1834 INVESTMENTS LIMITED

ANNUAL REPORT 2017/18

1834 INVESTMENTS LIMITED

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Notice of Annual General Meeting

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NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Stockholders of 1834 Investments Limited will be held at the registered office of the Company, 7 North Street, Kingston, Jamaica, on **Wednesday November 28, 2018 at 10:30 a.m.** for the following purposes:

1. To receive the Directors' Report, Auditors' Report and Audited Financial Statements for the twelve months ended March 31, 2018 and to consider, and if thought fit, pass the following resolution:-

   Resolution 1

   Resolved that the Directors' Report, Auditors' Report and the Audited Financial Statements for the twelve months ended March 31, 2018, be hereby approved and adopted.

2. To re-elect Directors who have retired from office in accordance with Article 93 of the Company's Articles of Incorporation. The Directors, who have retired from office in accordance with Article 93 aforementioned are Christopher N. Barnes, Hon. Oliver F. Clarke, OJ, and Elizabeth A. Jones, CD and all have offered themselves for re-election. To consider, and if thought fit, pass the following resolutions:-

   Resolution 2

   That Christopher N. Barnes be and is hereby re-elected a Director of the Company;

   Resolution 3

   That Hon. Oliver F. Clarke, OJ be and is hereby re-elected a Director of the Company;

   Resolution 4

   That Elizabeth A. Jones, CD be and is hereby re-elected a Director of the Company.

3. To fix the remuneration of the Directors and to consider, and if thought fit, pass the following resolution:-

Resolution 5

Resolved that the Directors' fees agreed and payable for the year ending March 31, 2018 to all non-executive Directors of the Company be and are hereby approved.

4. To re-appoint the retiring auditors and to authorise the Directors to determine their remuneration and to consider, and if thought fit, pass the following resolution:

Resolution 6

Resolved that the retiring auditors, KPMG, Chartered Accountants, having expressed their willingness to continue as auditors of the Company until the conclusion of the next Annual General Meeting, be and are hereby re-appointed and the Directors be authorised to fix their remuneration.

SPECIAL BUSINESS

5. **WHEREAS** section 13 of **The Companies (Amendment) Act, 2017** codifies various provisions relating to directors' duties to avoid circumstances which constitute a conflict of interest or may result in a conflict of interest with the interests of the Company, and the Board of Directors of 1834 Investments Limited, having considered the aforementioned provisions, considers it prudent to adopt and incorporate same into The Articles of Incorporation (hereinafter called "The Articles") of the Company:

To consider and (if thought fit) pass the following special resolution:

Resolution 7

BE IT RESOLVED THAT:

The Articles be amended by inserting after Article 88(7), the following paragraphs:

88(8). Notwithstanding the provisions of Articles 88(1)-88(7), it shall be the duty of the Directors of the Company to avoid circumstances which, whether directly or indirectly, constitutes a conflict of interest or may result in a conflict of interest with the interests of the Company.

88(9). The duty under article 88(8) applies in particular to the exploitation of any property, information or opportunity (and it is immaterial whether the company could take advantage of the property, information or opportunity).

88(10).The duty under article 88(8) is not infringed if the circumstances cannot reasonably be regarded as likely to give rise to a conflict of interest or if the matter giving rise to the circumstances has been approved by the Board of Directors, provided that, the approval of the Board of Directors is effective only if any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Directors and the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

88(11). Any reference in these Articles to a "conflict of interest" includes, a conflict of interest and duty and a conflict of duties.

6. To transact any other business which may be transacted at an Ordinary General Meeting.

By Order of the Board

Shena Stubbs-Gibson
Company Secretary

September 28, 2018

Note: In accordance with Section 131 of the Companies Act, 2004, a member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him, and such proxy need not also be a member. A proxy form is included at page 83. When completed the form should be deposited with the Company Secretary at the registered office of the Company, 7 North Street, Kingston, Jamaica, not less than 48 hours before the time appointed for the meeting. The proxy form should bear stamp duty of $100.00.

COMPANY PROFILE

1834 Investments Limited (formerly The Gleaner Company Limited) is a locally incorporated and domiciled holding Company for a portfolio of domestic and international investment assets. The Company's main activity is the management of its income generating real estate, bond and equity investments, and the management of its joint venture and subsidiary companies. The shares of the Company are listed on the main market of the Jamaica Stock Exchange as **"1834"**.

COMPANY DATA

REGISTERED OFFICE
7 North Street
Kingston, Jamaica

GENERAL MANAGER
Terry Peyrefitte (Acting)

COMPANY SECRETARY
Shena Stubbs-Gibson

REGISTRAR
SAGICOR BANK JAMAICA LIMITED
28-48 Barbados Avenue
Kingston 5

AUDITORS
KPMG
Chartered Accountants
6 Duke Street, Kingston

ATTORNEYS
PHILLIPSON PARTNERS
48 Constant Spring Road
Kingston 10

PATTERSON MAIR HAMILTON
85 Hope Road, Kingston 6

BANKERS & INVESTMENT COMPANIES
THE BANK OF NOVA SCOTIA
(JAMAICA) LIMITED
Scotia Bank Centre
Kingston, Jamaica

THE BANK OF NOVA SCOTIA LIMITED
Toronto, Ontario, Canada

JN BANK
2-4 Constant Spring Road
Kingston 10

JN FUND MANAGERS
2 Belmont Road, Kingston 10

NCB CAPITAL MARKETS
The Atrium, 32 Trafalgar Road
Kingston 10

UBS AG
Zurich, Switzerland

CHAIRMAN'S MESSAGE

Fellow shareholders,

Your company completed its second year as a standalone investment operation with several wins and some challenges. For the year ended March 31, 2018 your company earned profits of $82 million after tax from its consolidated operations in real estate and investments, or 6.76 cents per stock unit. Stockholders' equity was $1,704 million at the March 31, 2018 year-end, equivalent to $1.41 per stock unit.

With over $500 million in cash and liquid investments and zero long-term debt, your company remains well capitalised. Final dividends of $97 million or $0.08 per stock unit were paid to you in the financial year, providing a dividend yield of 7%.

Your portfolio of investments continued to perform well due in part to the quality and diversity of the assets held. Your local investments benefitted from the stable macroeconomic climate and improved business confidence, despite a sharp drop in short-term interest rates. Overseas, capital markets provided favourable conditions for the growth of your US denominated equities and your fixed income portfolio continued to generate stable cash flow.

Throughout the year, your company took steps to further streamline its operations and successfully exited a long-term arrangement with Radio Jamaica Limited ("RJR"). This action freed the company from an obligation created pursuant to the 2016 media amalgamation with RJR, which required your company to provide office space to RJR in Toronto, Canada and in Montego Bay. Consequent upon the end of this arrangement, your company was able to dispose of the commercial property in Canada and wind-up that non-operational subsidiary. Your company has also commenced the wind-up of four other dormant subsidiaries, which we expect will provide further administrative efficiency and cost savings when complete.

Despite the advances made, your company faced some challenges. In an effort to safeguard and better organize its financial information, the company embarked on a transition of its accounting data to new software and engaged a new supplier. Regrettably the process resulted in the delayed reporting of your company's quarterly and audited financial results on several occasions. We expect these issues to be resolved before the end of the new financial year.

In the year, your company had to manage several risks related to currency, interest rate, cyber security and regulations which were balanced against the optimal allocation of its investment resources. Your company operates in a dynamic investment environment and continues to act with prudence in the management of the many risks faced by an investment operation.

Our progress this year was possible because of the guidance provided by your Board of Directors, the execution of your Acting General Manager and a small team of contracted professionals. I would like to express my sincere appreciation to the Board for their continued engagement and dedication to our company and to the 1834 team for their diligent efforts.

Your Board remains focussed on selecting the best opportunities for the future of your company, which maximize shareholder value.

On behalf of the Board of Directors, I would like to thank you, our shareholders, for your continued support and I look forward to seeing you at the Company's Annual General Meeting in November.

Hon. Oliver F. Clarke,
OJ, JP, BSc. (Econ.) FCA, Hon. LLD

Directors' Profiles

HON. OLIVER F. CLARKE,
O.J., J.P., B.Sc., FCA, Hon. LLD

Appointed Director May 1976 and, Chairman since April 1979

The Hon. Oliver F. Clarke is the Chairman and a former Managing Director (May 1976 - January 2011) of The Gleaner Company Limited (now 1834 Investments Limited). Mr. Clarke is also the Chairman of the RJRGLEANER Communications Group, The Gleaner Company (Media) Limited, JN Group Limited and JN Bank Limited and serves on the boards of several other companies. He is a Past President of the Private Sector Organisation of Jamaica (PSOJ) and was inducted into its Hall of Fame in 1997. In 1998, Mr. Clarke was awarded the Order of Jamaica.

Mr. Clarke was the President of the Inter American Press Association (1997/1998). He was awarded three Honorary Degrees of Doctor of Laws; in 2009, from the University of The West Indies and the University of Technology, and, in 2013, the Northern Caribbean University. In 2006, Mr. Clarke received the American Friends of Jamaica Humanitarian Award.

Mr. Clarke is a graduate of the London School of Economics. He is a Chartered Accountant and a Justice of the Peace.

JOSEPH M. MATALON,
C.D., B.Sc.

Appointed Director October 1987 and, Vice Chairman since January 2015

Mr. Matalon is Chairman of ICD Group Holdings and a Director of a number of its related companies including British Caribbean Insurance Company (BCIC) and West Indies Home Contractors (WIHCON). He is also a Director of Radio Jamaica Limited since 2016.

Mr. Matalon served three terms as President of the Private Sector Organization of Jamaica (PSOJ); and was inducted into its Hall of Fame in 2018. Mr. Matalon also served as Chairman of the Development Bank of Jamaica (DBJ) between 2007 and 2016. In 2016, he was appointed Chairman of the Office of Utilities Regulation (OUR).

In 2010, Mr. Matalon was awarded the Order of Distinction in the rank of Commander (CD).

Mr. Matalon is a member of the Audit Committee of the Board.

CAROL ARCHER,
B.A., M.A., MURP, MPhil, Ph.D.

Appointed Director December 2001

Dr. Archer is currently Associate Professor and Projects Coordinator of the Faculty of the Built Environment at the University of Technology. Prior to her appointment as Associate Professor, she served as Dean of that faculty from 2006 to 2015, as Head of School of Building and Land Management from July 2004 to 2005 and as Programme Director for the Urban and Regional Planning Programme from February 2000 to June 2004.

Dr. Archer currently serves or has served on boards including Radio Jamaica Limited (since 2016), National Housing Trust Technical Sub Committee, Scotia Jamaica Building Society, University Council of Jamaica, Town & Country Planning Authority, Natural Resource Conservation Authority (Deputy Chair), Urban Development Corporation Subcommittee on Planning and Development, South East Regional Health Authority (Deputy Chair), National Chest Hospital (Chair), Council for the University of Technology Jamaica, National Investment Bank of Jamaica and Water Resources Authority.

Dr. Archer is a member of the Corporate Governance Committee of the Board.

CHRISTOPHER N. BARNES
J.P., B.Sc., M.B.A

Appointed Director February 2008

Mr. Barnes is the Chief Operating Officer of Radio Jamaica Limited and Managing Director of The Gleaner Company (Media) Limited. He is Chairman of Multi-Media Jamaica Limited and Gleaner Online Limited, and a director on all other RJRGLEANER Communications Group subsidiaries. Mr. Barnes was the Managing Director of The Gleaner Company Limited (now 1834 Investments Limited) from February 2011 – April 2016).

Mr. Barnes also serves on boards including JN Life Insurance Company Limited and PanJam Investment Limited. He is the Chairman of PALS Jamaica Limited and the Media Association Jamaica Limited (MAJ), and is 2nd Vice President of the Inter American Press Association (IAPA).

He has a Mechanical Engineering degree from Boston University and a graduate degree in Finance and International Business (M.B.A.) from McGill University.

LISA JOHNSTON,
B.A., M.A.

Appointed Director April 2000

Mrs. Johnston is the Corporate Affairs Manager at Jamaica Producers Group Limited and is the Honorary Consul for the Republic of Costa Rica. She serves as a director of Radio Jamaica Limited, the Jamaica Manufacturers' and Exporters' Association, and the Consular Corps of Jamaica. She is also a member of the Jamaica Trade and Adjustment Team in the Ministry of Foreign Affairs and Foreign Trade.

Mrs. Johnston is a former Galo Plaza Fellow at the Inter-American Dialogue in Washington D.C.

She is a member of the Corporate Governance Committee and the Audit Committee of the Board.

ELIZABETH (BETTY ANN) JONES,
C.D., FCA (Ja.), FCCA (UK),
B.Sc.

Appointed Director November 2014

Ms. Jones is a retired Senior Partner of KPMG in Jamaica, former Head of the firm's Tax practice and past Chairman of KPMG CARICOM, a regional governance entity comprising KPMG member firms in Barbados, the Eastern Caribbean, Jamaica and Trinidad and Tobago. She is also a director of Radio Jamaica Limited.

Ms. Jones has served on several tax reform committees and was seconded to the Ministry of Finance, between 1989 and 1992, as special advisor to the Minister. Ms. Jones has also served as Chairman of the Trade Board and Fiscal Services Limited and on the Committee to Review and Eliminate Waste in the Public Sector.

In 2015, Ms. Jones was awarded the Order of Distinction in the rank of Commander (CD).

Ms. Jones is the Chairman of the Audit Committee of the Board.

HON. DOUGLAS ORANE,
C.D., J. P., B.Sc., M.B.A., LLD.
(Hon)

Appointed Director May 1998

Mr. Orane is a former Chairman and Managing Director of Grace Kennedy Limited. He is currently a Director of Radio Jamaica Limited and also serves on other boards. Mr. Orane served as President of the Private Sector Organization of Jamaica (PSOJ) from December 1992 to December 1994 and as Vice President from December 2001 to February 2003. Mr. Orane was inducted into the PSOJ Hall of Fame in 2003.

Mr. Orane also served as an Independent Senator in the Senate from 1998 to 2002 and was appointed a member of the Governor General's Privy Council in 2009. In 2002, Mr. Orane was awarded the Order of Distinction in the rank of Commander (CD).

Mr. Orane is the Chairman of the Corporate Governance Committee and a member of the Audit Committee of the Board.

