in Noranda	19,759,940	18,816,157
US$ Short-Term Investment	8,154,824	18,329,706
J$ Short-Term Investment	2,674,326	1,716,802
	30,589,090	38,862,666
1% (2014-1%) Decrease in interest rates	(30,589,090)	(38,862,666)
Financial Liabilities		
1% (2014-1%) Increase in interest rates		
Penalty and Interest - Glencore	25,187,132	34,775,431
1% (2014-1%) Decrease in interest rates	(25,187,132)	(34,775,431)

This analysis assumes that all other variables, in particular exchange rates remains constant.

(ii) Foreign Currency risk

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

The company has transactions with international entities and is exposed to foreign currency risk arising from various currency exposures, primarily with respect to the US dollar.

Foreign currency risk arises from future commercial transactions and recognised assets and liabilities.

The company manages its foreign currency risk by ensuring that the net exposure in foreign currency assets and liabilities is kept at an acceptable level by monitoring currency positions. The company further manages this risk by maximising foreign currency earnings and holding foreign currency balances.

(Expressed in Jamaican Dollars unless otherwise indicated)

4. Financial Risk Management (Cont'd):

(c) Market Risk (Cont'd)

(ii) Foreign Currency risk (cont'd)

Maximum exposure to foreign currency risk:

	2015 US$	2014 US$
Financial Assets		
Investment	17,217,606	17,218,000
Trade and Other Receivables	1,655,762	3,791,000
Cash and Cash Equivalents	9,135,814	16,772,000
	28,009,181	37,781,000
Financial Liabilities		
Trade and Other Payables	(21,946,529)	(53,983,000)
	(21,946,529)	(53,983,000)
Net Assets/(Liabilities)	6,062,652	(16,202,000)

Sensitivity Analysis

Exchange rates, in terms of Jamaican dollars, which is the company's principal intervening currency, were as follows:

	US$
At 30th April 2015	115.65
At 31st March 2015	114.77
At 31st March 2014	109.57

Over the period April 1, 2014 to March 31, 2015, there has been an approximate 5% increase in the exchange rate.

Should there be a weakening/strengthening of the Jamaican dollar against the different currencies by say, 10% this would reduce/increase income and equity as shown below:

	2015 Movement		2014 Movement	
	%	J$	%	J$
United States Dollar	10	69,578,569	2	(35,506,489)

The analysis assumes that all other variables, in particular, interest rates, remain constant and is performed on the same basis for 2014.

(Expressed in Jamaican Dollars unless otherwise indicated)

4. Financial Risk Management (Cont'd):

(d) Capital Management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern, and to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board of Directors monitors the return on equity, which the company defines as net profit attributable to equity holders of the company divided by total shareholders equity.

The company monitors capital on the basis of debt to equity ratio. The ratio is calculated on total borrowings. During 2015, the company's strategy which was unchanged from 2014 is to maintain a debt equity ratio not exceeding 100%.

There were no changes to the company's approach to capital management during the year.

The company's capital comprises:

	2015 $	2014 $
Issued Capital	10,000,000	10,000,000
Capital Reserve	1,156,784,682	1,081,336,518
Revaluation Reserve	56,707,619	56,707,619
Accumulated Deficit	(1,335,178,546)	(1,541,115,860)
	(111,686,245)	(393,071,723)

(e) Fair Value

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

The fair values of cash resources, other assets and other liabilities, are assumed to approximate their carrying values due to their short-term nature.

The following table provides an analysis of financial instruments held as at 31st March 2015 that, subsequent to initial recognition, are measured at fair value. The financial instruments are grouped into levels 1 to 3 based on the degree to which the fair value is observable, as follows:

(i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical instruments;

(ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the instrument, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

(iii) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the instrument that are not based on observable market data (unobservable inputs).

There were no transfers between levels during the year.

JAMAICA BAUXITE MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

4. Financial Risk Management (Cont'd):

(e) **Fair Value (Cont'd)**

	2015			
	Level 1	Level 2	Level 3	Total
	$	$	$	$
Investment in Noranda	-	-	1,975,994,048	1,975,994,048

	2014			
	Level 1	Level 2	Level 3	Total
	$	$	$	$
Investment in Noranda	-	-	1,881,615,741	1,881,615,741

(e) Operational Risk

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

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

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management. This responsibility is supported by the development of overall company standards for the management of operational risk in the following areas:

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management. This responsibility is supported by the development of overall company standards for the management of operational risk in the following areas:

(i) Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
(ii) Requirement for appropriate segregation of duties, including the independent authorisation of transactions;
(iii) Requirements for the reconciliation and monitoring of transactions;
(iv) Compliance with regulatory and other legal requirements;
(v) Documentation of controls and procedures;
(vi) Requirements for the reporting of operational losses and proposed remedial action;
(vii) Training and professional development;
(viii) Ethical and business standards; and
(ix) Risk mitigation, including insurance where this is effective.

