PRESTIGE HOLDINGS LTD.

A Restaurant Management Company

2013
ANNUAL REPORT

PRESTIGE HOLDINGS LTD.
A Restaurant Management Company

OUR VISION

To be in the hearts and minds of our customers for every eating experience.

CONTENTS

NOTICE OF ANNUAL MEETING

NOTICE IS HEREBY GIVEN that the **ANNUAL MEETING OF SHAREHOLDERS OF PRESTIGE HOLDINGS LTD. ("the Company")** will be held at No. 22 London Street, Port of Spain on Wednesday 23 April, 2014 at 10.00 a.m. for the following purposes:-

ORDINARY BUSINESS:

1. To receive and consider the Audited Financial Statements of the Company and its subsidiaries for the year ended 30 November 2013 together with the Reports of the Directors and Auditors thereon.

2. To declare a final dividend of fifteen (15) cents per common share.

3. To re-elect Mr. Joseph P. Esau a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company for the term from the date of his election until the close of the third Annual Meeting of the Company following his election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.

4. To elect Mr. Martin de Gannes who was appointed to the Board since the last Annual Meeting as a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company for the term from the date of his election until the close of the third Annual Meeting of the Company following his election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.

5. To appoint Messrs. PricewaterhouseCoopers as the Auditors of the Company to hold office until the close of the next Annual Meeting.

Dated: 28 March, 2014.

By Order of the Board
Marlon Danglade
Company Secretary
Nos. 47-49 Sackville Street,
Port of Spain,
Trinidad, West Indies.

Notes: 1. No service contracts were entered into between the Company (or any of its subsidiaries) and any of their respective directors.

2. The Directors of the Company have not fixed a record date for the determination of shareholders who are entitled to receive notice of the Annual Meeting. In accordance with Section 111(a)(i) of the Companies Act, Chapter. 81:01, the statutory record date applies. Only shareholders on record at the close of business on **27 March, 2014**, the date immediately preceding the day on which the Notice is given, are therefore entitled to receive Notice of the Annual Meeting. A list of such shareholders will be available for examination by shareholders at the Company's Registered Office at Nos. 47-49 Sackville Street, Port of Spain during usual business hours and at the Annual Meeting.

3. A shareholder entitled to attend and vote at the Annual Meeting is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a shareholder. A Proxy Form is attached. Please complete and sign same in accordance with the Notes on the Proxy Form and then deposit same at the Registered Office of the Company, at least 48 hours before the time appointed for the holding of the Annual Meeting.

4. A shareholder that is a body corporate may, in lieu of appointing a proxy, authorize an individual by resolution of its directors or of its governing body to represent it at the Annual Meeting.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Christian E. Mouttet	Chairman
Charles Pashley	Chief Executive Officer
Glenn I. Maharaj	Senior Vice President/Business Leader - Yum! Brands (Resigned effective 30 March 2014)
Angela Lee Loy	Director
Joseph P. Esau	Director
Kurt A.A. Miller	Director
Martin de Gannes	Director (Appointed effective 1 January 2014)
Ria S. Morgan	Director

COMPANY SECRETARY & REGISTERED OFFICE
Marlon Danglade
47-49 Sackville Street
Port of Spain

BANKERS
Scotiabank Trinidad and Tobago Limited
Scotia Centre
56-58 Richmond Street
Port of Spain

RBC Royal Bank (Trinidad and Tobago) Limited
19-21 Park Street
Port of Spain

First Citizens Investment Services Limited
17 Wainwright Street
St. Clair
Port of Spain

First Citizens Bank Limited
Corporate Banking Unit
9 Queen's Park East
Port of Spain

Republic Bank Limited
Corporate Business Centre North
1st Floor, Republic Promenade Centre
72 Independence Square
Port of Spain

ATTORNEYS AT LAW
Fitzwilliam Stone, Furness-Smith and Morgan
48-50 Sackville Street
Port of Spain

AUDITORS
PricewaterhouseCoopers
Chartered Accountants
11-13 Victoria Avenue
Port of Spain

REGISTRAR & TRANSFER AGENT
Trinidad and Tobago Central Depository Limited
10th Floor, Nicholas Towers
63 Independence Square
Port of Spain