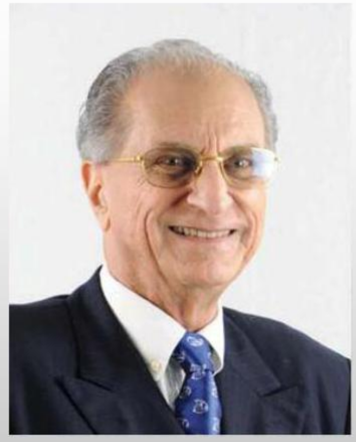
MORIN M. SEYMOUR,
CD, JP, BSc, MBA, FLMI

Appointed Director April 2000

Mr. Seymour is former Executive Director of Kingston Restoration Company Limited and a director of Kingston Restoration Foundation, Mona Social Services Company, UWI, Mona Campus and a member of other Boards, including PALS Jamaica Limited. He is Chairman of Central Branch All Age School, the Rector's Warden of the Kingston Parish Church and a Past President of the Jamaica American Friendship Association. In 1979, he obtained the designation of Fellow of the Life Management Institute from LOMA, USA.

In 1983, Mr. Seymour received a Certificate in Public Enterprise Policy for developing countries from Harvard University and in 1995, he was designated an Eisenhower Fellow. In 1999, Mr. Seymour received the Governor General's Achievement Award for Surrey, Jamaica; and in 2003, he was awarded the Prime Minister's Appreciation Award for Community Development and, appointed Honorary visiting Fellow of the Joseph C. Cornwall Centre for Metropolitan Studies at Rutgers, the State University of New Jersey. In 2004, he received the Prestigious Alumnus Award from the Graziadio School of Business and Management, Pepperdine University, California.

In 2011, Mr. Seymour was awarded the Order of Distinction in the rank of Commander (CD).



HON. JOHN J. ISSA,
OJ, CD, JP, BSC, HON. LLD

Appointed Director February, 1975 - June, 2003, Vice Chairman from July, 2003 – January 22, 2015 and Honorary Chairman since January 23, 2015

Mr. Issa serves as Chairman of SuperClubs International Limited and its subsidiaries. In 2005, he received the Trail Blazer Award from the Jamaica Tourist Board and in 2007, the Lifetime Achievement Award in Travel and Tourism - Caribbean World Awards.

He served as a member of the Senate (1983-1989) and as Chairman of the Jamaica Tourist Board (1984-1989). In 1999 and 2009, Mr. Issa was awarded the Honorary Degrees of Doctor of Laws (Honoris Causa) from the Northern Caribbean University and the University of the West Indies, respectively. Mr. Issa is also trustee of the Bustamante Foundation.

In 1998, Mr. Issa was awarded the Order of Jamaica and in 1983, he received the Order of Distinction in the rank of Commander (CD).

Mr. Issa is also a Justice of the Peace and the Honorary Consul of Serbia.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The following Management Discussion and Analysis (MD&A) is intended to help readers, shareholders and customers understand 1834 Investments Limited, its operations and present business environment. The MD&A provides supplemental information to the Chairman's report and should be read in conjunction with the financial statements and accompanying notes contained therein.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS

The management of 1834 Investments Limited is responsible for the integrity and objectivity of the information contained in the MD&A. The information presented herein was reviewed by the Board of Directors. Management believes the information presented herein represents an objective review of the Group's performance over the past 12 months and short-term prospects.

THE BUSINESS

1834 Investments Limited is an investment management company. The company's main activity is the management of its real estate, bond and equity portfolios, and the management of its joint venture and subsidiary companies. For the financial year under review, your company generated revenue from interest and dividends paid on corporate bond and equity holdings, rent on commercial real estate assets, loans and other income-generating contracts. 1834 Investments Limited evolved as a result of the March 2016 merger of the media operations of the former Gleaner Company Limited with Radio Jamaica Limited (RJR). The Gleaner Company Limited officially changed its name to 1834 Investments Limited on March 10, 2016.

THE ENVIRONMENT

Local and international economic conditions were largely favourable for the growth of your investments. Local macroeconomic indicators were stable and the Jamaican economy grew 1.4% during the fiscal year 2018, facilitating an appreciation of your local real estate assets and providing an environment for the growth of local businesses, in which your company has various fixed income investments.

On the international front, capital markets supported healthy growth in the USD equity portfolio, while bonds returned good income between 7.7% (US dollar bonds) to 11.6% (JMD dollar bonds) on a weighted average cash yield basis, despite lower market prices. Your company engages various local and overseas based investment advisors to actively monitor the foreign markets and to make recommendations which ensure optimal risk/return. Your portfolio of foreign bonds and equities continued to enjoy good returns over the year and we consider the short to medium term prospects positive.

OPERATIONS

1834 Investments Limited completed its second year of operation as a stand-alone investment entity on March 31, 2018, having divested its media business to RJR in 2016. During the year, your company pursued avenues to further streamline the business and maximize revenues. Your company commenced the wind-up of four dormant local subsidiary companies (digjamaica.com Limited, Popular Printers Limited, Associated Enterprise Limited and Selectco Publications Limited), and the non-operational Canadian subsidiary company, 1834 Investments (Canada) Incorporated which was legally dissolved on June 22, 2018. Commercial property owned by 1834 Investments (Canada) Inc. was sold in the financial period, ahead of dissolution.

Your company commenced the process towards closing the defunct Gleaner Company Limited Employees Investment Trust ("Trust") and, therefore, disposed of all of the Trust's equity holdings during the year, with the exception of its own (1834 Investments Ltd.) shareholdings. In the past, the Trust facilitated share options to staff of the former Gleaner Company Limited, and is no longer operational.

Advances were also made towards a final wind-up of the Gleaner Superannuation Fund ("Fund"). The sale of commercial property owned by the Fund was completed in the year and the two remaining assets in the Fund are being assessed for sale.

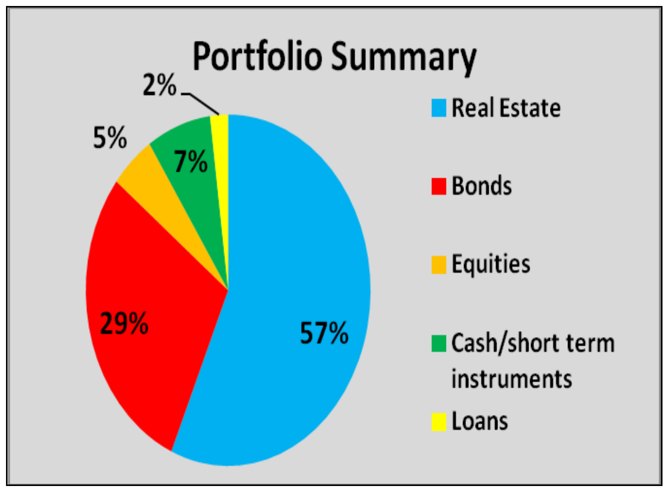
Your company negotiated the early termination of a fifteen-year obligation to provide office space to RJR subsidiaries in Montego Bay and Toronto, which was created pursuant to the 2016 media amalgamation with RJR. The obligation was valued on the basis of future rental payments for the locations and the requisite consideration agreed with RJR. Consequently, the commercial properties owned by your company in those locations have been sold (Canada), or are available for sale (Montego Bay).

1834 maintained a lean operational structure with some functions outsourced where feasible. During the year, your company engaged a new accounting firm to streamline its financial reporting. The effort required to transition the group's accounts was greater than anticipated and contributed to various delays in reporting. Your company is taking steps to resolve these issues in the short-term.

INVESTMENTS

Your company manages its portfolio of investments with advice from local and overseas investment advisers. As at March 31, 2018 investments were allocated as follows:

Portfolio Summary	2018	
	J$ million	%
Real Estate	746	57%
Bonds	384	29%
Cash/short term instruments	96	7%
Equities	66	5%
Loans	27	2%
Total	**1,319**	**100%**



Investments totalled $1,319 million (2017: $1,463) at the end of March 2018. The portfolio continued to be heavily weighted towards real estate which accounted for 57% or $746 million of all investment assets by value.

The properties held as at the March 31, 2018 year-end were as follows:

Property Type	Location
Commercial offices	7 North Street, Kingston*
Commercial lots	101A, 103, 105 East Street & 66C, 66D John's Lane, Kingston*
Commercial lots	Newport West, Kingston*
Commercial offices	9 King Street, Montego Bay*
Commercial offices	4 Bradley Avenue, Kingston
Commercial warehouse	146 Harbour Street, Kingston (sold subsequent to the year-end)

*Property is leased

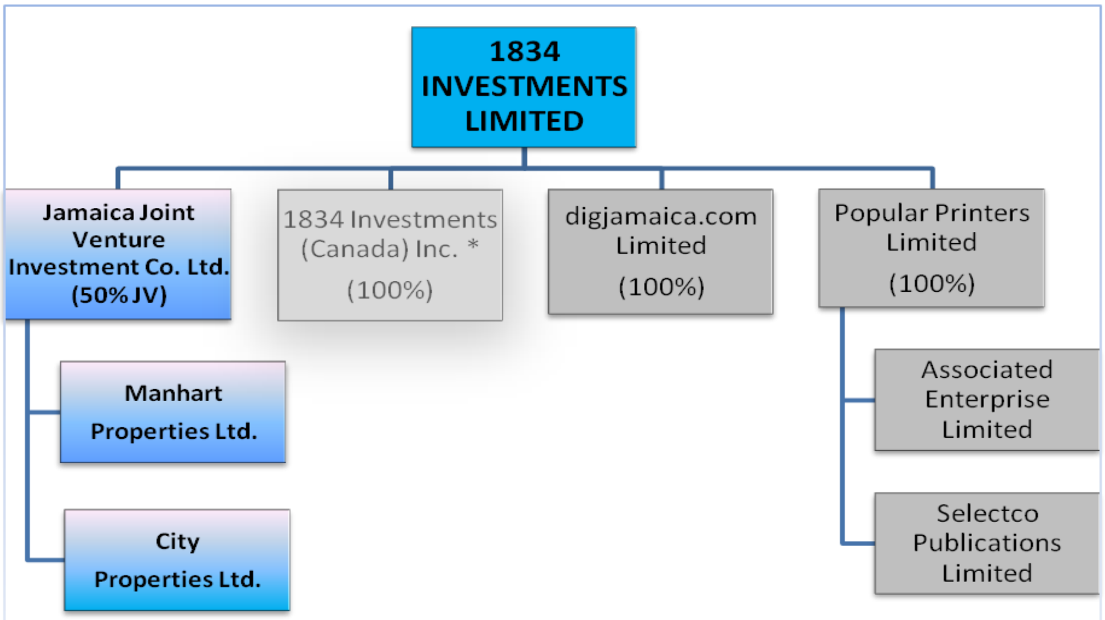
Pursuant to the Scheme of Arrangement for Amalgamation, the land and building located at 7 North Street, as well as the five vacant lots situated at 101A, 103 & 105 East Street and 66C & 66D John's Lane which are utilised for parking are subject to a long-term lease arrangement with Radio Jamaica Limited (expires 2030). All other properties (with the exception of #4 Bradley Avenue) are leased to third parties. The property at 146 Harbour Street, Kingston was sold subsequent to the year end (completed June 2018).

Bond assets comprised 29% or $384M of total investments. Despite lower overseas bond market valuations the bond portfolio continued to generate strong interest income (7.7% on USD notes and 11.6% on JMD) and maintained good credit quality. Seventy percent (70%) of the bonds (by value) were investment grade issuers at year-end. The bond portfolio contains a wide mix of local and foreign corporate issuers of notes with maturities 1 – 6 years out.

Some shares held by The Gleaner Company Limited Employees Investment Trust were sold in the period to facilitate the wind-up of the Trust, which became obsolete after the group's media merger with RJR. Your company's equity holdings reduced to $66M or 5% of total investments as a result. Excluding the impact of the disposals, the equity portfolio appreciated 6% in value from the prior year-end. Current equity holdings represent a widely diversified mix of stocks of high-quality local and overseas companies in North America, U.K., Europe and Asia.

SUBSIDIARY AND ASSOCIATED COMPANIES

As at March 31, 2018, the Company's organisational structure was as follows:



* 1834 Investments (Canada) Inc. was dissolved in June 2018.

1834 Investments (Canada) Inc. was dissolved on June 22, 2018. This subsidiary previously owned real estate in Canada, and became non-operational after its media assets were divested to a subsidiary of Radio Jamaica Limited in 2016.

I834 Investments Limited currently has four (dormant) subsidiary companies and a 50% joint venture associate, with its own subsidiaries.

Your company commenced the process of winding-up the dormant subsidiaries. The dormant companies are digjamaica.com Limited, Popular Printers Limited, Associated Enterprise Limited and Selectco Publications Limited. These subsidiaries were previously active in media and became non-operational after the amalgamation with RJR.

Jamaica Joint Venture Investment Company Limited (JJVI) is the holding company for two commercial real estate investments at 34 and 40 Duke Street, Kingston. Your company is a 50% joint venture partner in this real estate holding company.

JJVI's subsidiary companies City Properties Limited and Manhart Properties Limited, own and manage the activities of these properties with the oversight of a property management company.

FINANCIAL RESULTS:

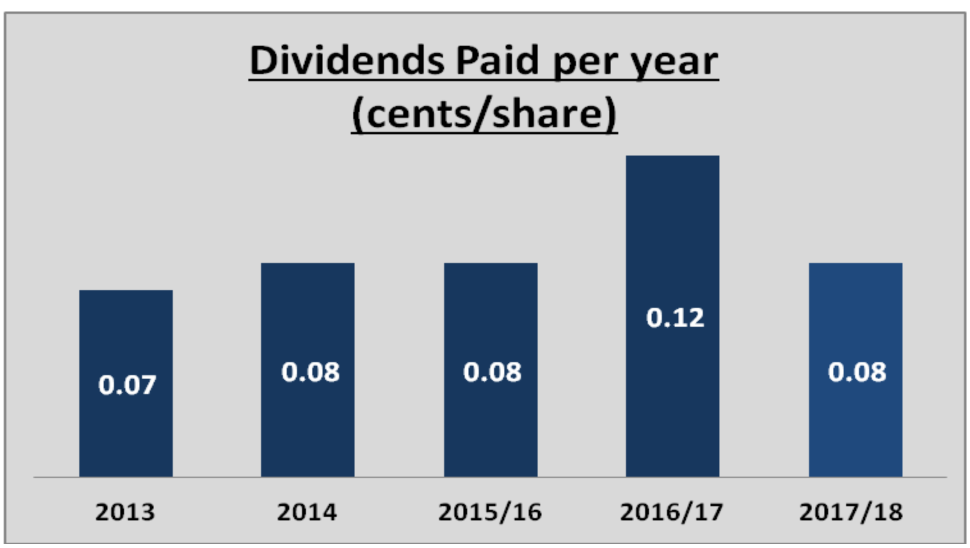
The group financial highlights and comparatives below are for the twelve months to March 31, 2018:

FINANCIAL HIGHLIGHTS:	2018	2017
Profit attributable to shareholders	$82 million	$12 million
Earnings per share	6.76 cents/share	1.02 cents/share
Total Revenue	$161 million	$199 million
Total Equity	$1,704 million	$1,777 million
Book value	$1.41/share	$1.47/share
Closing Share price (March 31)	$1.19	$1.55
Dividends paid	$0.08/share	$0.12/share
Dividend yield	7% p.a.	8% p.a.