Compliance with the company's standards is supported by periodic reviews, the results are discussed with the management and the Board of Directors.

There were no changes to the company's approach to operational risk management during the year.

JAMAICA BAUXITE MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

5. Property, Plant and Equipment

	Land	Structures, Residence, Paved Roads & Yards	Pier, Port Facilities & Equipment	Construction -in- Progress	Water & Power Generation & Distribution Equipment	Overland Conveyor	Plant Machinery & Equipment	Other Plant Machinery & Equipment	Total
	$	$	$	$	$	$	$	$	$
At Cost or Valuation									
31st March 2013	30,087,457	38,481,929	154,623,431	83,749,771	11,172,421	14,222,103	1,133,510,366	20,359,462	1,486,206,940
Additions	-	2,787,000	808,000	60,460,000	-	-	81,000	6,109,000	70,245,000
Disposals	-	(474,000)	(33,000)	-	(420,000)	(234,000)	(1,087,000)	(3,086,000)	(5,334,000)
Transfers	-	-	-	(67,267,000)	-	-	78,437,060	-	11,170,060
31st March 2014	30,087,457	40,794,929	155,398,431	76,942,771	10,752,421	13,988,103	1,210,941,426	23,382,462	1,562,288,000
Additions	-	3,521,725	567,155	17,760,891	-	2,552,103	-	13,218,093	37,619,967
Disposals	(27,504,311)	(23,595)	-	(93,501,837)	-	-	(1,198,258,716)	(1,279,606)	(1,320,568,065)
Transfers	-	-	-	-	-	-	(316,650)	316,650	-
31st March 2015	2,583,146	44,293,059	155,965,586	1,201,825	10,752,421	16,540,206	12,366,060	35,637,599	279,339,902
Depreciation:									
31st March 2013	-	16,729,627	84,748,162	-	9,156,465	1,822,988	629,414,126	16,527,749	758,399,117
Charge for the year	-	3,464,000	10,114,000	-	418,000	-	63,116,000	1,330,000	78,442,000
Transfers	-	-	-	-	-	-	-	-	-
Retired on disposal	-	(469,000)	(33,000)	-	(420,000)	(47,000)	(9,000)	(3,074,000)	(4,052,000)
31st March 2014	-	19,724,627	94,829,162	-	9,154,465	1,775,988	692,521,126	14,783,749	832,789,117
Transfers			(1,430,796)				1,271,000	159,796	-
Charge for the year	-	4,224,229	8,698,546	-	418,485	-	18,855,330	3,569,155	35,765,745
Retired on disposal	-	(20,449)	-	-	-	-	(711,410,850)	(1,269,350)	(712,700,649)
31st March 2015	-	23,928,407	102,096,912	-	9,572,950	1,775,988	1,236,606	17,243,350	155,854,213
Net Book Values:									
31st March 2015	**2,583,146**	**20,364,652**	**53,868,674**	**1,201,825**	**1,179,471**	**14,764,218**	**11,129,454**	**18,394,249**	**123,485,689**
31st March 2014	**30,087,457**	**21,070,302**	**60,569,269**	**76,942,771**	**1,597,956**	**12,212,115**	**518,420,300**	**8,598,713**	**729,498,883**
31st March 2013	**30,087,457**	**21,752,302**	**69,875,269**	**83,749,771**	**2,015,956**	**12,399,115**	**504,096,240**	**3,831,713**	**727,807,823**

Property, plant and equipment comprise:

A valuation of the company's seven percent (7%) interest in the Joint Operation with UC RUSAL's ninety-three percent (93%) was carried out by Deloitte and Touche LLP on December 31, 2012. The fair value of the company's assets at that date was US$9,611,280 approximately J$837,290,502. All those assets were sold in July 2014 when the company disposed of its 7% holding in Windalco to UC Rusal.

JAMAICA BAUXITE MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

6. Investment Property

	Freehold Land	Freehold Building	Total
	$	$	$
At Cost or Valuation:			
31st March 2014	3,457,077	30,471,000	33,928,077
Additions	-	-	
31st March 2015	3,457,077	30,471,000	33,928,077
Depreciation:			
31st March 2014	-	17,817,000	17,817,000
Charge for the year	-	1,378,691	1,378,691
31st March 2015	-	19,195,691	19,195,691
Net Book Values:			
31st March 2015	3,457,077	11,275,309	14,732,386
31st March 2014	3,457,077	12,654,000	16,111,077

Investment property includes real estate properties which are owned to earn rental or for capital appreciation. Investment property is leased as operating leases and the rental income is included in other revenue. The minimum lease payments are all non-cancellable for a period of not less than two (2) months from the commencement of the lease.