BOARD COMMITTEES

CORPORATE GOVERNANCE AND NOMINATION

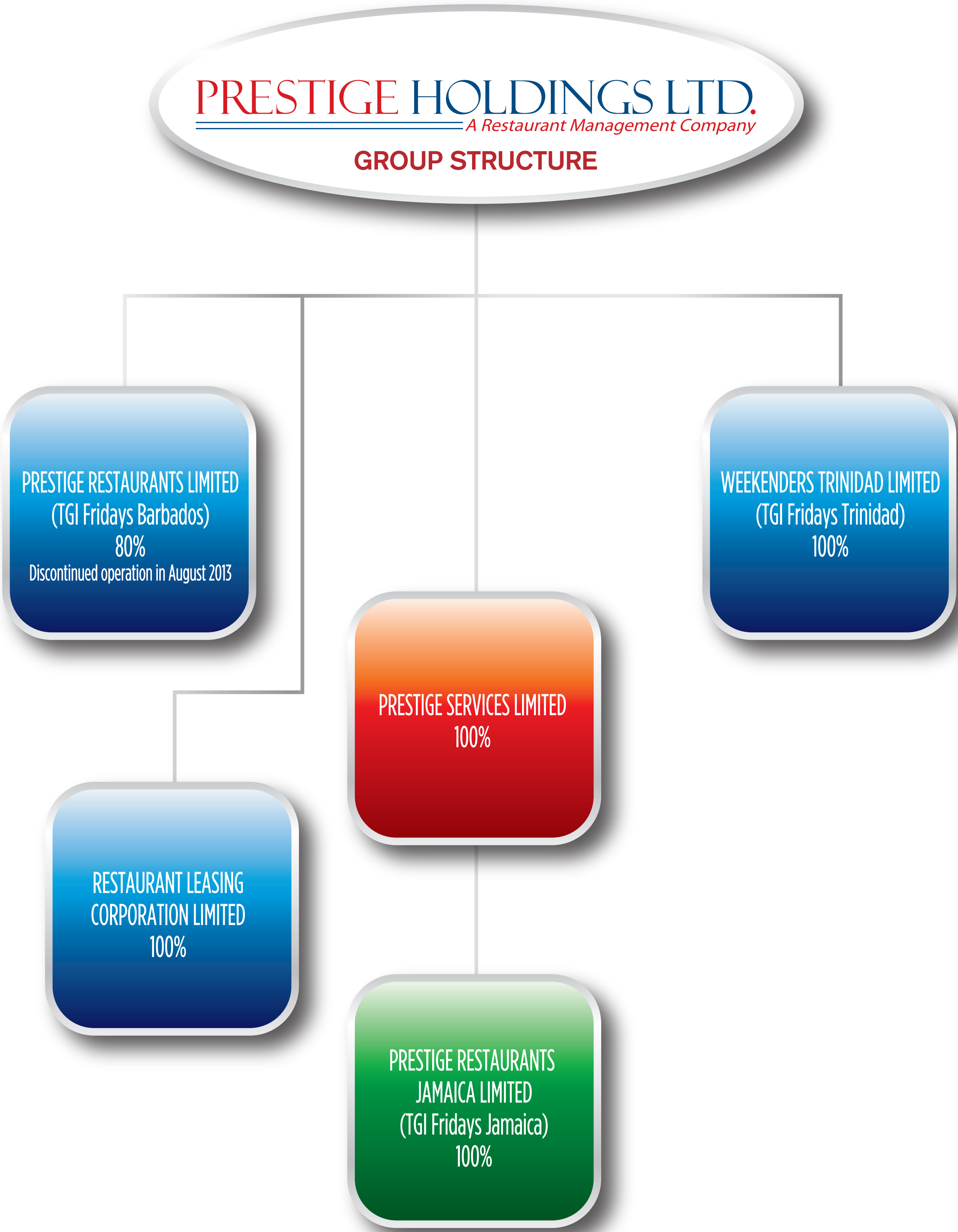
Joseph P. Esau	Chairman
Christian E. Mouttet	
Kurt A.A. Miller	

AUDIT

Angela Lee Loy	Chairman
Kurt A.A. Miller	
Ria S. Morgan	

HUMAN RESOURCE AND COMPENSATION

Joseph P. Esau	Chairman
Christian E. Mouttet	
Ria S. Morgan	


PRESTIGE HOLDINGS LTD.
A Restaurant Management Company
GROUP STRUCTURE
PRESTIGE RESTAURANTS LIMITED
(TGI Fridays Barbados)
80%
Discontinued operation in August 2013
WEEKENDERS TRINIDAD LIMITED
(TGI Fridays Trinidad)
100%
PRESTIGE SERVICES LIMITED
100%
RESTAURANT LEASING
CORPORATION LIMITED
100%
PRESTIGE RESTAURANTS
JAMAICA LIMITED
(TGI Fridays Jamaica)
100%

CHAIRMAN'S REPORT

Christian E. Mouttet
Chairman

To Our Shareholders, Employees, Customers and Partners
Overall, 2013 was a positive year for Prestige with most of our brands experiencing improved customer counts and profitability from continuing operations. With shareholders' approval, total dividends for the year will also increase over 2012.