SHAREHOLDER RETURN

An interim dividend of 8 cents per stock unit was paid on May 30, 2017 to shareholders on record at the close of business on May 5, 2017.

No final dividend was recommended in respect of the year ended March 31, 2018.



INCOME STATEMENTS

Your company recorded group profits of $82 million after tax from its consolidated operations in real estate and investments over the 12 months to March 31, 2018 (2017: $12 million). Earnings of 6.76 cents/share were driven by gains on the disposal of property and equity investments, and by interest and rental income generated from investment assets.

REVENUE

Your group generated revenues of $161 million for the 12 months to March 31, 2018 compared with $199 million for the year before. The $38 million or 19% reduction was due to the combination of lower total interest income and a reduced contribution from asset disposal gains relative to that of the prior year. The decline in local interest rates in the financial period as well as the loss in income arising from two early US bond redemptions by issuers, accounted for a $15 million year-over-year decline in interest income. Lower gains realized on the disposal of investments were offset in part by a write-back of amounts due to a former related party.

EXPENSES

Group expenses of $117 million (2017: $104 million) increased $13 million or 12% largely on account of a one-off charge of $30 million incurred for the aforementioned early termination of a fifteen year obligation to RJR. Consequent upon this settlement, your group has no further obligation to RJR in respect of its property assets, save and except for the lease of #7 North Street, and nearby parking lots to The Gleaner Company (Media) Ltd. Other increases were recorded in some categories of expenses such as unrealised foreign exchange losses were however, offset by reductions achieved in several other categories.

TAXATION

Taxation charge for the year amounted to $15 million. Your company was assessed an additional $63 million in PAYE and income taxes as a result of an audit for the year 2010. Your company has disputed the assessment and filed an objection with the Tax Administration Jamaica. No provision has been made in the company's accounts for this assessment.

GROUP STATEMENT OF FINANCIAL POSITION

ASSETS

Total assets of $1,752 million (2017: $1,876 million) were mostly (75%) comprised of real estate and short to medium term investments. The year over year reduction was due to cash used to settle various expenses over the period including dividends paid of $97M, and some reduction in bond asset valuations. During the year, real estate valued at $20 million was reclassified from “Investment Properties” to “Assets Held for Sale” (being #146 Harbour Street, which was sold subsequent to the year-end).

PENSION FUND RECEIVABLE

A receivable of $74 million (2017: $90 million) remains due to the company arising from the discontinuation of the defined benefit Gleaner Superannuation Fund (“Fund”). Over the period your company continued to transfer assets out of the Fund to facilitate its final winding-up, which is expected before the end of the next financial year. At March 31, 2018 the Fund had two assets remaining. There are no remaining members in the Fund.

LIABILITIES AND EQUITY

Total liabilities of $48 million (2017: $99 million) declined during the year as the company liquidated its tax liabilities and reduced its accounts payable. Total equity attributable to the equity holders of 1834 was $1,704 million at year-end (2017: $1,777 million).

RISK MANAGEMENT

Your Company is exposed to various business and financial risks including market risks such as interest rate risk, currency risk, credit risk and liquidity risk, as well as legal or regulatory risk, fiduciary or disclosure breaches, technology failure, financial crime, cyber security threats and environmental risks.

Your company however, has a well-established governance structure which satisfactorily protected against the various financial and operational risks during the period. The risk management framework and mitigation strategies employed during the year were considered effective in assessing and managing the group's risk exposure, and continue to be employed.

Your company manages the risk profile of its investments by conducting regular reviews of its investment portfolio to identify and quantify the various risks and to set appropriate limits and make adjustments as necessary. Your company also reviews its operations, not less than quarterly, to assess other risks and to ensure policies to mitigate any adverse outcomes are in place, and remain effective.

Looking Forward

For 2018/19, your Board will continue to focus its efforts on maximizing shareholder return via its regular monitoring, evaluation and decision making on optimal asset allocation and company-strategic direction. Your company's financial position stands strong on a foundation of high quality income-generating assets, zero long-term debt and the strategic guidance of its Board.

CORPORATE GOVERNANCE

The Board of Directors is collectively responsible for promoting the success of the Company by directing and overseeing the Company's affairs.

BOARD RESPONSIBILITIES:

The Board is responsible for:

I. Providing leadership by setting the corporate policies and strategic aims of the Company and monitoring the achievement of same.

II. Ensuring that the necessary financial and human resources are in place for the Company to meet its objectives.

III. Setting the Company's values and standards and ensuring that its obligations to its shareholders and other stakeholders are understood and met.

IV. Scrutinizing the performance of management with regards to meeting agreed goals and objectives, and monitoring the reporting of performance.

V. Deciding on and approving matters to include:

    i. Major funding proposals, investments, acquisitions and divestments including the group's commitments in terms of capital and other resources;

    ii. Annual budgets and financial plans of the Company;

    iii. Internal controls and risk management strategies and execution; and

    iv. Appointment of directors, including the Managing Director.

BOARD COMPOSITION

As at March 31, 2018, the Board was comprised of eight (8) Directors and chaired by the Hon. Oliver F. Clarke, OJ, a non-executive Chairperson. Four (4) of the eight (8) Directors were independent of the Company, its subsidiaries and affiliates.

In determining whether a Board member is independent, the Board considers whether there are circumstances which are likely to affect, or could appear to affect, the member's judgment and thereby independence. A Director is not considered independent if the Director:

- has been employed to the Company within the last three years;
- has, or has had, within the last three years, a material business relationship with the company either directly, or as a partner, major shareholder, Director or senior executive of a body that has had such a relationship with the Company;
- has direct family ties with any of the Company's directors, senior executive, or any of the Company's advisors;
- has participated or participates in the Company's share option, or any of the Company's performance-related pay schemes within the last three years;
- has received or receives from the Company, remuneration additional to a Director's fee; or
- represents a significant shareholder in the Company.

BOARD SUCCESSION

All Directors are subject to election by shareholders at the first opportunity after their appointment, and to re-election thereafter at intervals in keeping with the company's articles. Subject to re-election/election, directors appointed to the Board may serve on the Board until he or she attains the age of seventy-five (75) years.

BOARD COMPENSATION

The shareholders determine the remuneration of the non-executive Directors within the guidelines set out in the Articles of Incorporation. Executive Directors receive no remuneration.

The level of compensation of Directors aims to reflect the time, commitment and responsibilities of the role and consists of a package appropriate to attract, retain and motivate directors of the quality required. The compensation is competitive and subject to regular review.

BOARD MEETINGS

Five directors' meetings were held from April 1, 2017 to March 31, 2018, as follows:
2017: April 13, July 24, October 31 and November 29.
2018: January 22.

The meeting attendance by the Directors and the Honorary Chairman is reflected in the Table below.

ATTENDANCE RECORD FOR
1834 BOARD MEETINGS April 2017 to March 2018 (5 Meetings)

Name	Total
Hon. Oliver F. Clarke, OJ (Chairman)	5
Joseph M. Matalon, CD (Vice-Chairman)	3
Dr. Carol D. Archer	4
Christopher N. Barnes	3
Lisa G. Johnston	5
Elizabeth A. Jones, CD	5
Hon. Douglas R. Orane, CD	4
Morin Seymour, CD	5
Hon. John J. Issa, OJ (Honorary Chairman)	5

COMMITTEES OF THE BOARD

To ensure that specific issues are subject to in-depth and timely review, certain functions have been delegated to various Board committees, which would submit their recommendations or decisions to the Board. The Board committees constituted by the Board are: Corporate Governance and Nomination Committee, Audit Committee and Compensation Committee. The first two are described briefly below:

CORPORATE GOVERNANCE AND NOMINATION COMMITTEE

The purpose of this committee is to strive to achieve global corporate governance best practice standards. The members of the committee as at March 31, 2018 were:

Hon. Douglas R. Orane (Chairman/Non Executive Director)
Lisa Johnston (Non Executive Director)
Carol D. Archer (Non Executive Director)

The committee assists the Board with:

- Organizing and executing the annual review of the Board's performance and the performance of individual directors.
- Establishing, monitoring, reviewing and recommending to the Board, the corporate governance policies and procedures by which the Company and the Board shall be guided.
- The promotion of high standards of corporate governance based on the principles of openness, integrity and accountability, taking into account any existing legal and regulatory framework to which the Company may be accountable.
- Keeping up to date on corporate governance developments so as to ensure the Group's governance practices are in line with best practices.

- Monitoring and reviewing issues regarding the Company's conduct of its business as a responsible corporate citizen and to this end, review and revise (and where necessary, create) existing ethical standards, rules, codes of the Company for compliance with best practices, for the approval of the Board.

- Reviewing the composition, operation and effectiveness of the Board committees and to this end, make recommendations to the Board to enhance performance and effectiveness.

- Seeing to the development and implementation of a Board induction process which includes ensuring the orientation of new Directors and appropriate training for all Directors.

- Ensuring systems are in place to bring possible conflicts of interest of Directors and related party transactions to the attention of the Board, and in addition, to make relevant proposals to the Board in accordance with the Company's corporate governance code.

- The nomination of new Directors and review of the existing Directors.

- Reviewing, at regular intervals and at least once a year, the Company's succession plan in respect of senior executive positions within the Group.

CORPORATE GOVERNANCE CODE

The Corporate Governance Code was reviewed during the period and can be found on the Company's website at:

http://1834investments.com/pdf/1834investments-corporate-governance-code.pdf

AUDIT COMMITTEE

The Audit Committee of the board reviews financial performance and budgets, assesses operational risk and mitigation plans, and makes recommendations to the board for its decision.

The members of the committee as at March 31, 2018 were:

Elizabeth (Betty Ann) Jones, (Chairman/Non Executive Director)
Joseph M. Matalon, (Non Executive Director)
Lisa Johnston (Non Executive Director)
Hon. Douglas Orane (Non Executive Director)

The roles and responsibilities of the Audit Committee include:

- Monitoring the financial objectives of the Company and Company's financial performance.
- Ensuring that the Company is compliant with the relevant reporting standards.
- Making formal financial announcements relating to the Company's financial performance.
- Reviewing and monitoring the external auditors' independence, objectivity and effectiveness of the audit process, taking into account relevant Jamaican and International professional and regulatory requirements.
- Monitoring and reviewing the effectiveness of the Company's internal audit functions.
- Considering, approving and recommending to the Board, the Group's annual operating and capital budgets.

KPMG

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INDEPENDENT AUDITORS' REPORT

To the Members of
1834 INVESTMENTS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of 1834 Investments Limited ("the company") comprising the separate financial statements of the company and the consolidated financial statements of the company and its subsidiaries ("the group"), set out on pages **35 to 78** which comprise the group's and company's statements of financial position as at March 31, 2018, the group's and company's income statements, statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the group and the company as at March 31, 2018, and of the group's and company's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Jamaican Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
1834 INVESTMENTS LIMITED

Report on the Audit of the Financial Statements (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters and how they were addressed in our audit

1. *Valuation of investment properties*

   The valuation of the group's investment properties requires significant estimation, which is impacted by uncertainty of market factors, pricing assumptions and general business and economic conditions.

   Our audit procedures in this area included the following:

   - Evaluating the director's valuation to determine that the valuation was free of management bias.
   - Involving valuation specialists to review the underlying assumptions utilised to value the properties and performed a search for similar transactions and listings.
   - Inspecting a sample of investment properties to evaluate their physical condition and considered evidence of damage or impairment that might affect the fair value measurements.
   - Assessing the adequacy and appropriateness of the group's investment property disclosures, including the valuation techniques and significant unobservable inputs in accordance with IFRS 13, *Fair Value Measurement.*

2. *Valuation of investments*

   The group's investments measured at fair value include corporate and municipal bonds classified as available-for-sale and categorised as Level 2 in the fair value hierarchy, as no quoted prices are available for these instruments. Valuation of these instruments although based on observable inputs, involves the exercise of judgement and the use of assumptions. Management used valuation techniques which required inputs such as market yields obtained from established yield curves. The risk is that these valuations may be misstated.

KPMG

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
1834 INVESTMENTS LIMITED

Report on the Audit of the Financial Statements (continued)

Key Audit Matters (continued)

2. *Valuation of investments (continued)*

Our audit procedures in this area included the following:

- Challenging the reasonableness of yields/prices by comparison to independent third-party pricing sources.
- Assessing the reasonableness of significant assumptions used by such third-party pricing sources;
- Involving our own valuation specialists to determine/obtain yields/prices of specific securities and comparing these to those used by management; and
- Assessing the adequacy of disclosures including the degree of estimation involved in determining fair values.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended March 31, 2018 but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

KPMG

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
1834 INVESTMENTS LIMITED

Report on the Audit of the Financial Statements (continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group and the company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditors' report. This description, which is located at pages **33 to 34,** forms part of our auditors' report.

Report on additional matters as required by the Jamaican 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
1834 INVESTMENTS LIMITED

Report on additional matters as required by the Jamaican Companies Act (continued)

In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act in the manner required.

The engagement partner on the audit resulting in this independent auditors' report is Rochelle Stephenson.