7. Investment

	2015	2014
	$	$
Balance at year end	1,975,994,048	1,881,615,741

This represents the 51% interest in the mining assets of the partnership of Noranda Jamaica Bauxite Partners (formerly St. Ann Jamaica Bauxite Partners) 2015: US$17,217,606, (2014: US$17,217,606)

JAMAICA BAUXITE MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

8. Inventories

	2015 $	2014 $
Alumina	-	256,649,268
Inventory Supplies	2,082,679	-
Purchases in Transit	586,323	-
Machinery spare parts	-	12,366,060
	2,669,002	269,015,328
Transfer	-	(12,366,060)
	2,669,002	256,649,268

Transfer represents the reclassification of machinery spare parts to plant machinery and equipment.

9. Trade and Other Receivables

	2015 $	2014 $
Trade Receivables	45,352,616	75,078,851
Less: Specific provision for doubtful debts	(6,529,380)	(6,529,380)
	38,823,236	68,549,471
Use of Assets Fees	65,549,185	62,417,650
Ministry of Finance	141,302,316	-
Advances	108,154,167	535,684,857
Interest	16,321,609	6,406,094
General Consumption Tax (GCT)	3,019,418	3,400,700
Other Receivables	12,631,587	11,437,609
	385,801,518	687,896,381

All amounts are short-term and the carrying value is considered a reasonable approximation of fair value.

JAMAICA BAUXITE MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

10. Cash and Cash Equivalents

	2015 $	2014 $
J$ Current Accounts	7,805,402	20,292,571
US$ Current accounts	63,662,183	84,538,363
US$ Short-Term Investment	815,482,369	1,832,970,602
J$ Short-Term Investment	267,432,584	171,680,210
Petty Cash	30,000	15,000
	1,154,412,538	2,109,496,746

Included in cash and cash equivalents for the 2014 period is an amount totaling J$21,856,880 which represented balances held for Bauxite and Alumina Trading Company of Jamaica. This balance was repaid during the 2015 financial year. (Note 14)

11. Issued Share Capital

	2015 $	2014 $
Authorised		
20,000,000 Ordinary Shares		
Stated Capital		
Issued and fully paid:		
10,000,000 Ordinary Shares of no par value	10,000,000	10,000,000

As of January 2007, under the Jamaican Companies Act 2004, all shares in issue are deemed to be without par value.

12. Capital Reserve

	2015 $	2014 $
Surplus on refinancing from Reynolds Jamaica Mines Limited	20,044,999	20,044,999
Transfer from Exchange Equalisation Reserve of amount relating to the previously held investment in Jamaica Reynolds Bauxite Partners and others.	1,017,548,705	1,017,548,705
Transfer of Jamaica Bauxite Mining 6% share of interest in Jamalco to Clarendon Alumina Production Limited.	13,025,814	13,025,814
Transfer of assets from BATCO, on the liquidation of the company, to Jamaica Bauxite Mining.	75,448,164	-
Transfer of advances from Ministry of Finance and interest accrued.	30,717,000	30,717,000
	1,156,784,682	1,081,336,518

(Expressed in Jamaican Dollars unless otherwise indicated)

13. Revaluation Reserve

	2015 $	2014 $
Excess of fair value of assets acquired on dissolution of Jamaica Reynolds Bauxite Partners over cost of Investment attributed thereto	55,748,000	55,748,000
Excess of value of assets from Texas Marine Transport over purchase price	299,000	299,000
Capital improvement- Fixed assets capitalised	131,987	131,987
Surplus on motor vehicle transferred from Bauxite and Alumina Trading Company of Jamaica Limited.	528,632	528,632
	56,707,619	56,707,619

14. Trade and Other Payables

	2015 $	2014 $
Trade Payables	20,969,424	2,368,035,014
Penalty and Interest - Glencore	2,518,713,184	3,477,543,142
Accruals	6,512,916	62,672,014
Other Payables	120,071,600	216,348,511
	2,666,267,124	6,124,598,681

All amounts are short-term and the carrying value is considered a reasonable approximation of fair value.

Included in penalty and interest is interest on penalty of US$5,854,393.

Included in other payables for 2014 is an amount totalling J$21,856,880 which represented balances due to Bauxite and Alumina Trading Company of Jamaica. This balance was repaid during the 2015 financial year. (Note 10)

14a. Deferred Income

Deferred income represents net proceeds of government grant being utilized to settle debt to Glencore re penalty and interest for non-performance of trade agreement.

15. Revenue

	2015 $	2014 $
Revenue - Bauxite	534,967,042	1,499,212,321
	534,967,042	1,499,212,321

This represents income from the export of bauxite and grant monies received from government.

JAMAICA BAUXITE MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

16. Finance Income

Finance income includes all income received from short-term deposits and cash at bank.