After 6 years, we closed our loss making TGI Fridays business in Barbados. The poor economic conditions in that market coupled with extremely high duties on many of our food items made it unlikely that that market would achieve profitability in the foreseeable future. The loss on the closure of that business is disclosed in the income statement as "Loss from Discontinued Operations."

Consolidated Performance and Financial Condition
Group sales from continuing operations increased by 7% to $902 million compared with $845 million for 2012 and profit after tax from continuing operations decreased by 0.5% to $44.3million, compared with $44.6 million in 2012. As previously reported we incurred one-off refinancing and associated debt restructuring costs of $2.5 million, without which our profits would have improved by 3.5% over 2012.

Profit attributable to shareholders including the previously announced write-off of our Barbados TGI Fridays business ($7.9 million), was $38 million compared with $41.3 million in the preceding year.

Diluted earnings per share from continued operations in 2013 were 72.1 cents compared with 72.5 cents in 2012, and 61.8 cents and 67.2 cents respectively, after the charges for discontinued operations.

At the close of 2013 we operated 108 restaurants. During the period we opened two restaurants: KFC El Dorado and Subway San Juan, and lost one restaurant, KFC Chaguaramas due to fire.

Operations
All of our brands finished the year positively, driven by innovative and exciting new products as well as value offerings that resonated with our customers.

Your Board and management remain focused on the two key areas impacting the efficiency and profitability of our business: labour challenges (retention and absenteeism) which impact customer service levels; and higher food costs driven mostly by higher duties.

Our TGI Fridays restaurant in Jamaica experienced deteriorating sales and profitability due to the poor economy as well as operational challenges. Opportunities exist in achieving better food costs and operating efficiencies and these two areas are receiving the focus required for improvement.

CHAIRMAN'S REPORT (CONT'D)

Dividends

The Board recommends a final dividend of 15 cents per common share, which, with shareholder approval, would bring the total dividends payable for the financial year 2013 to 27 cents (2012 – 24 cents). The proposed final dividend will be paid on 19 May 2014 to shareholders whose names appear on the Register of Members on 05 May 2014.

Outlook

We expect the momentum seen in the latter part of the year, to continue into the new year, and therefore barring any unforeseen events, we expect improved results in 2014.

Acknowledgement

We would like to take this opportunity to recognize our many loyal and hard working employees who provide delicious meals to over 60,000 customers everyday, 364 days a year! Thank you and keep up the great work!

We would also like to thank our customers, business partners and shareholders for their continued support over the years.

Christian E. Mouttet
Chairman
25 February 2014

BOARD OF DIRECTORS' PROFILES

1. Christian E. Moutett, B.A., Chairman
Mr. Moutett is the CEO of Victor E. Moutett Limited, Director, Agostini's Limited and a Director of Republic Bank Limited. Mr. Moutett holds a Bachelor of Arts Degree with a double Major in Business Administration and Political Science from Wagner College, New York.

2. Angela Lee Loy, F.C.C.A., C.A., Director
Ms. Lee Loy is the Chairman of Aegis Business Solutions Limited and Chairman of Eve Anderson Associates Limited. She has over 35 years experience in auditing and business advisory services with Aegis, PricewaterhouseCoopers and its precursor PriceWaterhouse. Ms. Lee Loy was the Chairman of the National AIDS Coordinating Committee (NACC), Past President of the Institute of Chartered Accountants of the Caribbean and the Institute of Chartered Accountants of Trinidad and Tobago. Ms. Lee Loy is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA), and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

3. Ria S. Morgan, Bsc. (Hons), Director
Mrs. Morgan has worked in the Marketing and Advertising Industry for almost 20 years, first as a Senior Account Executive serving many of Trinidad's large corporate accounts and later as a Marketing Consultant for smaller professional firms. Prior to that, she worked for two major banks as a Management Trainee & Credit Analyst. She has served on several charitable committees and is currently working toward a Residential Valuation designation with The Appraisal Institute (USA), and as a Realtor with a local agency. Mrs. Morgan holds a Bachelor of Science (Hons) degree in Geography and Psychology from the University of Toronto, Canada.