KPMG
Chartered Accountants
Kingston, Jamaica

August 27, 2018

KPMG

INDEPENDENT AUDITORS' REPORT (Continued)

To the Members of
1834 INVESTMENTS LIMITED

Appendix to the Independent Auditors' Report

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 company's/group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITORS' REPORT (Continued)

To the Members of
1834 INVESTMENTS LIMITED

Appendix to the Independent Auditors' Report (continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

1834 INVESTMENTS LIMITED
MARCH 31, 2018

Statements of Financial Position

	NOTES	GROUP 2018 $'000	GROUP 2017 $'000	COMPANY 2018 $'000	COMPANY 2017 $'000
Assets					
Property, plant and equipment	4	10,854	15,644	10,851	15,641
Investment properties	5	549,239	569,239	549,239	569,239
Long-term receivables	6	26,891	32,055	26,891	32,055
Interest in subsidiaries	7	-	-	1,413	1,413
Interest in associate	8	298,121	245,079	53,235	53,235
Investments	9	469,553	575,033	469,553	508,701
Deferred tax assets	11	618	618	-	-
Total non-current assets		1,355,276	1,437,668	1,111,182	1,180,284
Cash and cash equivalents	12	67,629	7,678	61,295	3,479
Securities purchased under resale agreements	13	9,279	42,900	9,279	42,900
Trade and other receivables	14	36,614	52,775	47,822	121,555
Taxation recoverable		12,514	9,616	-	-
Assets held for sale	5,15	196,645	235,619	196,645	179,242
Pension fund receivable	10	74,322	89,794	74,322	89,794
Total current assets		397,003	438,382	389,363	436,970
Total assets		1,752,279	1,876,050	1,500,545	1,617,254
Equity					
Share capital	16	605,622	605,622	605,622	605,622
Reserves	17	1,098,431	1,171,724	798,079	900,220
Total equity attributable to equity holders of parent		1,704,053	1,777,346	1,403,701	1,505,842
Liabilities					
Deferred tax liabilities	11	17,910	29,400	17,906	23,136
Total non-current liabilities		17,910	29,400	17,906	23,136
Accounts payable	18	27,422	51,094	78,773	70,066
Taxation payable		2,894	18,210	165	18,210
Total current liabilities		30,316	69,304	78,938	88,276
Total liabilities		48,226	98,704	96,844	111,412
Total equity and liabilities		1,752,279	1,876,050	1,500,545	1,617,254

The financial statements on pages 8 to 51 were approved for issue by the Board of Directors on August 27, 2018 and signed on its behalf by:

Chairman
Hon. Oliver F. Clarke, OJ

Vice Chairman
Joseph M. Matalon. CD

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

1834 INVESTMENTS LIMITED
MARCH 31, 2018

Income Statements

	NOTES	GROUP 2018 $'000	GROUP 2017 $'000	COMPANY 2018 $'000	COMPANY 2017 $'000
Revenue					
Operating income	19(a)	45,379	60,784	45,379	58,940
Other income	19(b)	116,017	138,240	70,656	172,036
		161,396	199,024	116,035	230,976
Administration expenses		(31,258)	(19,092)	(27,947)	(19,092)
Other operating expenses		(85,626)	(85,037)	(78,375)	(80,670)
	20	(116,884)	(104,129)	(106,322)	(99,762)
Profit from operations		**44,512**	**94,895**	**9,713**	**131,214**
Finance costs		(380)	(2,707)	(380)	(2,707)
Profit from operations before other income		**44,132**	**92,188**	**9,333**	**128,507**
Share of profit from interest in associate, net of tax		53,042	10,044	-	-
Profit from operations before taxation		**97,174**	**102,232**	**9,333**	**128,507**
Taxation charge	21	(15,242)	(89,885)	(12,513)	(89,885)
Profit/(loss) for the year		**81,932**	**12,347**	**(3,180)**	**38,622**
Dealt with in the financial statements of:					
Parent company		(3,180)	38,622		
Subsidiaries		32,070	(36,319)		
Associate	8	53,042	10,044		
		81,932	**12,347**		
Earnings per stock unit:					
Based on stock units in issue	22	6.76¢	1.02¢		
Excluding stock units in GCLEIT	22	6.96¢	1.05¢		

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

1834 INVESTMENTS LIMITED
MARCH 31, 2018

Statements of Profit or Loss and Other Comprehensive Income

	NOTES	GROUP		COMPANY	
		2018	2017	2018	2017
		$'000	$'000	$'000	$'000
Profit/(loss) for the year		81,932	12,347	(3,180)	38,622
Other comprehensive income:					
Item that will never be reclassified to profit or loss					
Tax on revaluation and remeasurement	11(a)(ii)	6,260	140,876	-	126,614
Items that may be reclassified to profit or loss					
Fair value adjustments on available-for-sale investments		(66,840)	(48,955)	(2,061)	(63,839)
Currency translation differences on foreign subsidiaries		(535)	(532)	-	-
		(67,375)	(49,487)	(2,061)	(63,839)
Other comprehensive (loss)/income for the year, net of taxation		(61,115)	91,389	(2,061)	62,775
Total comprehensive income/(loss) for the year		20,817	103,736	(5,241)	101,397
Dealt with in the financial statements of:					
The company		(5,241)	101,397		
Subsidiaries		(26,984)	(7,705)		
Associate	8	53,042	10,044		
		20,817	103,736		

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

1834 INVESTMENTS LIMITED
MARCH 31, 2018

Group Statement of Changes in Equity

	Share capital $'000	Capital reserves $'000	Fair value reserves $'000	Reserve for own shares $'000	Retained profits $'000	Total equity $'000
Balances as at March 31, 2016	605,622	1,069,008	139,071	(149,157)	150,191	1,814,735
Total comprehensive income for the year:						
Profit for the year	-	-	-	-	12,347	12,347
Other comprehensive income/(loss) for the year:						
Fair value adjustments on available-for-sale investments	-	-	(48,955)	-	-	(48,955)
Currency translation differences on foreign subsidiaries	-	(532)	-	-	-	(532)
Deferred tax on revalued assets	-	140,876	-	-	-	140,876
Other comprehensive income/(loss) for the year, net of taxation	-	140,344	(48,955)	-	-	91,389
Total comprehensive income/(loss) for the year, net of taxation	-	140,344	(48,955)	-	12,347	103,736
Transactions with owners, recorded directly in equity:						
Dividends (note 23), being total distributions to owners	-	-	-	-	(141,125)	(141,125)
Balances at March 31, 2017	605,622	1,209,352	90,116	(149,157)	21,413	1,777,346
Total comprehensive income for the year						
Profit for the year	-	-	-	-	81,932	81,932
Other comprehensive income/(loss) for the year:						
Fair value adjustments on available-for-sale investments	-	-	(66,840)	-	-	(66,840)
Reversal of deferred tax on disposal of building	-	6,260	-	-	-	6,260
Currency translation differences on foreign subsidiaries	-	(535)	-	-	-	(535)
Other comprehensive income/(loss) for the year, net of taxation	-	5,725	(66,840)	-	-	(61,115)
Total comprehensive income/(loss) for the year, net of taxation	-	5,725	(66,840)	-	81,932	20,817
Transfers [note 17(iv)]	-	(181,938)	-	-	181,938	-
Transactions with owners, recorded directly in equity:						
Dividends (note 23), being total distributions to owners	-	-	-	-	(94,110)	(94,110)
Balances as at March 31, 2018	605,622	1,033,139	23,276	(149,157)	191,173	1,704,053

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

1834 INVESTMENTS LIMITED
MARCH 31, 2018

Company Statement of Changes in Equity

	Share capital $'000	Capital reserves $'000	Fair value reserves $'000	Retained profits $'000	Total equity $'000
Balances as at March 31, 2016	605,622	709,474	87,636	147,063	1,549,795
Total comprehensive income for the year					
Profit for the year	-	-	-	38,622	38,622
Other comprehensive income:					
Fair value adjustments on available-for-sale investments	-	-	(63,839)	-	(63,839)
Deferred taxation on revalued assets	-	126,614	-	-	126,614
Total other comprehensive income for the year, net of taxation	-	126,614	(63,839)	-	62,775
Total comprehensive income for the year, net of taxation	-	126,614	(63,839)	38,622	101,397
Transactions with owners, recorded directly in equity					
Dividends (note 23), being total distributions to owners	-	-	-	(145,350)	(145,350)
Balances at March 31, 2017	605,622	836,088	23,797	40,335	1,505,842
Total comprehensive income for the year					
Loss for the year	-	-	-	(3,180)	(3,180)
Other comprehensive income:					
Fair value adjustments on available-for-sale investments, being other comprehensive income for the year, net of taxation	-	-	(2,061)	-	(2,061)
Total comprehensive loss for the year, net of taxation	-	-	(2,061)	(3,180)	(5,241)
Transfers [note 17(iv)]	-	(136,340)	-	136,340	-
Transactions with owners, recorded directly in equity					
Dividends (note 23), being total distributions to owners	-	-	-	(96,900)	(96,900)
Balances at March 31, 2018	605,622	699,748	21,736	76,595	1,403,701

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

1834 INVESTMENTS LIMITED
MARCH 31, 2018

Statements of Cash Flows

	NOTES	Group 2018 $'000	Group 2017 $'000	Company 2018 $'000	Company 2017 $'000
Cash flows from operating activities					
Profit/(loss) for the year		81,932	12,347	(3,180)	38,622
Adjustments to reconcile profit/(loss) to net cash provided/(used) by operating activities:					
Depreciation	4(a),(b)	4,790	5,448	4,790	5,448
Current income tax	21(a)	20,472	85,315	17,743	85,315
Deferred taxation	21(a)	(5,230)	4,570	(5,230)	4,570
Interest income	19(a)	(30,954)	(45,850)	(30,954)	(46,058)
Interest expense		381	2,707	381	2,707
Decrease in fair value of asset held for sale		2,598	-	2,598	-
Decrease in fair value of investment properties		-	5,929	-	8,845
Impairment loss	20	8,221	9,974	2,285	9,974
Share of profit of associate, net of tax	8	(53,042)	(10,044)	-	-
Gain on disposal of assets held for sale		(4,981)	-	-	-
Gain on disposal of investments		(59,759)	(104,531)	(10,659)	(104,531)
Loss on sale of finance lease		-	25,361	-	25,361
Gain on disposal of property, plant and equipment		(8,882)	-	(8,882)	-
		(44,454)	(8,774)	(31,108)	30,253
Tax paid		(38,686)	(157,426)	(35,788)	(157,426)
Interest paid		(381)	(2,707)	(381)	(2,707)
Trade and other receivables		18,175	(37,274)	76,281	(65,641)
Securities purchased under agreements for resale		33,621	(33,970)	33,621	(33,970)
Accounts payable		(23,672)	(43,355)	8,707	(43,463)
Pension fund receivable		15,472	116,184	15,472	116,184
Net cash (used)/provided by operating activities		(39,925)	(167,322)	66,804	(156,770)
Cash flows from investing activities					
Interest received		28,405	45,706	28,405	45,914
Additions to property, plant and equipment	4(a),(b)	-	(169)	-	(169)
Proceeds from sale of property, plant and equipment		8,882	-	8,882	-
Proceeds from sale of assets held for sale		61,357	-	-	-
Proceeds from sale of finance lease		-	25,361	-	25,361
Investments, net		90,178	247,838	47,811	246,045
Long-term receivable		5,164	(29,997)	2,814	(29,997)
Net cash provided by investing activities		193,986	288,739	87,912	287,154
Cash flows from financing activity					
Dividends paid, being net cash used by financing activity	23	(94,110)	(141,125)	(96,900)	(145,350)
Net increase/(decrease) in cash and cash equivalents		59,951	(19,708)	57,816	(14,966)
Cash and cash equivalents at beginning of the year		7,678	27,386	3,479	18,445
Cash and cash equivalents at end of the year		67,629	7,678	61,295	3,479

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

1834 INVESTMENTS LIMITED

Notes to the Financial Statements
March 31, 2018

1. **Identification**

1834 Investments Limited, formerly The Gleaner Company Limited ("company" or "parent company"), is incorporated under the laws of, and is domiciled in Jamaica. The company is listed on the Jamaica Stock Exchange and has its registered office at 7 North Street, Kingston.

The group's principal activities are the management of real estate and other investments.

The company completed the transfer of its media operations pursuant to an amalgamation agreement with Radio Jamaica Limited (RJR) in March 2016. The company no longer engages in any form of media business and is precluded from doing so for a period of twenty-four months from the effective date of the amalgamation agreement.

Group refers collectively to the company and its subsidiaries together with its associates and are as follows:

	Principal activity	Country of incorporation	% Ownership by Group
Subsidiaries:			
1834 Investments (Canada) Inc.	Real Estate Investment	Canada	100%
digjamaica.com Limited	Dormant	Jamaica	100%
Popular Printers Limited	Dormant	Jamaica	100%
Selectco Publications Limited	Dormant	Jamaica	100%
Associated Enterprise Limited	Dormant	Jamaica	100%
Associate:			
Jamaica Joint Venture Investment Company Limited (JJVI)	Real Estate Investment	Jamaica	50% Joint Venture

Subsequent to the year ended March 31, 2018, 1834 Investments (Canada) Inc. was legally dissolved and the winding up process has commenced for the four dormant subsidiaries.

2. **Statement of compliance and basis of preparation**

(a) Statement of compliance:

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and comply with the provisions of the Jamaican Companies Act (Act).

Details of the group's accounting policies, including changes during the year are included in notes 29 and 30.

(b) Basis of measurement:

The financial statements are prepared on the historical cost basis, except for investment properties (note 5) and available-for-sale investments (note 9), which are measured at fair value and assets held for sale, which are measured at the lower of their carrying amount and fair values less cost to sell.

(c) Functional and presentation currency:

The financial statements are presented in Jamaica dollars, which is the functional currency of the group. Financial information presented is shown in thousands of Jamaica dollars, unless otherwise stated.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

2. **Statement of compliance and basis of preparation (continued)**

(d) Use of estimates and judgements:

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amounts of, and disclosures relating to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next financial year are discussed below:

(i) Allowance for impairment losses on receivables:

In determining amounts recorded for impairment losses in the financial statements, management makes judgements regarding indicators of impairment, that is, whether there are indicators that suggest there may be a measurable decrease in the estimated future cash flows from receivables, for example, default and adverse economic conditions. Management also makes estimates of the likely estimated future cash flows from impaired receivables, as well as timing of such cash flows. Historical loss experience is applied where indicators of impairment are not observable on individual significant receivables with similar characteristics, such as credit risks.

(ii) Determination of fair values:

The group measures fair values using the following fair value hierarchy which reflects the significance of the inputs used in making the measurements.