Total Assessable Income

	2015	2014
	$	$
Interest Income from Cash and Cash Equivalents	50,379,771	56,458,495
Interest Income from Financial Assets at amortised cost	194,636,855	178,867,385
	245,016,626	235,325,880

17. Other Income

	2015	2014
	$	$
Maintenance Income	5,176,325	5,413,960
Rental Income	22,374,726	21,175,128
Port Income	187,402,143	184,713,799
	214,953,194	211,302,887

18. Finance Costs

	2015	2014
	$	$
Loan Interest	10,392,516	71,411,126

Finance cost includes all interest related expenses which have been included in the profit or loss for the reporting periods presented.

19. Operating Profit/(Loss) for the Year

Operating Profit/(Loss) for the year is stated after charging/(crediting) the following:

	2015	2014
	$	$
Depreciation: Administration	19,525,077	15,353,757
Mining	17,619,359	63,116,231
Director Remuneration	727,000	727,000
Auditors' Remuneration	1,004,584	2,100,000
Interest Income	(50,379,771)	(56,410,000)
Interest Expense-Loans	10,392,516	71,411,126
Penalty & Interest Glencore	-	129,115,428
(Gain)/Loss on Foreign Exchange (net)	(763,243,494)	357,040,489
Loss/(Gain) on disposal of Investments, Property, Plant and Equipment	609,592,500	(43,183)

(Expressed in Jamaican Dollars unless otherwise indicated)

20. Debts Forgiven

During the year ended 31st March 2014 a related company forgave debts amounting to US$16 million. This was after the matter was considered and approved by the cabinet. In accordance with International Financial Reporting Standard (IFRS) this amount was included in the Statement of Comprehensive Income.

21. Taxation

(i) Taxation has been computed on the profits for the year as adjusted for income tax purposes and comprise:

	2015 $	2014 $
Income Tax @ 25%	27,439,816	-
	27,439,816	-
Reconciliation of theoretical tax charge to effective tax charge:		
Profit/(Loss) for the year	233,377,130	(538,735,432)
Income tax thereon at 25%	58,344,283	(134,683,858)
Tax effect of expenses not deductible /income not taxable	2,248,538	137,752,000
Income not subject to tax	(38,412,749)	(1,612,000)
Other (charges)/allowances	(33,938,169)	-
Unreconciled difference	39,197,913	(1,456,142)
	27,439,816	-

(ii) Subject to the agreement of the Commissioner General, Tax Administration Jamaica, losses of approximately $2,476,528,041 (2014: $2,586,287,303) are available to be set off against future taxable profits. These losses, if not utilised, can be carried forward indefinitely.

(iii) The company has a potential deferred tax asset of approximately $534,852,577 (2014: $591,961,430). This amount has not been recorded in these financial statements, as it is unlikely that taxable profit will be available in the immediately foreseeable future against which deductible temporary differences and unused tax losses can be utilised.

JAMAICA BAUXITE MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

22. Related Party balances and transactions

The company's statement of comprehensive income and statement of financial position include the following income and expenses and balances incurred in transactions with related parties, in the ordinary course of business.

Related Party balances and transactions include the following:

i Key Management compensation and transactions.
ii The company is related to subsidiaries of the shareholders by virtue of common Shareholders and Directors.
iii Profit for the year includes expenses incurred in transactions with related parties.

	2015 $	2014 $
Expenses:		
Management remuneration (included in employee benefits)	37,784,727	10,600,299
Management fees	-	500,000
Finance cost	-	30,299,271

23. Direct Expenses

	2015 $	2014 $
Cost of Inventories Recognised as Expense	643,876,157	1,671,220,732
Other Direct Expense-Mining	2,817,003	5,045,001
Auditors' Remuneration	1,004,584	2,100,000
Professional Fees	8,322,381	4,102,614
Penalty & Interest -Glencore	-	129,115,428
Depreciation	37,144,436	78,469,988
Fuel and Power	23,501,347	22,820,347
Property Taxes	2,805,250	5,512,453
Employee Benefits (Note 24)	111,707,461	63,914,693
Other Expenses	84,032,107	502,319,403
	915,210,726	2,484,620,659

(Expressed in Jamaican Dollars unless otherwise indicated)

24. Employee Benefits

	2015	2014
	$	$
Salaries, Wages and Related Expenses	96,264,482	53,016,660
Pension	6,676,037	6,383,819
Medical and Other Benefits	8,766,942	4,514,214
	111,707,461	63,914,693

25. Pension Scheme

The company operates a defined contribution pension plan. All permanent employees are eligible to join the pension plan and are required to contribute at a mandatory rate of five percent (5%) of pensionable salaries but may make voluntary contributions not exceeding a further five percent (5%). The company contributes at a rate of five percent (5%) of pensionable salaries.

26. Contingent Liabilities

The company is contingently liable for letter of guarantee issued to the Jamaica Public Service Company Limited (JPSCO) in the sum of $1,700,000.