4. Joseph P. Esau, F.C.C.A., C.A., Director
Mr. Esau is a Consultant in Corporate Financing and Mergers & Acquisitions. He is also Chairman of Agostini's Limited and a Director of Grace Kennedy Limited-Jamaica, and the Arthur Lok Jack Graduate School of Business (UWI, St. Augustine). He is a former partner of Deloitte & Touche, Trinidad.
Mr. Esau is a Fellow of the Association of Chartered Certified Accountants of the Unite Kingdom (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

5. Charles R. Pashley, MBA, F.C.C.A., C.A., Chief Executive Officer
Mr. Pashley has over 20 years management experience. He has worked with a major international accounting and auditing firm and has held various senior positions in manufacturing and distribution.
Mr. Pashley holds an MBA in Business Administration and is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

6. Kurt A.A. Miller, LL.B. (Hons), Director
Mr. Miller is a Senior Partner and Head of the Commercial Department of Fitzwilliam, Stone, Furness-Smith & Morgan. He joined the firm in 1986 and has been a partner since 1992. His areas of specialty are finance, banking, and corporate/commercial transactions. He has acted and continues to act for a broad range of local and international clients in the areas of commercial transactions, structured credit transactions, leverage lending transactions, sovereign and commercial bond issues, mergers and acquisitions, securitisation transactions and aviation transactions.
Mr. Miller is a graduate of the University of the West Indies (LLB. Hons, 1984) and the Norman Manley Law School, Jamaica (Legal Education Certificate, 1986). He was admitted to practice in 1986 in Trinidad and Tobago and in 1991 in Jamaica. He is recognised in the Corporate/Commercial Trinidad and Tobago section of Chambers Global: The World's Leading Lawyers.

7. Mr. Martin de Gannes, Director
Mr. de Gannes joins the Board after holding several executive Human Resource leadership positions in both local and global companies within Trinidad and Tobago over the past 35 years.
A former first-place winner of the Open National Scholarship in Modern Studies from St. Mary's College, Mr. de Gannes's qualifications include a B.Sc., (Economics) and an M.Sc., (Industrial Relations) from The London School of Economics and Political Science, as well as a Fellow of the Institute of Canadian Bankers FICB (with Honours). He has also had the benefit of training in Management Development from Harvard Business School and Dispute Resolution Training from the University of Windsor, Canada. Mr. de Gannes is a past Chairman of the Employers' Consultative Association (ECA) and is currently the Chairman of its Industrial Relations Committee. He is also a "business" representative on the National Productivity Council, and a Board member of the Immortelle Vocational Centre.

8. Glenn I. Maharaj, F.C.C.A., C.A., C.I.S.A.
Senior Vice President/Business Leader - Yum! Brands
Mr. Maharaj is responsible for running the Yum! Brands (KFC and Pizza Hut) in Trinidad and Tobago. Mr. Maharaj is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA), a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA), and a certified member of the Information Systems Audit and Control Association of the United States (CISA).
Mr. Maharaj is the Chairman of the Employers' Solution Centre Limited, a wholly owned subsidiary of the Employers' Consultative Association of Trinidad and Tobago and a Director of the Caribbean and Latin American (CARIBLA) Franchise Association for Yum! Brands.

Glenn Maharaj assumed a new portfolio and resigned this post effective 30 March 2014

EXECUTIVE TEAM'S PROFILES

1.

Charles R. Pashley, MBA, F.C.C.A., C.A., Chief Executive Officer
Mr. Pashley has over 20 years management experience. He has worked with a major international accounting and auditing firm and has held various senior positions in manufacturing and distribution. Mr. Pashley holds an MBA in Business Administration and is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

2.