- Level 1 – Inputs that are quoted market price (unadjusted) in an active market for an identical asset or liability.
- Level 2 – Inputs other quoted prices included within level 1 that are observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3 – Inputs that are unobservable. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist and other valuation models.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

2. Statement of compliance and basis of preparation (continued)

(d) Use of estimates and judgements (continued):

(ii) Determination of fair values (continued):

Considerable judgment is required in interpreting market data to arrive at estimates of fair values. Consequently, the estimates arrived at may be significantly different from the actual price of the instrument in an arm's length transaction.

The group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(iii) Investment properties:

Investment properties reflect fair value amounts, based on market information, including valuations done by directors and independent valuators in the current year and external independent valuators in the prior period. On the instructions of management, the valuators have used valuation techniques such as the direct sales comparison approach, income approach and cost approach to determine fair value as detailed in notes 5 and 15.

3. Roles of auditors

The external auditors have been appointed by the stockholders pursuant to the Articles of Incorporation and the Act to conduct an independent and objective audit of the financial statements of the group and the company and in accordance with International Standards on Auditing, and report thereon to the shareholders. The auditors' report outlines the scope of their audit and their opinion.

4. Property, plant and equipment

(a) **Group:**

	Machinery and equipment $'000	Computer equipment $'000	Total $'000
Cost			
Balances at March 31, 2016	59,099	3	59,102
Additions	169	-	169
Balances at March 31, 2017	59,268	3	59,271
Transfers	3	(3)	-
Balances as at March 31, 2018	59,271	-	59,271
Depreciation			
Balances at March 31, 2016	38,179	-	38,179
Charge for the year	5,448	-	5,448
Balances at March 31, 2017	43,627	-	43,627
Charge for the year	4,790	-	4,790
Balances at March 31, 2018	48,417	-	48,417
Carrying amounts			
March 31, 2018	10,854	-	10,854
March 31, 2017	15,641	3	15,644

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

4. **Property, plant and equipment (continued)**

(b) **Company:**

	Machinery and equipment $'000
Cost	
Balance at March 31, 2016	59,099
Additions	169
Balance at March 31, 2017 and 2018	59,268
Depreciation	
Balance at March 31, 2016	38,179
Charge for the year	5,448
Balance at March 31, 2017	43,627
Charge for the year	4,790
Balance at March 31, 2018	48,417
Carrying amounts	
March 31, 2018	10,851
March 31, 2017	15,641

5. **Investment properties**

	Group		Company	
	2018 $'000	**2017 $'000**	**2018 $'000**	**2017 $'000**
Balance at beginning of the year	569,239	810,787	569,239	757,326
Decrease in fair value	-	(5,929)	-	(8,845)
Reclassification to assets held for sale (note 15)	(20,000)	(235,619)	(20,000)	(179,242)
Balance at end of the year	549,239	569,239	549,239	569,239

The properties have been reclassified to assets held for sale at fair value less costs to sell, as efforts to dispose of them have commenced.

During the year, investment properties generated income and incurred expenses as follows:

	2018 $'000	**2017 $'000**
Income earned from investment properties	5,487	8,627
Expenses incurred on investment properties	1,288	798

Investment properties were valued during the year ended March 31, 2018 on a fair market value basis by the Directors. In 2016 the properties were revalued by independent valuators, Property Consultants Limited and Municipal Property Assessment Corporation.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

5. Investment properties (continued)

The fair value of land and buildings is categorised as level 3 in the fair value hierarchy. The following table shows the valuation technique used in measuring fair value as well as the significant unobservable inputs used.

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Market based approach: The approach is based on the principle of substitution whereby the purchaser with perfect knowledge of the property market pays no more for the subject property than the cost of acquiring an existing comparable assuming no cost delay in making the substitution. The approach requires comparison of the subject property with others of similar design and utility, inter alia, which were sold in the recent past. However as no two properties are exactly alike, adjustment is made for the difference between the property subject to valuation and comparable properties.	• Details of the sales of comparable properties. • Conditions influencing the sale of the comparable properties. • Comparability adjustment.	The estimated fair value would increase/(decrease) if: • Sale value of comparable properties were higher/(lower). • Comparability adjustment were higher/(lower).

6. Long-term receivables

	Group and Company	
	2018	**2017**
	$'000	**$'000**
Loan receivable [see (i) below]	28,980	32,055
Other long-term receivable	-	2,341
	28,980	34,396
Less current portion [see trade and other receivables (note 14)]	(2,089)	(2,341)
	26,891	32,055

(i) Loan receivable represents the balance on a loan due to the company, being the proceeds from the sale of investments in the prior year. This loan, which bears interest of 4% per annum, is secured by real estate. Under the repayment arrangement the final payment is due in August 2021.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

7. Interest in subsidiaries

	Company 2018	Company 2017
	$'000	$'000
Shares at cost, less impairment losses:		
digjamaica.com Limited	300	300
Popular Printers Limited	426	426
1834 Investments (Canada) Inc.	687	687
	1,413	1,413

8. Interest in associate

The Group has a 50% interest in the real estate investment company, Jamaica Joint Venture Investment Company Limited (JJVI). The 50% share of profit which is recognised in the current period is based on the Associate's latest available audited financial statements for the period ended December 31, 2016.

	Group 2018	Group 2017	Company 2018	Company 2017
	$'000	$'000	$'000	$'000
Share at cost	150	150	150	150
Additional shares acquired	53,085	53,085	53,085	53,085
Group's share of reserves	244,886	191,844	-	-
	298,121	245,079	53,235	53,235

The following table summarises the financial information of the associate (JJVI), as included in its own financial statements, after elimination of differences in accounting policies and intercompany transactions.

	Group 2018	Group 2017
Percentage ownership interest	**50%**	**50%**
	$'000	$'000
Non-current assets	556,458	469,204
Current assets	135,299	111,593
Non-current liabilities	(1,746)	(746)
Current liabilities	(16,985)	(13,110)
Net assets (100%)	673,026	566,941
Net assets (50%)	336,513	283,471
Group's share of net assets being carrying amount of interest in associate	298,121	245,079
Group's share of pre-acquisition value of the investment in associate	38,392	38,392
	336,513	283,471
Revenue from operations, being total revenue	178,589	87,399
Depreciation and amortisation	(942)	(770)
Administrative expense	(63,674)	(56,538)
Interest expense	(1,812)	(3,062)
Income tax charge	(6,078)	(6,941)
Profit and total comprehensive income (100%)	106,083	20,088
Group's share of profit and total comprehensive income (50%)	53,042	10,044
Group's share of reserve:		
Balance as at April 1	191,844	181,800
Group's share of current year profit	53,042	10,044
Balance as at March 31	244,886	191,844

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

9. Investments

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Available-for-sale financial assets:				
Quoted equities	60,505	147,117	60,505	80,785
Unquoted equities	6,053	6,053	6,053	6,053
Corporate bonds	175,759	183,477	175,759	183,477
6.75% Lloyds TSB PLC investment note	163,726	173,954	163,726	173,954
10.179% Barclays Bank PLC investment note	44,320	48,048	44,320	48,048
Units in unit trust	8,619	4,403	8,619	4,403
Loans and receivables:				
Certificates of deposit	10,571	11,378	10,571	11,378
Debentures	-	603	-	603
	469,553	575,033	469,553	508,701

10. Pension fund receivable

The amount represents surplus due to the company arising from the discontinuation of the defined-benefit pension fund on July 15, 2010. The total outstanding is expected to be received within one year from the reporting date.

	Group and Company	
	2018	2017
	$'000	$'000
Balance at beginning of the year	89,794	205,978
Net received during the year	(19,394)	(120,909)
Income earned during the year	3,922	4,725
Balance at end of year	74,322	89,794

Assets held by the pension fund to honour the receivable include a Government of Jamaica guaranteed security which is carried at fair value. Fair value adjustments are reflected in the pension fund receivable balance.

11. Deferred taxation

Deferred taxation is attributable to the following:

(a) **Group:**

	Assets		Liabilities		Net	
	2018	2017	2018	2017	2018	2017
	$'000	$'000	$'000	$'000	$'000	$'000
Investments	-	-	3,600	2,374	3,600	2,374
Inventories	-	-	(4)	(4)	(4)	(4)
Unrealised foreign exchange gain	-	-	1,357	-	1,357	-
Property, plant and equipment	618	618	(2,192)	(3,257)	(1,574)	(2,639)
Trade and other receivable	-	-	(2,091)	(6,064)	(2,091)	(6,064)
Pension fund receivable	-	-	(18,580)	(22,449)	(18,580)	(22,449)
Net assets/(liabilities)	618	618	(17,910)	(29,400)	(17,292)	(28,782)

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

11. Deferred taxation (continued)

Deferred taxation is attributable to the following (continued):

(a) **Group (continued):**

(i) Net deferred tax is recognised in the group statement of financial position, as follows:

	2018	2017
	$'000	$'000
Deferred tax liability in company	(17,906)	(23,136)
Deferred tax liability in subsidiaries	(4)	(6,264)
	(17,910)	(29,400)
Deferred tax asset in certain subsidiaries	618	618
Net deferred tax liabilities	(17,292)	(28,782)

(ii) Movement in net temporary differences during the year are as follows:

	2018			
	Balance at April 1, 2017	Recognised in profit or loss [note 21(a)(ii)]	Recognised in comprehensive income	Balance at March 31, 2018
	$'000	$'000	$'000	$'000
Inventories	(4)	-	-	(4)
Unrealised foreign exchange gain	-	1,357	-	1,357
Investments	2,374	1,226	-	3,600
Property, plant and equipment	(2,639)	(5,195)	6,260	(1,574)
Trade and other receivables	(6,064)	3,973	-	(2,091)
Pension fund receivable	(22,449)	3,869	-	(18,580)
	(28,782)	5,230	6,260	(17,292)

	2017			
	Balance at April 1, 2016	Recognised in profit or loss [note 21(a)(ii)]	Recognised in comprehensive income	Balance at March 31, 2017
	$'000	$'000	$'000	$'000
Inventories	(4)	-	-	(4)
Investments	-	2,374	-	2,374
Property, plant and equipment	(99,726)	(43,789)	140,876	(2,639)
Trade and other receivables	(13,863)	7,799	-	(6,064)
Pension fund receivable	(51,495)	29,046	-	(22,449)
	(165,088)	(4,570)	140,876	(28,782)

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

11. **Deferred taxation (continued)**

Deferred taxation is attributable to the following (continued):

(b) **Company:**

	2018 $'000	2017 $'000
Investments	3,600	2,374
Unrealised foreign exchange gain	1,357	-
Property, plant and equipment	(2,192)	3,003
Trade and other receivables	(2,091)	(6,064)
Pension fund receivable	(18,580)	(22,449)
Net liabilities	(17,906)	(23,136)

(i) Movement in net temporary differences during the year are as follows:

	2018		
	Balance at April 1, 2017	Recognised in profit/loss [note 21 (a)ii]	Balance at March 31, 2018
	$'000	$'000	$'000
Investments	2,374	1,226	3,600
Unrealised foreign exchange gain	-	1,357	1,357
Property, plant and equipment	3,003	(5,195)	(2,192)
Trade and other receivables	(6,064)	3,973	(2,091)
Pension fund receivable	(22,449)	3,869	(18,580)
	(23,136)	5,230	(17,906)

	2017			
	Balance at April 1,2016	Recognised in profit/loss [note 21 (a)ii]	Recognised in other comprehensive income	Balance at March 31,2017
	$'000	$'000	$'000	$'000
Investments	-	2,374	-	2,374
Property, plant and equipment	(79,822)	(43,789)	126,614	3,003
Trade and other receivables	(13,863)	7,799	-	(6,064)
Pension fund receivable	(51,495)	29,046	-	(22,449)
	(145,180)	(4,570)	126,614	(23,136)

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

12. Cash and cash equivalents

	Group		Company	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Bank and cash balances	67,629	7,678	61,295	3,479

In the prior year, the company had a credit facility with The Bank of Nova Scotia Jamaica Limited in the form of a Letter of Guarantee to Jamaica Customs, in the amount of JMD$2,000,000. This was secured by a deposit of a former related entity. This line of credit facility was cancelled during the year.

13. Securities purchased under resale agreements

The group and the company invest in securities purchased under resale agreements.

At the reporting date, the fair value of the underlying securities held as collateral for the resale agreements was $9,876,000 (2017: $47,277,000) for the group and the company.

14. Trade and other receivables

	Group		Company	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Trade receivables and due from related parties	1,010	-	16,812	74,195
Other receivables [see (a) below]	33,515	50,434	28,921	45,019
Current portion of long term receivable (see note 6)	2,089	2,341	2,089	2,341
	36,614	52,775	47,822	121,555

(a) Other receivables is comprised as follows:

	Group		Company	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
General Consumption Tax (GCT) recoverable	2,699	4,823	2,699	4,823
Interest receivable	8,364	5,815	8,364	5,815
Other receivables and prepayments	22,452	39,796	17,858	34,381
	33,515	50,434	28,921	45,019

15. Assets held for sale

	Group		Company	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Balance at beginning of the year	235,619	-	179,242	-
Reclassified from investment properties (note 5)	20,000	235,619	20,000	179,242
Disposal of asset held for sale	(56,377)	-	-	-
Decrease in fair value of assets held for sale	(2,597)	-	(2,597)	-
Balance at end of the year	196,645	235,619	196,645	179,242

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

15. Assets held for sale (continued)

Management commenced the process of selling some of its investment properties during the prior and current year. Accordingly, the properties (see note 5) are presented as assets held for sale. Completion of the sales are expected within the next twelve (12) months.

The following table shows the valuation technique used in measuring the fair value of the asset, as well as the significant unobservable inputs used. This is classified as level 3 in the fair value hierarchy.

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Market approach. This model takes into account: • A willing seller and buyer; • A reasonable period in which to negotiate a sale, taking into account the nature of the property and state of the market; • Values are expected to remain stable throughout the period of market exposure and disposal by way of sale (hypothetical); • The property will be freely exposed to the market; and • The potential rental value of the property in the current investment climate.	• Judgements if the property can be sold, exchanged, transferred, let, mortgaged or used for any other economic activity, within its use class. • The potential rental value of the property in the current investment climate.	The estimated fair value would increase/(decrease) if: • The potential rental value of the property increased/(decreased). • Judgement that what the property can be sold, exchanged, let or mortgaged for had been determined to be better/(worse).