27. Cessation and Disposal of WINDALCO

As at 31st March 2009, WINDALCO had temporarily ceased to produce alumina. Subsequently its Ewarton plant was reopened on 9th July 2010 producing only 50% of the eighty-five thousand (85,000) tonnes required by the JBM/Glencore Supply Agreement which was tied to the loan agreement. The Kirkvine plant remained closed.

The Kirkvine assets were previously considered impaired. A valuation carried out by Deloitte & Touche LLP as at 31st December 2012 deemed the assets not impaired. The fair value of Jamaica Bauxite Mining's seven percent (7%) share of the Kirkvine assets at that date were US$3,379,880 approximately J$370,348,323 using the exchange rate ruling at the date of these financial statements.

Jamaica Bauxite Mining Limited (JBM) sold its 7% share in Windalco to UC Rusal under an agreement dated 29th May 2014 for US$11 million. (See note 1 page 6)

28. Capital Management Policies and Procedures

The company's capital management objective are to ensure the company's ability to continue as a going concern and to sustain future development of the business. The company's Board of Directors reviews the financial position of the company at regular meetings held.

The company is not subject to any externally imposed capital requirements.

29. Fair Value Measurement of Non-Financial Assets

Fair value of the company's land and building is estimated based on an appraisal preferred by a professionally qualified valuators. The significant inputs and assumptions are developed in closed consultation with management.

Land and Buildings (Level 1)

The appraisal was carried out using a market approach that reflects observed prices for market transactions for similar properties and incorporates adjustments for factors specific for similar properties and incorporates adjustments for factors to the companies property, including size, location, encumbrances and current use of the property.

The property was not revalued at the reporting date even though a revaluation is due. Management is in the process of having the revaluation exercise carried out by professionally qualified valuators.

JAMAICA BAUXITE MINING LIMITED

SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2015

INDEX

Statement 1

REPORT OF THE INDEPENDENT AUDITORS
TO THE DIRECTORS OF
JAMAICA BAUXITE MINING LIMITED
ON SUPPLEMENTARY INFORMATION

The supplementary information presented on statements 2 to 7 has been taken from the accounting records of the company and has been subjected to tests and other auditing procedures applied in our examination of the financial statements of the company for the year ended 31st March 2015.

In our opinion, the said information is fairly presented in all material respects in relation to the financial statements taken as a whole, although it is not necessary for a fair presentation of the state of affairs of the company at 31st March 2015 and of the results of its operations, its changes in equity and its cash flows for the year then ended.

UHY Dawgen
Signature
UHY DAWGEN CHARTERED ACCOUNTANTS

February 24, 2016

JAMAICA BAUXITE MINING LIMITED
DETAILED TRADING AND PROFIT OR LOSS ACCOUNT
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

	2015	**2014**
	$	**$**
Sales	534,967,042	1,499,212,321
Less: Mining costs	(664,312,519)	(1,739,381,980)
Gross Loss	(129,345,477)	(240,169,659)
Other Income - Lydford Operations	214,953,194	211,302,887
Other Income - Debts Forgiven	-	1,816,570,025
Investment Income	245,016,626	235,325,880
Foreign Exchange Gain	763,243,494	-
(Loss)/Gain on Disposal of Property, Plant and Equipment	(609,592,500)	43,183
	613,620,814	2,263,241,975
	484,275,337	2,023,072,316
Administrative and Other Overhead Expenses:		
Expense - Lydford Operations	180,418,108	172,767,182
Administrative Expenses	60,087,583	144,018,926
Finance Costs	10,392,516	71,411,126
Other Operating Costs	-	357,040,489
	250,898,207	745,237,723
Trading Profit for the Year	233,377,130	1,277,834,593

JAMAICA BAUXITE MINING LIMITED
SCHEDULE OF MINING COST
YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

	2015 $	2014 $
Opening Stock - Alumina	256,649,268	343,734,000
Purchases	389,895,891	1,584,136,000
	646,545,159	1,927,870,000
Less: Closing Stock - Alumina	(2,669,002)	(256,649,268)
	643,876,157	1,671,220,732
Add: Direct Production Overheads		
Depreciation	17,619,359	63,116,231
Royalty	2,817,003	5,045,001
	20,436,362	68,161,232
Mining Costs	664,312,519	1,739,381,964

JAMAICA BAUXITE MINING LIMITED
LYDFORD OPERATIONS DETAILED PROFIT OR LOSS ACCOUNT
FOR YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

