



UNILEVER CARIBBEAN LIMITED

# Unaudited Financial Statements

for the Period ended 31 March 2017

Expressed in Trinidad & Tobago Dollars

## CHAIRMAN'S REVIEW

Unilever Caribbean Ltd faced a very challenging start to the year, with economic headwinds continuing to impede growth in the Trinidad and Tobago market and impacting negatively the purchasing power of consumers. Additionally, the growth seen in some of the key Regional Markets in the prior year has also softened. As a result, we saw sales decline by 14.5%, closing quarter one at \$115M in revenue.

In spite of these challenges, we have remained true to our strategy and continue to invest in our manufacturing site. As stated in the previous review, issues related to startup costs in our Capex program are now resolved but did have an impact on profit delivery. Inflation has also strengthened, as a result of rising costs and the continued effects of the foreign exchange shortage. Due to these issues Profit After Tax declined to \$3.8M (2016: \$9.6M) while Earnings per share for the quarter closed at 15c (2016: 37c).

Looking ahead as market pressures intensify, we are taking decisive actions for a positive turnaround in the rest of the year, and expect to stay on track for a moderate performance considering the adverse market conditions.

**Pablo Garrido**  
Chairman

## UNAUDITED STATEMENT OF FINANCIAL POSITION

	UNAUDITED 31 MAR 2017 \$'000	UNAUDITED 31 MAR 2016 \$'000	AUDITED 31 DEC 16 \$'000
<b>ASSETS</b>			
<b>Non- current Assets</b>			
Property, plant and equipment	123,643	95,886	121,188
Retirement benefit asset	47,474	33,091	48,055
Deferred tax asset	7,629	6,226	7,614
	<u>178,746</u>	<u>135,202</u>	<u>176,857</u>
<b>Current Assets</b>			
Inventories	60,595	49,998	60,451
Trade and other receivables	130,000	150,696	149,201
Due from related companies	9,292	9,238	1,853
Taxation recoverable	2,848	6,812	1,624
Cash at bank and in hand	33,334	87,735	57,386
	<u>236,069</u>	<u>304,479</u>	<u>270,515</u>
<b>Total Assets</b>	<b>414,815</b>	<b>439,681</b>	<b>447,372</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital And Reserves</b>			
Share Capital	26,244	26,244	26,244
Property revaluation surplus	35,643	35,284	35,643
Retained earnings	177,709	160,078	173,865
<b>Total Equity</b>	<b>239,596</b>	<b>221,606</b>	<b>235,752</b>
<b>Non-current Liabilities</b>			
Retirement and termination obligations	25,431	26,913	25,396
Deferred taxation	27,424	17,717	24,816
	<u>52,855</u>	<u>44,630</u>	<u>50,212</u>
<b>Current Liabilities</b>			
Trade and other payables	67,374	85,255	79,676
Provisions for other liabilities	4,982	6,522	7,790
Due to parent and related companies	50,008	81,668	73,942
	<u>122,364</u>	<u>173,445</u>	<u>161,408</u>
<b>Total Liabilities</b>	<b>175,219</b>	<b>218,075</b>	<b>211,620</b>
<b>Total Equity And Liabilities</b>	<b>414,815</b>	<b>439,681</b>	<b>447,372</b>

Seamus Clarke, Director

Lucy Walsh, Managing Director

## NOTES TO THE FINANCIAL STATEMENTS:

1. Basis of preparation: These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).
2. Significant account policies: The principal accounting policies adopted in the preparation of these financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2016.

## UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

	UNAUDITED 3 MONTHS ENDED 31 MAR 2017 \$'000	UNAUDITED 31 MAR 2016 \$'000	AUDITED YEAR ENDED 31 DEC 16 \$'000
<b>Turnover</b>	<b>115,081</b>	<b>134,644</b>	<b>566,302</b>
Cost of Sales	(74,935)	(81,393)	(337,891)
<b>Gross Profit</b>	<b>40,146</b>	<b>53,251</b>	<b>228,411</b>
Selling and Distribution Costs	(25,658)	(32,822)	(137,522)
Administrative Expenses	(8,662)	(7,534)	(29,271)
<b>Operating Profit</b>	<b>5,826</b>	<b>12,895</b>	<b>61,618</b>
Other Income	0	0	(289)
Finance Income- Net	(119)	(52)	0
<b>Profit Before Taxation</b>	<b>5,708</b>	<b>12,843</b>	<b>61,329</b>
Taxation	(1,863)	(3,211)	(18,839)
<b>Profit After Taxation</b>	<b>3,844</b>	<b>9,632</b>	<b>42,490</b>
<b>Other Comprehensive Income</b>			
Unrecognised actuarial gains	0	0	19,623
Revaluation of property	0	0	512
Related Tax	0	0	(6,041)
<b>Total Comprehensive Income for the period</b>	<b>3,844</b>	<b>9,632</b>	<b>56,584</b>
Earnings Per Share	\$0.15	\$0.37	\$1.62

## UNAUDITED STATEMENT OF CASH FLOWS

	UNAUDITED 3 MONTHS ENDED 31 MAR 2017 \$'000	UNAUDITED 31 MAR 2016 \$'000	AUDITED YEAR ENDED 31 DEC 16 \$'000
<b>Operating Activities</b>			
Profit before taxation	5,708	12,843	61,329
Adjustment for items not affecting working capital	6,593	2,615	9,576
Operating profit before working capital changes	12,301	15,458	70,905
Net decrease/(increase) in working capital	(27,426)	(11,194)	(24,804)
<b>Cash Flows from Operating Activities</b>	<b>(15,125)</b>	<b>4,264</b>	<b>46,101</b>
Taxation & interest paid(net of refunds)	(4,839)	(4,225)	(14,892)
<b>Net Cash Inflows from Operating Activities</b>	<b>(19,964)</b>	<b>39</b>	<b>31,209</b>
<b>Investing Activities</b>			
Purchase of plant and equipment	(4,088)	(4,136)	(32,850)
<b>Net Cash Outflows from Investing Activities</b>	<b>(4,088)</b>	<b>(4,136)</b>	<b>(32,850)</b>
<b>Financing Activity</b>			
Dividends paid	-	-	(32,805)
<b>Increase in Cash and Cash Equivalents</b>	<b>(24,052)</b>	<b>(4,097)</b>	<b>(34,446)</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>57,386</b>	<b>91,832</b>	<b>91,832</b>
<b>Cash and Cash Equivalents at the end of Period</b>	<b>33,334</b>	<b>87,735</b>	<b>57,386</b>
<b>Represented by:</b>			
Cash at bank and in hand	33,334	87,735	57,386

## UNAUDITED STATEMENT OF CHANGES IN EQUITY

	Share Capital \$'000	Property Revaluation Surplus \$'000	Retained Earnings \$'000	Total Equity \$'000
<b>Balance as at 1 January 2017</b>	26,244	35,643	173,865	235,752
Total Comprehensive Income for the period	-	-	3,844	3,844
Dividends paid	-	-	-	-
<b>Balance as at 31 March 2017</b>	<b>26,244</b>	<b>35,643</b>	<b>177,709</b>	<b>239,596</b>
<b>Balance as at 1 January 2016</b>	26,244	35,284	150,445	211,973
Total Comprehensive Income for the period	-	-	9,632	9,632
Dividends paid	-	-	-	-
<b>Balance as at 31 March 2016</b>	<b>26,244</b>	<b>35,284</b>	<b>160,078</b>	<b>221,606</b>