16. Share capital

	Group and Company	
	2018	**2017**
	$'000	**$'000**
Share capital issued and fully paid:		
1,211,243,827 stock units of no par value	605,622	605,622

At March 31, 2018, the authorised share capital comprised 1,216,000,000 ordinary stock units (2017: 1,216,000,000). All issued stock units are fully paid. The holders of ordinary stock units are entitled to receive dividends as declared from time to time and are entitled to one vote per stock unit at meetings of the company.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

17. Reserves

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Capital				
Realised:				
Share premium (i)	4,353	4,353	4,353	4,353
Other	5,830	5,830	-	-
Gain on sale of loan	24,608	24,608	1,334	1,334
Gain on disposal of property, plant and equipment	13,725	13,725	-	-
	48,516	48,516	5,687	5,687
Unrealised:				
Revaluation of land and buildings (iv)	810,220	992,158	694,061	830,401
Deferred taxation on revalued land and buildings	(4)	(6,264)	-	-
Reserve arising from consolidation of subsidiaries (net of goodwill) and debt	93,496	93,496	-	-
Exchange difference on translation of overseas subsidiaries	80,911	81,446	-	-
	984,623	1,160,836	694,061	830,401
Total capital reserves	**1,033,139**	**1,209,352**	**699,748**	**836,088**
Reserve for own shares (ii)	(149,157)	(149,157)	-	-
Fair value reserve (iii)	23,276	90,116	21,736	23,797
Revenue				
Retained profits	191,173	21,413	76,595	40,335
	1,098,431	1,171,724	798,079	900,220

(i) Share premium is retained in accordance with the provisions of Section 39(7) of the Jamaican Companies Act.

(ii) Reserve for own shares is included in the financial statements by consolidation of The Gleaner Company Limited Employee Investment Trust (GCLEIT) as it is regarded as a special purpose entity and is required to be consolidated under IFRS 10. The reserve comprises the cost of the company's shares held by the group through the GCLEIT. At March 31, 2018, GCLEIT held 34,175,094 (2017: 34,175,094) of the company's shares (note 22).

(iii) Fair value reserve represents unrealised gains arising on changes in fair value of available-for-sale investments.

(iv) The appreciation in the fair value of property, plant and equipment sold in the current and previous years, being $181,938,000 for the group and $136,340,000 for the company, was transferred to retained earnings.

18. Accounts payable

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Due to related party	-	-	47,658	25,715
Due to former related party	-	10,920	-	10,920
Unclaimed dividends	23,261	27,231	23,261	27,231
Other payables	4,161	12,943	7,854	6,200
	27,422	51,094	78,773	70,066

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

19. Revenue

(a) Operating income:

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Interest income	30,954	45,850	30,954	46,058
Rental income	14,425	14,934	14,425	12,882
	45,379	60,784	45,379	58,940

(b) Other income:

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Gains on disposal of investments	68,641	104,531	19,541	104,531
Gain on disposal of assets held for sale	4,981	-	-	-
Dividends received	7,616	5,853	7,616	5,145
Bad debt recovered from related entity	-	-	43,418	-
Write-back of balances due to former related entities	32,113	1,345	-	41,511
Unrealised foreign exchange gain	-	18,793	-	18,793
Other	2,666	7,718	81	2,056
	116,017	138,240	70,656	172,036

20. Administration and other operating expenses

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Directors' emoluments:				
Fees	4,252	2,799	4,252	2,799
Management remuneration	6,874	12,500	6,874	12,500
Other staff costs	62	232	62	232
Auditors' remuneration	4,500	2,884	4,500	2,300
Shared services	5,136	2,433	5,136	2,433
Transportation cost	41	2,274	41	2,274
Depreciation	4,790	5,448	4,790	5,448
Loss on sale of finance lease	-	25,361	-	25,361
Insurance	3,113	1,552	3,113	1,552
Professional and legal fees	24,185	22,415	22,359	21,883
Early termination obligation fees [see note 29(a)]	29,717	-	29,717	-
Utilities and telephone	1,085	1,449	1,077	1,449
Office expenses	1,553	2,433	591	2,433
Building maintenance	2,076	4,070	823	798
Registrar services	5,546	2,838	5,546	2,838
Impairment loss	8,221	9,974	2,285	9,974
Unrealised and realised foreign exchange loss	7,200	-	7,200	-
Other expenses	8,533	5,467	7,956	5,488
	116,884	104,129	106,322	99,762

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

21. Taxation

(a) Taxation is based on the profit for the year as adjusted for tax purposes and is made up as follows:

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
(i) Current tax expense:				
Income tax at 25%	17,431	37,080	14,702	37,080
Prior year under provision	3,041	48,235	3,041	48,235
	20,472	85,315	17,743	85,315
(ii) Deferred tax (credit)/expense:				
Origination and reversal of timing differences [note 11(a)(ii) and 11(b)(i)]	(5,230)	4,570	(5,230)	4,570
Total taxation charge recognised	15,242	89,885	12,513	89,885

(b) The tax effect of differences between treatment of items for financial statements and taxation purposes are as follows:

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Profit from operations before taxation	97,174	102,232	9,333	128,507
Income tax at 25%	24,293	25,558	2,333	32,127
Difference between depreciation and tax capital allowance	4,333	42,175	4,333	42,715
Disallowed expenses and other capital adjustment, net	(16,425)	(26,083)	2,806	(33,192)
Actual tax charge	12,201	41,650	9,472	41,650
Prior year under provision	3,041	48,235	3,041	48,235
Tax charge	15,242	89,885	12,513	89,885

(c) Taxation recognised in other comprehensive income:

	Group					
	2018			2017		
	Before tax	Tax benefit	Net of tax	Before tax	Tax benefit	Net of tax
	$'000	$'000	$'000	$'000	$'000	$'000
Deferred tax on revaluation surplus	-	6,260	6,260	-	(140,876)	(140,876)

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

21. Taxation (continued)

(c) Taxation recognised in other comprehensive income (continued):

	Company					
	2018			2017		
	Before tax $'000	Tax benefit $'000	Net of tax $'000	Before tax $'000	Tax benefit $'000	Net of tax $'000
Deferred tax on revaluation surplus	-	-	-	-	(126,614)	(126,614)

22. Earnings per stock unit

The calculation of earnings per stock unit is arrived at by dividing profit after taxation attributable to stockholders of the company of $81,932,000 (2017: $12,347,000) by 1,211,243,827 being the number of stock units in issue at March 31, 2018 (2017: 1,211,243,827) as well as by 1,177,068,733 (2017: 1,177,068,733), being stock units less those held by the GCLEIT [see note 17(ii)].

23. Dividends paid (gross)

An interim revenue distribution of 8 cents (2017: 8 cents) per stock unit was paid on May 30, 2017 (2017: September 16, 2016), to shareholders on record at close of business on May 5, 2017 (2017: on August 22, 2016).

In the prior year a second interim revenue distribution of 4.0 cents per stock unit was paid on December 7, 2016, to shareholders on record at the close of business on November 18, 2016.

	Group		Company	
	2018 $'000	2017 $'000	2018 $'000	2017 $'000
Ordinary dividends:				
First interim paid in respect of				
2018: 8¢ (2017: 8¢) per stock unit - gross	96,900	96,900	96,900	96,900
Second interim paid in respect of				
2018: Nil¢ (2017: 4¢) per stock unit – gross	-	48,450	-	48,450
	96,900	145,350	96,900	145,350
Dividends paid to GCLEIT	(2,790)	(4,225)	-	-
	94,110	141,125	96,900	145,350

24. Financial risk management

The group has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk.

This note presents information about the group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

24. Financial risk management (continued)

The Board of Directors has overall responsibility for the establishment and oversight of the group's risk management framework. The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

The Group Audit Committee oversees how management monitors compliance with the group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The Group Audit Committee undertakes both regular and ad hoc reviews of risk management controls and procedures.

(a) Credit risk:

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables, investments, pension receivable, securities purchased under resale agreements and cash and cash equivalents.

Investments, pension receivable, cash and cash equivalents and securities purchased under agreement for resale

The group limits its exposure to credit risk by only investing in liquid securities and only with counterparties who are believed to have minimal risk of default. The group holds collateral for securities purchased under resale agreements. Management does not expect any counterparty to fail to meet its obligations.

There were no changes to the group's approach to managing credit risk during the year.

(b) Liquidity risk:

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

Typically, the group ensures that it has sufficient cash on demand and marketable securities to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The group's financial liabilities comprises accounts payable that are repayable within one year at the carrying amount reflected on the statement of financial position.

There were no changes to the group's approach to liquidity risk management during year.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

24. Financial risk management (continued)

(c) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the group's and company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. There has been no change to the group's exposure to market risk or the manner in which it measures and manages this risk.

(i) Currency risk:

The group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currency of the group. The main currencies are the United States dollar (US$) and Canadian dollar (CAD$).

The group ensures that the risk is kept to an acceptable level by monitoring its risk exposure and by maintaining funds in US$ and CAD$ as a hedge against adverse fluctuations in exchange rates.

The group's and the company's exposure to foreign currency risk are as follows:

	Group			
	2018		2017	
	US$ ('000)	CAD$ ('000)	US$ ('000)	CAD$ ('000)
Investments	3,237	-	3,510	-
Cash and cash equivalents	44	39	6	17
Securities purchased under resale agreements	74	-	314	-
Trade and other receivables	231	32	250	40
Accounts payable	-	(9)	-	(11)
Net exposure	3,586	62	4,080	46

	Company			
	2018		2017	
	US$ ('000)	CAD$ ('000)	US$ ('000)	CAD$ ('000)
Investments	3,237	-	3,510	-
Cash and cash equivalents	44	-	6	-
Securities purchased under resale agreements	74	-	314	-
Trade and other receivables	231	-	250	-
Net exposure	3,586	-	4,080	-

Sensitivity analysis

A strengthening/weakening of the Jamaican dollar against the following currencies at March 31 2018 would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2017.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

24. Financial risk management (continued)

(c) Market risk (continued):

(i) Currency risk (continued):

Sensitivity analysis (continued)

Group 2018				
Currency	**% weakening**	**Increase Effect on profit or loss $'000**	**% strengthening**	**Decrease Effect on profit or loss $'000**
US$	4	18,472	2	(9,218)
CAD$	4	241	2	(120)

Group 2017				
Currency	**% weakening**	**Increase Effect on profit or loss $'000**	**% strengthening**	**Decrease Effect on profit or loss $'000**
US$	6	31,387	1	(4,911)
CAD$	6	266	1	(44)

Company 2018				
Currency	**% weakening**	**Increase Effect on profit or loss $'000**	**% strengthening**	**(Decrease) Effect on profit or loss $'000**
US$	4	18,472	2	(9,218)

Company 2017				
Currency	**% weakening**	**Increase Effect on profit or loss $'000**	**% strengthening**	**(Decrease) Effect on profit or loss $'000**
US$	6	31,387	1	(4,911)

(ii) Interest rate risk:

The group minimizes interest rate risk by investing mainly in fixed rate government securities and contracting liabilities at fixed rates, where possible.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

24. Financial risk management (continued)

(c) Market risk (continued):

(ii) Interest rate risk (continued):

Profile

At the reporting date, the interest rate profile of the group's interest-bearing financial instruments was:

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Fixed rate instruments				
Financial assets	394,376	416,857	394,376	416,857

Fair value sensitivity analysis for fixed rate instruments

The group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

An increase of 100 or decrease of 100 (2017: An increase of 100 or decrease of 100) basis points in interest rates at the reporting date would have increased equity by $3,944,000 or decrease equity by $3,944,000 for the group and company (2017: increase of $4,168,000 or a decrease of $4,168,000 for the group and company). This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2017.

Equity price risk

The Board monitors the mix of debt and equity securities in its investment portfolio based on market expectations. This risk is managed by the monitoring of the market value of the securities on the Jamaica Stock Exchange (JSE) and other foreign stock exchanges and the respective companies' quarterly financial performance.

Sensitivity analysis – equity price risk

Most of the group's equity investments are listed on the Jamaica Stock Exchange (JSE) and other foreign stock exchanges. A 15% (2017: 10%) increase or decline in the JSE All Jamaica Composite index at the reporting date would have increased/decreased equity by $12,840,000 for the group and $9,076,000 for the company (2017: $14,712,000 for the group and $8,078,500 for the company).

(d) Fair values:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and is best evidenced by a quoted market price, if one exists.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

24. Financial risk management (continued)

(d) Fair values (continued):

The fair value of financial instruments is based on their quoted market price at the reporting date without any deduction for transaction costs. Where a quoted market price is not available, the fair value of the instrument is estimated using pricing models or discounted cash flows or a generally accepted alternative method.

Available-for-sale financial assets include Government of Jamaica instruments, corporate bonds, quoted equities and unquoted equities.

The fair values of current financial assets and liabilities are assumed to approximate to their carrying amounts shown in the statement of financial position due to their short-term nature.

The fair value of non-current receivables and liabilities are assumed to approximate to their carrying values as no loss on realisation or discount on settlement are anticipated.

Basis for determining fair values

Quoted equities are valued using the quoted market bid prices listed on the Jamaica Stock Exchange and other foreign stock exchanges at the reporting date.

Government of Jamaica securities and the investment notes are valued using a pricing input and yields from an acceptable broker yield curve.

The fair value of investments, pension fund receivable, cash and cash equivalent, securities purchased under resale agreements, trade and other receivable and trade payables are assessed to approximate their carrying values due to their relatively short-term nature.

No items were reclassified from one level to another.