	2015 $	2014 $
Income	187,402,143	184,713,799
Maintenance Income	5,176,325	5,413,960
Rental Income	22,374,726	21,175,128
	214,953,194	211,302,887
Expenses		
Salaries, Wages and Related Expenses	68,017,110	49,444,206
Staff Benefits	5,436,564	4,349,812
Fuel and Power	23,501,347	22,820,347
Freight	2,798,976	489,291
Repairs and Maintenance	24,770,457	40,058,426
Outside Service	2,187,750	1,778,310
Office Supplies	1,095,581	508,268
Telephone and Postage	467,479	453,352
Local Travel	218,148	40,506
Advertising	-	11,009
Property Taxes	2,805,250	5,512,453
Insurance	6,112,590	5,513,706
Pension and Group Health	6,676,037	6,383,819
Bad Debts - Specific Provisions	-	1,322,921
Depreciation	19,525,077	15,353,757
Water	2,346,784	2,320,830
Sundry Supplies	1,982,348	1,764,373
Donations and Subscriptions	81,048	79,969
Bank Charges and Interest	106,573	293,978
Security	9,761,613	7,445,214
Motor Vehicle Expense	2,527,376	6,822,635
	180,418,108	172,767,182
Total Profit	34,535,086	38,535,705

JAMAICA BAUXITE MINING LIMITED
SCHEDULE OF ADMINISTRATIVE, FINANCE COSTS & OTHER OPERATING EXPENSES
FOR YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

	2015 $	2014 $
Administrative Expenses		
Salaries, Wages and Related Expenses	27,520,372	2,845,454
Director's Remuneration	727,000	727,000
Director's Fees	1,509,000	1,894,355
Audit Fees	1,004,584	2,100,000
Professional & Consultancy Fees	8,322,381	4,102,614
Staff Welfare & Benefits	3,330,378	164,402
Staff Training & Symposium	850,319	-
Telephone, Postage and Cables	274,999	212,123
Foreign Travel Expense	680,066	625,986
Printing and Stationery	357,272	52,200
Rental Expense	4,627,991	-
Advertising Expense	59,124	-
Entertainment	98,269	73,845
Asset Declaration and Annual Returns Fees	111,000	70,597
Service Fees - BATCO	-	500,000
Penalty and Interest- Glencore	-	129,115,428
Termination Expense- Windalco	6,107,950	-
Bank Charges	176,012	99,522
Health & General Insurance	1,241,931	-
Pension	-	1,358,972
Repairs & Maintenance - Computer	120,298	-
Repairs & Maintenance - Sabina Park View Box	312,003	-
Motor Vehicle Expense	373,893	-
Subscriptions & Donations	799,254	21,400
General Office and Other Expense	1,483,487	56,000
	60,087,583	144,019,898
Finance Costs		
Loan Interest	10,392,516	71,411,126
Other Operating Expense		
(Gain)/ Loss on Foreign Exchange (net)	(763,243,494)	357,040,489

Statement 6

JAMAICA BAUXITE MINING LIMITED
INCOME TAX ADJUSTING STATEMENT
YEAR OF ASSESSMENT 2015
BASED ON ACCOUNTS FOR YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

		$	$
Gross Receipt/Sales/Income			534,967,042
Cost of Sales			(664,312,519)
Gross Operating Loss			(129,345,477)
Business/Administrative Expenses		(250,898,207)	
Adjustments:			
Add: Disallowable Items:			
Depreciation	37,144,436		
Assets Fees	100,000		
Donations	223,200		
Stamp Duty	6,107,950		
Professional fees	2,563,000		
		46,138,586	
Allowable Business/Administrative Expenses			(204,759,621)
Adjusted Operating Loss			(334,105,098)
Rental Income			22,374,726
Dividend, Interest, Investment etc. Income		245,016,626	
Add: Interest Receivable @ 31/03/2014		6,406,094	
Less: Interest Receivable @ 31/03/2015		(16,321,609)	
Dividend, Interest, Investment etc. Income Received		235,101,111	
Other Income		346,229,462	
Less: Gain on Foreign Exchange- Capital		(763,243,494)	
Loss on disposal of Property, Plant & Equipment		609,592,500	
		192,578,468	
Assessable Other Income			427,679,579
Total Assessable Income			115,949,207
Less: Capital Allowances:			
Annual Allowance		32,183,359	
Balancing Charge		(135,752,677)	
			(103,569,318)
Assessable Income for the year			219,518,525
Less: Allowable Losses brought forward		(2,586,287,303)	
Reduced by loss to be carried forward		(2,476,528,041)	
Restricted loss set-off (Limit 50% of Assessable Income)			(109,759,262)
Chargeable Income			109,759,263

JAMAICA BAUXITE MINING LIMITED
INCOME TAX ADJUSTING STATEMENT
YEAR OF ASSESSMENT 2015
BASED ON ACCOUNTS FOR YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

	$
Income Tax thereon @ 25 %	27,439,816
Less: Withholding Tax on Interest	(10,110,494)
	17,329,322
Less: Minimum Business Tax	(60,000)
	17,269,322
Less: Estimated Tax Paid	-
Net Tax Payable	17,269,322