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Group							
	2018							
	Carrying amounts				Fair values			
	Loan and receivables	Available -for-sale	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets measured at fair value:								
Investments	-	458,982	-	458,982	60,505	398,477	-	458,982

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

24. Financial risk management (continued)

(d) Fair values (continued):

Accounting classifications and fair values (continued)

	Group 2017							
	Carrying amounts				Fair values			
	Loan and receivables $'000	Available -for-sale $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets measured at fair value:								
Investments	-	563,052	-	563,052	147,117	415,935	-	563,052

	Company 2018							
	Carrying amounts				Fair values			
	Loan and receivables $'000	Available -for-sale $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets measured at fair value:								
Investments	-	458,982	-	458,982	60,505	398,477	-	458,982

	Company 2017							
	Carrying amounts				Fair values			
	Loan and receivables $'000	Available -for-sale $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets measured at fair value:								
Investments	-	496,720	-	496,720	80,785	415,935	-	496,720

(e) Capital management:

The group's objective is to maintain a strong capital base so as to safeguard the group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Board of Directors monitors the return on capital which the company defines as share capital, capital reserves, fair value reserves and retained profits. The group may adjust or maintain the capital structure by adjusting the amount of dividends paid to shareholders.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

24. Financial risk management (continued)

(e) Capital management (continued):

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

25. Subsidiaries

During the year ended March 31, 2018, the company was the holding company of the following subsidiaries:

Subsidiary Company	Note	Subsidiary of:	Country of incorporation	Percentage ownership 2018	Percentage ownership 2017	Nature of business
Popular Printers Limited	(i)	Parent Company	Jamaica	100	100	Dormant
Selectco Publications Limited	(i)	Popular Printers Limited	Jamaica	100	100	Dormant
Associated Enterprise Limited	(i)	Popular Printers Limited	Jamaica	100	100	Dormant
digjamaica.com Limited	(i)	Associated Enterprises Limited	Jamaica	100	100	Dormant
1834 Investments (Canada) Inc	(ii)	Parent Company	Canada	100	100	Real Estate Investment
Jamaica Joint Venture Investment Company Limited(JJVI)	(iii)	Parent Company	Jamaica	50	50	Real Estate Investment

Notes:

(i) digjamaica.com Limited and Popular Printers Limited (together with its wholly owned subsidiaries, Selecto Publications Limited and Associated Enterprise Limited) are 100% owned subsidiaries of the parent company, 1834 Investments Limited and have commenced the process of winding up. The media related businesses of these subsidiaries were subsumed by RJR in the March 2016 amalgamation and these companies are now dormant.

(ii) 1834 Investments (Canada) Inc. was legally dissolved subsequent to the year ended March 31, 2018.

(iii) 1834 Investments Limited has a 50% interest in Jamaica Joint Venture Investment Company Limited (JJVI) which is a real estate investment company. JJVI has a 100% shareholding in Manhart Properties Limited and City Properties Limited which own commercial properties at 34 and 40 Duke Street respectively.

26. Related parties

(a) Identity of related parties:

The group has a related party relationship with its subsidiaries, associates and with its directors and executive officers in the ordinary course of business.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

26. Related parties (continued)

(b) Transactions with key management personnel:

In addition to salaries, the group provides non-cash benefits to executive officers.

The key management personnel compensation is as follows:

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Short-term benefits	16,653	21,155	16,653	21,155

(c) The statement of financial position includes balances, arising in the ordinary course of business, with subsidiaries and associated companies as follows:

	Company	
	2018	2017
	$'000	$'000
Trade and other receivables:		
Subsidiaries, net of provision	1,289	33,633
Associated companies	205	401
Accounts payable:		
Subsidiaries	78,830	21,452
Associated companies	4,263	4,263

27. Operating leases

Pursuant to the March 24, 2016 scheme of arrangement, the building at 7 North Street and parking lots at East Street and John's Lane, being investment properties, were leased to RJR.

(a) Future minimum lease payments:

	Company	
	2018	2017
	$'000	$'000
Less than one year	100,000	100,000
Between one and five years	500,000	500,000
More than five years	700,000	800,000

(b) All property rental and maintenance expenses are borne by the lessee.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

28. Contingent liabilities

(a) Pursuant to the March 24, 2016 scheme of arrangement with Radio Jamaica (RJR) Limited, the company has an obligation to provide office accommodation to The Gleaner Company (Media) Limited for a maximum period of fifteen years at no cost. As at March 31, 2018, and consequent on the sale and imminent sale of the related properties, the company entered into an agreement with RJR to pay the sum of $29,717,000 in full settlement of this obligation. The amount of $29,717,000 was recorded as "early termination obligation fees" in other operating expenses and the company no longer carries this obligation to RJR effective March 31, 2018.

(b) The company received an Income Tax and PAYE assessment from Tax Administration of Jamaica (TAJ) for the 2010 year of assessment amounting to $62,807,000. An objection has been filed with the TAJ.

29. Changes in accounting policies

Except for the changes below, the group has consistently applied the accounting policies set out in note 30 to all periods presented in these consolidated financial statements.

The group has assessed them and has adopted those which are relevant to its consolidated financial statements.

The details, nature and effects of the changes are explained below:

New, revised and amended standards that became effective during the year:

Certain new, revised and amended standards and interpretations came into effect during the current financial year. The group has assessed them and has adopted those which are relevant to its financial statements:

- Amendments to IAS 7, *Statement of Cash Flows*, effective for accounting periods beginning on or after January 1, 2017, requires an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash flows.

- *Improvements to* IFRSs *2014-2016* contain amendments to certain standards applicable to the Group as follows:

  - IFRS 12, *Disclosure of Interests in Other Entities,* effective retrospectively for annual reporting periods beginning on or after January 1, 2017, has been amended to clarify that the disclosure requirements for interests in other entities also apply to interests that are classified as held for sale or distribution.

  - IAS 28, *Investments in Associates and Joint Ventures*, effective retrospectively for annual reporting periods beginning on or after January 1, 2017, has been amended to clarify or state the following:

    (i) A venture capital organisation, or other qualifying entity, may elect to measure its investments in an associate or joint venture at fair value through profit or loss. This election can be made on an investment-by-investment basis.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

29. Changes in accounting policies (continued)

New, revised and amended standards that became effective during the year (continued):

- *Improvements to* IFRSs *2014-2016* (continued)

  - IAS 28, *Investments in Associates and Joint Ventures* (continued)

    (ii) A non-investment entity investor may elect to retain the fair value accounting applied by an investment entity associate or investment entity joint venture to its subsidiaries. This election can be made separately for each investment entity associate or joint venture.

- Amendments to IAS 12, *Income Taxes*, effective for accounting periods beginning on or after January 1, 2017, clarifies the following:

  - The existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset.
  - A deferred tax asset can be recognised if the future bottom line of the tax return is expected to be a loss, if certain conditions are met.
  - Future taxable profits used to establish whether a deferred tax can be recognised should be the amount calculated before the effect of reversing temporary differences.
  - An entity can assume that it will recover an asset for more than its carrying amount if there is sufficient evidence that it is probable that the entity will achieve this.
  - Deductible temporary differences related to unrealised losses should be assessed on a combined basis for recognition unless a tax law restricts the use of losses to deductions against income of a specific type.

The adoption of these amendments did not result in any change to the presentation and disclosures in the financial statements.

30. Significant accounting policies

The significant accounting policies set out below have been applied consistently in the consolidated financial statements and by group entities.

(a) Basis of consolidation:

(i) Business combinations:

Business combinations are accounted for using the acquisition method as at the acquisition date, which is at the date on which control is transferred to the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

30. Significant accounting policies (continued)

(a) Basis of consolidation (continued):

(i) Business combinations (continued):

The group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquired entity; plus
- if the business combination is achieved in stages, the fair value of the pre-existing interest in the acquired entity; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss. Any contingent consideration payable is measured at fair value at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the group incurs in connection with a business combination are expensed as incurred.

(ii) Subsidiaries:

Subsidiaries are entities controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

These consolidated financial statements comprise the financial results of the company and its subsidiaries. The principal operating subsidiaries are listed in note 25 and are referred to as "subsidiaries" or "subsidiary". The company and its subsidiaries are collectively referred to as the "group".

(iii) Loss of control:

On the loss of control, the group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

30. Significant accounting policies (continued)

(a) Basis of consolidation (continued):

(iv) Associate:

The group's interest in equity-accounted investees comprise interest in associate.

An associate is an entity in which the group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the group holds between 20% and 50% of the voting power of the entity.

Interest in associate is accounted for using the equity method. It is initially recognised at cost. Subsequent to initial recognition, the consolidated financial statements include the group's share of the profit or loss of the associate, until the date on which significant influence or joint control ceases.

In the previous years, the company did not adopt the equity method of accounting as the directors did not consider that they exercised significant influence over the financial or operating policy of the associate. Based on management's reassessment during 2014 of its influence, the application of the equity method is now considered appropriate. The change was accounted for prospectively as the impact on the prior periods is not considered material (see note 8).

(v) Transactions eliminated on consolidation:

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transaction, are eliminated. Unrealised gains arising from transaction with equity-accounted investee are eliminated against the investment to the extent of the group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory. The group applies book value (carry-over basis) accounting for business combinations for entities under common control in the consolidated financial statements on the basis that the investment has been moved from one part of the group to another.

(b) Property, plant and equipment:

(i) Owned assets:

Items of property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets.

The cost of self-constructed assets includes the cost of materials and direct labour, plus related borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

30. Significant accounting policies (continued)

(b) Property, plant and equipment (continued):

(ii) Owned assets:

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied with the part will flow to the group and its costs can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Leased assets:

Leases, under the terms of which the group assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired under finance leasing arrangements are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and any impairment losses.

(iv) Depreciation:

Property, plant and equipment are depreciated on the straight-line basis at annual rates estimated to write down the assets to their residual values over their expected useful lives. The depreciation rates are as follows:

Machinery & equipment	-	10%, 12½%, 20% and 25%
Computer equipment	-	25%

The depreciation methods, useful lives and residual values are reassessed at each reporting date.

(c) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. For the purpose of the financial statements, financial assets have been determined to include cash and cash equivalents, securities purchased under resale agreement trade and other receivables, long-term receivables, and investments. Financial liabilities include accounts payable.

(i) Classification of investments:

Management determines the classification of investments at the time of purchase and takes account of the purpose for which the investments are made. Investments are classified as loans and receivables and available-for-sale.

Investments with fixed or determinable payments and which are not quoted in an active market are classified as loans and receivables and are stated at amortised cost, less impairment losses. Other investments held by the group are classified as available-for-sale and are stated at fair value. Available-for-sale investments include certain debt and equity securities.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

30. Significant accounting policies (continued)

(c) Financial instruments (continued):

(ii) Measurement:

Financial instruments are measured initially at cost, including transaction costs.

Subsequent to initial recognition, all available-for-sale investments are measured at fair value, except that any instrument that does not have a quoted market price in an active market and whose fair value cannot be reliably determined, is stated at cost, including transaction costs, less impairment losses.

All non-trading financial liabilities and loans and receivables are measured at amortised cost, less impairment losses. Amortised cost is calculated on the effective interest method. Premiums and discounts, including initial transaction costs, are included in the carrying amount of the related instrument and amortised based on the effective interest rate of the instrument.

[i] Sovereign bonds, including corporate securities are classified as available-for-sale and measured at fair value.

[ii] Other interest-bearing deposits are measured at amortised cost, less impairment losses.

[iii] Interest in subsidiaries for the company is measured at cost, less impairment losses.

(iii) Gains and losses on subsequent measurement:

Unrealised gains and losses arising from changes in the fair value of available-for-sale investments are recognised in other comprehensive income. When the financial assets are impaired, sold, collected or otherwise disposed of, the cumulative gain or loss recognised in other comprehensive income are transferred to profit or loss.

(iv) Derecognition:

A financial asset is derecognised when the company loses control over the contractual rights that comprise that asset. This occurs when the rights are realised, expire or are surrendered. A financial liability is derecognised when it is extinguished.

Available-for-sale assets that are sold are derecognised and corresponding receivables from the buyer for the payment are recognised as of the date the company commits to sell the assets.

Loans and receivables are derecognised on the day they are transferred by the company.

(d) Cash and cash equivalents:

Cash and cash equivalents, which comprise cash and bank balances and include short-term deposits, with maturities ranging between one and three months of acquisition date, are measured at cost. For the purpose of the statement of cash flows, bank overdraft is included as a component of cash and cash equivalents.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

30. Significant accounting policies (continued)

(e) Securities purchased under resale agreements:

Securities purchased under resale agreements ("reverse repurchase or resale agreements") are accounted for as short-term collateralised lending and are classified as loans and receivables.

On initial recognition they are measured at amortised cost. The difference between the purchase cost and the resale consideration is recognised in profit or loss as interest income over the life of the contract using the effective interest method.

(f) Trade and other receivables:

These are measured at amortised cost, less impairment losses.

(g) Taxation:

(i) Income tax:

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in other comprehensive income, in which case, it is recognised in other comprehensive income.

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

(ii) Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries, to the extent that it is probable that they will not reverse in the foreseeable future.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted as at the reporting date. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

30. Significant accounting policies (continued)

(h) Accounts payables and provisions:

Accounts payable, including provisions, are measured at amortised cost. A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(i) Finance leases:

Leases, the terms under which the company transfers substantially all the risks and rewards of ownership to a third party, are classified as finance leases. They are measured at fair value which is determined as the present value of the expected future cash flows from the leases.

Income from these leases is recognised in profit or loss over the term of the lease on the straight-line basis.

(j) Revenue recognition:

(i) Interest income:

Interest income is recognised on the accrual basis, taking into account the effective yield on the asset.

(ii) Dividend income:

Dividend income is recognised on the date the group's right to receive payment is established.

(k) Expenses:

(i) Lease payments:

Payments made under operating leases are recognised in profit or loss on the straight-line basis over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(l) Foreign currencies:

Foreign currency balances outstanding at the reporting date are translated at the rates of exchange ruling on that date [US$1 = J$125.32; Can$1 = J$96.61]. Transactions in foreign currencies are converted at the rates of exchange ruling at the dates of those transactions.

Gains and losses arising from fluctuations in exchange rates are included in profit or loss. For the purpose of the statement of cash flows, all foreign currency gains and losses recognised in profit or loss are treated as cash items and included in cash flows from operating or financing activities along with movements in the principal balances.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

30 Significant accounting policies (continued)

(l) Foreign currencies (continued):

The reporting currencies of the foreign subsidiary (note 25) are also the currencies in which their economic decisions are formulated. For the purpose of the financial statements, revenues, expenses, gains and losses have been translated at the average rates of exchange for the year; assets and liabilities have been translated at exchange rates ruling at the reporting date.

Unrealised gains and losses arising on translation of net stockholders' equity in foreign subsidiaries are recognised in other comprehensive income.

(m) Impairment of assets:

(i) Financial assets:

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Objective evidence that financial assets are impaired can include default or delinquency by a customer or counterparty, indications that the customer or counterparty will enter bankruptcy or a significant or prolonged decline in fair value in respect of quoted equities.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss. Any cumulative loss in respect of an impaired available-for-sale financial asset recognised previously in other comprehensive income is transferred to profit or loss.

An impairment loss is reversed, if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss.

(ii) Non-financial assets:

The carrying amounts of the group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised, if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a *pro rata* basis.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

30. Significant accounting policies (continued)

(m) Impairment of assets (continued):

(ii) Non-financial assets (continued):

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value, less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed, if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

(n) Investment properties:

Investment properties, comprising principally land and buildings, are held for long-term rental yields and capital appreciation and are treated as long-term investments. They are measured initially at cost, including related transaction costs and are subsequently measured at fair value.

Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Fair value is determined annually by an independent registered valuer. Fair value is based on current prices in an active market for similar properties in the same location and condition.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to income during the financial period in which they are incurred.

(o) Assets held for sale:

Non-current assets are classified as held for sale if it is highly probable they will be recovered primarily through sale, rather than continuing use. Such assets are generally measured at the lower of their carrying amount and fair values less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in profit or loss.

(p) New, revised and amended standards and interpretations not yet effective:

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

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

30. Significant accounting policies (continued)

(p) New, revised and amended standards and interpretations not yet effective (continued):

- The group is required to adopt IFRS 9 *Financial Instruments* from April 1, 2018. The standard replaces IAS 39 *Financial Instruments: Recognition and Measurement* and sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. IFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics. It contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The standard eliminates the existing IAS 39 categories of held to maturity, loans and receivables and available for sale.

  Based on management's preliminary assessment, the group does not believe that the new classification requirements will have a material impact on its accounting for receivables, cash and cash equivalents and investment in equity securities that are managed on a fair value basis.

  However, the group is still in the process of its assessment and the final impact has not yet been determined.

  IFRS 9 replaces the 'incurred loss' model in IAS 39 with a forward-looking 'expected credit loss' (ECL) model. This will require considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis. The new impairment model will apply to financial assets measured at amortised cost or FVOCI expect for investments in equity instruments.

  Under IFRS 9, loss allowances will be measured on either of the following bases:
  (i) 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
  (ii) Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

  Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and 12-month ECL measurement applies if it has not. An entity may determine that a financial asset's credit risk has not increased significantly if the asset has low credit risk at the reporting date. However, lifetime ECL measurement always applies for short-term receivables without a significant financing component.

  The group believes that impairment losses are likely to increase and become more volatile for assets in the scope of the IFRS 9 impairment model. However, the group is still in the process of determining the likely financial impact on its financial statements.

  IFRS 9 will require extensive disclosures, in particular for credit risk and ECLs. The group's assessment included an analysis to identify data gaps in current processes and the group is in the process of implementing the system and control changes that it believes will be necessary to capture the required data.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

30. Significant accounting policies (continued)

(p) New, revised and amended standards and interpretations not yet effective (continued):

- The group is required to adopt IFRS 9 *Financial Instruments (continued)*

  Changes in accounting policies resulting from the adoption of IFRS 9 will generally be applied retrospectively, except that the group will take advantage of the exemption allowing it not to restate comparative information for prior periods with respect to classification and measurement as well as impairment changes. Differences in the carrying amounts of financial instruments resulting from the adoption of IFRS 9 will generally be recognised in retained earnings and reserves as at April 1, 2018.

  The group will determine the business model within which a financial asset is held based on the facts and circumstances that exist at the date of initial application.

- The group is required to adopt IFRS 15 *Revenue from Contracts with Customers* from April 1, 2018. The standard establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and IFRIC 13 *Customer Loyalty Programmes*.

  The group will apply a five-step model to determine when to recognise revenue, and at what amount. The model specifies that revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled. Depending on whether certain criteria are met, revenue is recognised at a point in time, when control of goods or services is transferred to the customer; or over time, in a manner that best reflects the entity's performance.

  IFRS 15 is not expected to have a material impact on the group's operations.

- IFRS 16 *Leases,* which is effective for annual reporting periods beginning on or after January 1, 2019, eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting. Entities will be required to bring all major leases on-balance sheet, recognising new assets and liabilities. The on-balance sheet liability will attract interest; the total lease expense will be higher in the early years of a lease even if a lease has fixed regular cash rentals. Optional lessee exemption will apply to short- term leases and for low-value items with value of US$5,000 or less.

  Lessor accounting remains similar to current practice as the lessor will continue to classify leases as finance and operating leases.

  Early adoption is permitted if IFRS 15 *Revenue from Contracts with Customers* is also adopted.

  The group is assessing the impact that the standard will have on its 2020 financial statements.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

30. Significant accounting policies (continued)

(p) New, revised and amended standards and interpretations not yet effective (continued):

- Amendments to IAS 40 *Transfers of Investment Property,* effective for annual reporting periods beginning on or after January 1, 2018, clarifies when an entity should transfer a property asset to, or from, investment property. A transfer is made when and only when there is an actual change in use – i.e. an asset meets or cease to meet the definition of investment property and there is evidence of the change in use.

  The entity has a choice on transition to apply the prospective approach – i.e. apply the amendments to transfers that occur after the date of initial application – and also reassess the classification of property assets held at that date; or apply the amendments retrospectively in accordance with IAS 8, but only if it does not involve the use of hindsight.

  The group is assessing the impact that the amendment will have on its 2019 financial statements.

- IFRIC 22 *Foreign Currency Transactions and Advance Consideration*, effective for annual reporting periods beginning on or after January 1, 2018, addresses how to determine the transaction date when an entity recognises a non-monetary asset or liability (e.g. non-refundable advance consideration in a foreign currency) before recognising the related asset, expense or income. It is not applicable when an entity measures the related asset, expense or income or initial recognition at fair value or at the fair value of the consideration paid or received at the date of initial recognition of the non-monetary asset or liability.

  An entity is not required to apply this interpretation to income taxes or insurance contracts that it issues or reinsurance contracts held.

  The interpretation clarifies that the transaction date is the date on which the company initially recognises the prepayment or deferred income arising from the advance consideration. For transactions involving multiple payments or receipts, each payment or receipt gives rise to a separate transaction date.

  The group is assessing the impact that this interpretation will have on its 2019 financial statements.

- IFRIC 23 *Uncertainty Over Income Tax Treatments*, is effective for annual reporting periods beginning on or after January 1, 2019. Earlier application is permitted. IFRIC 23 clarifies the accounting for income tax treatments that have yet to be accepted by tax authorities, is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS12.

  An entity has to consider whether it is probable that the relevant tax authority would accept the tax treatment, or group of tax treatments, that is adopted in its income tax filing.

  If the entity concludes that it is probable that the tax authority will accept a particular tax treatment in the tax return, the entity will determine taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment included in its income tax filings and record the same amount in the financial statements. The entity will disclose uncertainty.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

30. Significant accounting policies (continued)

(p) New, revised and amended standards and interpretations not yet effective (continued):

- IFRIC 23 *Uncertainty Over Income Tax Treatments* (continued)

  If the entity concludes that it is not probable that a particular tax treatment will be accepted, the entity has to use the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The decision should be based on which method provides better prediction of the resolution of the uncertainty.

  If facts and circumstances change, the entity is required to reassess the judgements and estimates applied.

  IFRIC 23 reinforces the need to comply with existing disclosure requirements regarding:

  - judgements made in the process of applying accounting policy to determine taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates;
  - assumptions and other estimates used; and
  - potential impact of uncertainties that are not reflected in the financial statements.

  The group is assessing the impact that the interpretation will have on its 2020 financial statements.

- Amendments to IFRS 9 *Financial Instruments,* effective retrospectively for annual periods beginning on or after January 1, 2019 clarifies the treatment of:

  - Prepayment features with negative compensation:

    Financial assets containing prepayment features with negative compensation can now be measured at amortised cost or at fair value through other comprehensive income (FVOCI) if they meet the other relevant requirements of IFRS 9.

  - Modifications to financial liabilities:

    If the initial application of IFRS 9 results in a change in accounting policy arising from modified or exchanged fixed rate financial liabilities, retrospective application is required, subject to particular transitional reliefs. There is no change to the accounting for costs and fees when a liability has been modified, but not substantially. These are recognised as an adjustment to the carrying amount of the liability and are amortised over the remaining term of the modified liability.

  The group is assessing the impact that the amendments will have on its 2020 financial statements.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2018

30. Significant accounting policies (continued)

(p) New, revised and amended standards and interpretations not yet effective (continued):

- IAS 28, *Investments in Associates and Joint Ventures*, effective retrospectively for annual reporting periods beginning on or after January 1, 2018, has been amended to clarify or state the following:

  (i) A venture capital organisation, or other qualifying entity, may elect to measure its investments in an associate or joint venture at fair value through profit or loss. This election can be made on an investment-by-investment basis.

  (ii) A non-investment entity investor may elect to retain the fair value accounting applied by an investment entity associate or investment entity joint venture to its subsidiaries. This election can be made separately for each investment entity associate or joint venture.

  The group is assessing the impact that this amended standard will have on its 2019 financial statements.

1834 INVESTMENTS LIMITED

Financial Summary 2013 – 2018

	2018 $'000	2017 $'000	2016* $'000	2014 $'000	2013 $'000
Turnover	161,396	199,024	3,963,896	3,320,245	3,338,219
Group profit before taxation	97,174	102,232	(12,194)	224,725	91,458
Taxation (charge)/credit	(15,242)	(89,885)	18,930	(43,578)	(5,616)
Profit attributable to 1834's stockholders	81,932	12,347	6,736	181,147	85,842
Ordinary stockholders' funds:					
Share capital	605,622	605,622	605,622	605,622	605,622
Reserves	1,098,431	1,171,724	1,209,113	2,067,403	1,988,079
	1,704,053	1,777,346	1,814,735	2,673,025	2,593,701
Long-term liabilities	-	-	-	65,926	93,534
Employee benefits obligation	-	-	-	87,000	66,300
Deferred tax liabilities	17,910	29,400	165,706	333,036	338,906
Total funds employed	1,721,963	1,806,746	1,980,441	3,158,987	3,092,441
Represented by:					
Long-term receivables	26,891	32,055	52,780	10,327	6,317
Other non-current assets and investments	1,328,385	1,405,613	1,868,731	2,053,178	1,922,464
Working capital	366,687	369,078	58,930	1,095,482	1,163,660
	1,721,963	1,806,746	1,980,441	3,158,987	3,092,441
Stock units in issue at year end ('000)	1,211,244	1,211,244	1,211,244	1,211,244	1,211,244
Earnings per stock unit [see note (i) below]	6.76¢	1.02¢	0.56¢	14.96¢	7.09¢
Stockholders' fund per stock unit [see note (i) below]	144.77¢	146.73¢	154.74¢	228.38¢	212.87¢
Dividends per stock unit [see note (ii) below]	8¢	12¢	8.04¢	8.04¢	7.17¢
Exchange rates ruling at the reporting date were:					
UK 1£ to J$1	176.80	158.72	172.73	175.97	173.56
US$1 to J$1	125.32	128.22	121.70	114.12	105.72
Can$1 to J$1	96.61	96.45	91.46	96.34	98.99

(i) The calculation of earnings per stock unit and stockholders' funds per stock unit is based on profit after taxation attributable to the company's stockholders and ordinary stockholder's funds, respectively, divided by the stock units in issue at year-end.

(ii) The calculation of dividends per ordinary stock unit is based on the actual dividends for each year divided by the stock units in issue, less stock units held by GCLEIT. The number of units at the end of the reporting year was 1,177,069,000 (2017: 1,177,069,000).

* Represents fifteen-month period from January 1, 2015 to March 31, 2016 and includes the financial performance of the media business for the period then ended.

DECLARATION OF NUMBER OF STOCK UNITS OWNED BY DIRECTORS, OFFICERS & CONNECTED PERSONS AS AT MARCH 31, 2018:

NAMES	PERSONAL SHAREHOLDINGS	SHAREHOLDINGS OF CONNECTED PARTIES
DIRECTORS		
Oliver F. Clarke - Chairman	65,317,720	369,239,880
Joseph M. Matalon - Vice Chairman	23,572,020	70,056,104
Carol D. Archer	58,320	-
Christopher N. Barnes	5,308,834	-
Elizabeth A. Jones	-	-
Lisa G. Johnston	3,732	10,648
Douglas R. Orane	823,381	230,172
Morin M. Seymour	50,000	-
John J. Issa - Honorary Chairman	-	23,374,832
SENIOR MANAGERS		
Terry A. Peyrefitte	1,834	-

LIST OF (10) LARGEST BLOCKS OF STOCK UNITS AS AT MARCH 31, 2018:

1.	Financial and Advisory Services Limited	369,239,880
2.	Pan Caribbean Financial Services A/C 1388842	108,385,283
3.	Kaytak Investments Limited	68,669,862
4.	Oliver F. Clarke	65,317,720
5.	Jamaica National Building Society	46,425,529
6.	Gleaner Co. Ltd. Employee Investment Trust	35,177,342
7.	National Insurance Fund	32,883,010
8.	The Gleaner Company Ltd. Pension Scheme	30,000,000
9.	Sagicor Pooled Equity Fund	25,000,000
10.	Jason Carl Carby	25,000,000

NOTES:

1834 INVESTMENTS LIMITED

(FORMERLY THE GLEANER COMPANY LIMITED)

FORM OF PROXY

I/We...

of ……...

in the parish of ....

being a member/members of the above-named company, hereby appoint

....

....of…...

or failing him..…........…..

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on the **28th** day of **November 2018 at 10:30 a.m.** at the registered office of the Company, 7 North Street, Kingston, and at any adjournment thereof.

Signature(s)...…..............….................

Signed this .... day of.....................................2018

NOTES:

(1) A Proxy need not be a member of the Company.

(2) If the appointee is a Corporation this form must be under its Common Seal or under the hand of an officer of the Corporation duly authorised on its behalf.

(3) In the case of joint holders the vote of the senior shall be accepted to the exclusion of the votes of the joint holders. Seniority shall be determined by the order in which the names stand in the register of members.

(4) To be valid this form must be completed and deposited with the Secretary, 1834 Investments Limited, 7 North Street, Kingston at least 48 hours before the time appointed for the meeting or adjourned meeting.

(5) An adhesive stamp of $100.00 must be affixed to the form and cancelled.

1834 INVESTMENTS LIMITED
P.O. Box 40, 7 North Street
Kingston, Jamaica
(876) 922-1834