JAMAICA BAUXITE MINING LIMITED
CAPITAL ALLOWANCES SCHEDULE
YEAR OF ASSESSMENT 2015
BASED ON ACCOUNTS FOR YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

	Date Acquired	Cost	Rate	WDV as at 31/03/2014	Additions	Disposal	Total for Annual Allowance	Annual Allowance	WDV as at 31/03/2015
		$	%	$	$	$	$	$	$
Structures, Residences, etc.									
Structures			2.5	1,768,032	-	23,595	1,744,437	43,611	1,700,826
Residence			2.5	2,132,506	-	-	2,132,506	53,313	2,079,193
Paved Road and Yard			2.5	2,150,384	-	-	2,150,384	53,760	2,096,624
Structures, Residence, Paved Road & Yard 2011		1,755,868	2.5	1,586,757	-	-	1,586,757	39,669	1,547,088
Structures, Residence, Paved Road & Yard 2013		4,003,000	2.5	3,805,352	-	-	3,805,352	95,134	3,710,218
Structures, Residence, Paved Road & Yard 2014		2,786,763	2.5	2,717,094	-	-	2,717,094	67,927	2,649,167
Residence & Contents			10	8,213,295	-	-	8,213,295	821,330	7,391,965
Residence & Contents	2012	1,893,763	10	1,073,764	-	-	1,073,764	107,376	966,388
Residence & Contents	2015	449,577	12.50 SL	-	449,577	-	449,577	56,197	393,380
Sub Total		10,888,971		23,447,184	449,577	23,595	23,873,166	1,338,317	22,534,849
Plant & Machinery									
Pre - 2007 acquisitions			7.5	171,674,081	-	-	171,674,081	12,875,556	158,798,525
Plant & Machinery	2007		10	387,350	-	-	387,350	38,735	348,615
Plant & Machinery	2011		10	3,285,170	-	-	3,285,170	328,517	2,956,653
Plant & Machinery	2012		10	28,123	-	-	28,123	2,812	25,311
Plant & Machinery	2013	24,718,000	10	15,572,340	-	-	15,572,340	1,557,234	14,015,106
Plant & Machinery	2014	66,151,832	10	46,306,283	-	-	46,306,283	4,630,628	41,675,655
Sub Total		90,869,832		237,253,347	-	-	237,253,347	19,433,482	217,819,865
Machinery & Equipment									
Machinery & Equipment			10	25,375,290	-	-	25,375,290	2,537,529	22,837,761
Machinery & Equipment			10	13,434,178	-	-	13,434,178	1,343,418	12,090,760
Machinery & Equipt - Lydford '07	2007		10	49,142	-	-	49,142	4,914	44,228
Machinery & Equipt -Windalco '08	2008		10	76,319,581	-	76,319,581	-	-	-
Machinery & Equipt -Windalco '09	2009		10	66,466,733	-	66,466,733	-	-	-
Machinery & Equipt - Lydford '09	2009		10	41,395	-	-	41,395	4,140	37,255
Machinery & Equipt - Lydford '11	2011	80,136	10	40,903	-	-	40,903	4,090	36,813
Machinery & Equipt -Windalco '12	2012	14,017,361	10	7,947,844	-	7,947,844	-	-	-
Machinery & Equipt - Lydford '12	2012	5,393,000	10	3,057,831	-	-	3,057,831	305,783	2,752,048
Machinery & Equipment	2013	1,740,000	10	1,096,200	-	-	1,096,200	109,620	986,580
Machinery & Equipment	2014	6,109,377	10	4,276,564	-	-	4,276,564	427,656	3,848,908
Machinery & Equipment	2015	146,732	12.50 SL	-	146,732	-	146,732	18,342	128,390
Sub Total		27,486,606		198,105,661	146,732	150,734,158	47,518,235	4,755,492	42,762,743

JAMAICA BAUXITE MINING LIMITED
CAPITAL ALLOWANCES SCHEDULE
YEAR OF ASSESSMENT 2015
BASED ON ACCOUNTS FOR YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

	Date Acquired	Cost	Rate	WDV as at 31/03/2014	Additions	Disposal	Total for Annual Allowance	Annual Allowance	WDV as at 31/03/2015
		$	%	$	$	$	$	$	$
Mining Equipment									
Misc Mining Equipment			10	384,417	-	-	384,417	38,442	345,975
Overland Conveyors			10	30,871	-	-	30,871	3,087	27,784
Overland Conveyors			10	52,113	-	-	52,113	5,211	46,902
Overland Conveyors - 2013	2013	17,000	10	10,710	-	-	10,710	1,071	9,639
Overland conveyors	2015	2,552,103	12.50 SL	-	2,552,103	-	2,552,103	319,013	2,233,090
Sub Total		2,569,103		478,111	2,552,103	-	3,030,214	366,824	2,663,390
Office Equipment									
Misc. Office Equipment			10	74,488	-	6	74,482	7,448	67,034
Office Equipment - 2007			10	17,795	-	-	17,795	1,780	16,015
Office Equipment - 2009			10	51,888	-	-	51,888	5,189	46,699
Office Equipment	2015	171,154	12.50 SL	-	171,154	-	171,154	21,394	149,760
Samsung LED Television	2015	131,060	12.50 SL	-	131,060	-	131,060	16,383	114,677
Sub Total		302,214		144,171	302,214	6	446,379	52,194	394,185
Computer Equipment									
Computer Equipment	2002		22.50 SL	1	-	-	1	-	1
Computer Equipment	2008	58,907	22.50 SL	1	-	-	1	-	1
General & Dist. Equipment			10	185,496	-	-	185,496	18,550	166,946
Sub Total		58,907		185,498	-	-	185,498	18,550	166,948
Water Equipment									
Water Equipment			10	2,285,137	-	-	2,285,137	228,514	2,056,623
Water Equipment	2007		10	40,310	-	-	40,310	4,031	36,279
Rotating Impeller Assessory			7.5	190,570	-	-	190,570	14,293	176,277
Flowserve Pump 2LLR 9-C Portwater			7.5	230,460	-	-	230,460	17,285	213,175
Flowserve Motor 40HP Portwater			7.5	114,030	-	-	114,030	8,552	105,478
Water Equipment	2009	728,840	10	301,261	-	-	301,261	30,126	271,135
Power Generator Motor			10	79,767	-	-	79,767	7,977	71,790
Power Generator			10	444,268	-	-	444,268	44,427	399,841
Sub Total		728,840		3,685,803	-	-	3,685,803	355,205	3,330,598

JAMAICA BAUXITE MINING LIMITED
CAPITAL ALLOWANCES SCHEDULE
YEAR OF ASSESSMENT 2015
BASED ON ACCOUNTS FOR YEAR ENDED 31ST MARCH 2015
(Expressed in Jamaican Dollars unless otherwise indicated)

	Date Acquired	Cost	Rate	WDV as at 31/03/2014	Additions	Disposal	Total for Annual Allowance	Annual Allowance	WDV as at 31/03/2015
		$	%	$	$	$	$	$	$
Port Facilities Equipment									
Port Facilities Equipment			10	12,222,774	-	-	12,222,774	1,222,277	11,000,497
Port Facilities Equipment			10	750,730	-	-	750,730	75,073	675,657
Pier Facilities			10	6,373,084	-	-	6,373,084	637,308	5,735,776
Pier Facilities	2007		10	921,152	-	-	921,152	92,115	829,037
Pier Facilities - Speed reducer W/Motor			10	196,254	-	-	196,254	19,625	176,629
Pier Facilities	2009	24,416,024	10	9,081,896	-	-	9,081,896	908,190	8,173,706
Pier Security	2009	16,752,348	10	6,924,466	-	-	6,924,466	692,447	6,232,019
Pier Security	2010	550,716	10	252,927	-	-	252,927	25,293	227,634
Port Facilities Equipment	2011	289,048	10	147,501	-	-	147,501	14,750	132,751
Port Facilities Equipment	2012	8,788,755	10	4,983,223	-	-	4,983,223	498,322	4,484,901
Port Facilities Equipment	2013	9,960,000	10	6,274,800	-	-	6,274,800	627,480	5,647,320
Pier, Port Facilities Equipment	2014	1,361,685	10	953,179	-	-	953,179	95,318	857,861
Port Facilities Equipment	2015	567,155	12.50 SL	-	567,155	-	567,155	70,894	496,261
Sub Total		62,685,731		49,081,986	567,155	-	49,649,141	4,979,092	44,670,049
Furniture & Fixtures									
Furniture & Fixtures - Lydford				4,722	-	-	4,722	-	4,722
Furniture & Fixtures - Kingston				4,254	-	-	4,254	-	4,254
					-	-	-	-	-
Sub Total		-		8,976	-	-	8,976	-	8,976
Motor Vehicles									
Mitsubishi 1200 CC2425			12.50 SL	1	-	-	1	-	1
Motor Cycle			12.50 SL	1	-	-	1	-	1
2006 Nissan Lic#6477EV		962,000	12.50 SL	-	-	-	-	-	-
Hilux Pickup		1,682,980	12.50 SL	1,372,257	-	-	1,372,257	210,373	1,161,884
Mitsubishi 1200 (4x4) Pickup		2,510,638	12.50 SL	2,221,252	-	-	2,221,252	313,830	1,907,422
Motor Vehicles	2015	2,880,000	12.50 SL	-	2,880,000	-	2,880,000	360,000	2,520,000
Sub Total		8,035,618		3,593,511	2,880,000	-	6,473,511	884,203	5,589,308
Grand Total		203,625,822		515,984,248	6,897,781	150,757,759	372,124,270	32,183,359	339,940,911