Angela Laquis-Sobrian, M.Sc. Human Resources (Distinction); Post Graduate Diploma, Education (Distinction); B.A. (Hons) Vice President Human Resources
Ms. Sobrian has over 15 years experience in Human Resources Management, specialising in the areas of Strategic Planning, Performance Management Systems, Training and Organisational Development, Compensation and Benefits. Prior to joining Prestige Holdings Ltd., she served as the Human Resources Manager of a major organisation where she played an integral role in the strategic planning process and alignment of the performance management system with Company goals and targets.
Ms. Sobrian holds a Masters Degree in Human Resources, with Distinction, from the Arthur Lok Jack Graduate School of Business; a Bachelor of Arts Degree with Honours and a Post Graduate Diploma in Education, with Distinction, from the University of the West Indies. She has also been certified as a Compensation and Global Remuneration Professional from the World @ Work organisation, based in the U.S. Ms. Sobrian has successfully completed several training programmes, locally and abroad, in areas such as management and leadership development, organisational change and strategic management.

3.

Marlon Danglade F.C.C.A., C.A.
Mr. Danglade joined Prestige Holdings Ltd. as Chief Financial Officer in 2007 from PricewaterhouseCoopers where he held the position of Audit and Business Advisory Services Manager. He has over 10 years of auditing and business advisory experience and has led a variety of external audit engagements within the financial, manufacturing, retailing and transportation industries.
Mr. Danglade is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

4.

Ian Currie, B. Technology (Hons), MBA (Distinction) Vice President – Subway
Mr. Currie has worked in leadership positions for various multinationals in the food industry across the Caribbean and internationally for the past 20 years. His experience includes corporate strategy development, marketing communication, consumer research, product development, market analysis and corporate competency development. He also brings strong analytical and creative skills to the team that can be applied to the organisation as a whole.

He holds a Bachelor's Degree (First Class Hons.) in Food Technology from Massey University in New Zealand and an MBA (with Distinction) in International Business from City University London, UK. He obtained a scholarship from City University London to complete his post graduate education.

5.

Lisa Fernandez, Vice President – TGI Fridays™
Ms. Lisa Fernandez joined Prestige Holdings Ltd. in December 2010 in the position of Vice President, TGI Fridays™. Prior to her appointment, she worked at a general management level with various US-based companies in the retail sector.
Ms. Fernandez gained her academic foundation from George Brown College and Ryerson University in Canada, specialising in both Business Administration and Training and Development. She has extensive experience in the areas of new store openings, building transactions through a combination of multiple initiatives and ensuring an efficient operational platform from which to drive sales. Integral to her work with international chains, Ms. Fernandez was also exposed to a number of training and development programmes in the areas of inventory and cost management, staff development and sales programmes. Ms. Fernandez brings over 25 years of international experience in the retail industry to Prestige Holdings Ltd.

6.

Anthony Martins, Vice President – Market Development
Mr. Martins joined Prestige Holdings Ltd. in 1978 as a Shift Supervisor at KFC St. James, our very first restaurant in Trinidad. Since then, he has held several positions including Area Manager, Research and Development Manager and Quality Assurance Manager. In 1991, he was promoted to Business Development Manager. This significant portfolio provided him with in-depth knowledge and experience in market mapping, market segmentation and site selection using world class methodologies.
Mr. Martins has attended extensive overseas training programmes covering operations, business development, quality assurance and research.

7.

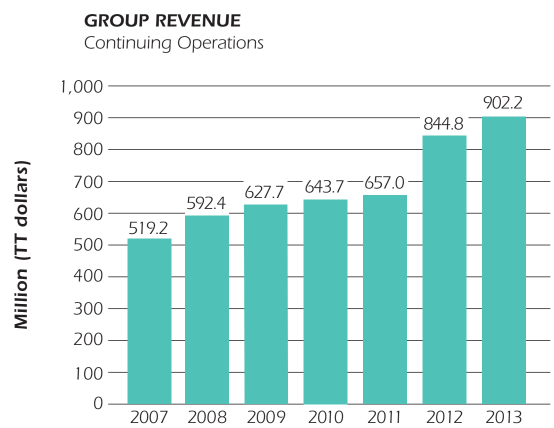
Glenn I. Maharaj, F.C.C.A., C.A., C.I.S.A.
Senior Vice President/Business Leader - Yum! Brands
Mr. Maharaj is responsible for running the Yum! Brands (KFC and Pizza Hut) in Trinidad and Tobago. Mr. Maharaj is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA), a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA), and a certified member of the Information Systems Audit and Control Association of the United States (CISA).
Mr. Maharaj is the Chairman of the Employers' Solution Centre Limited, a wholly owned subsidiary of the Employers' Consultative Association of Trinidad and Tobago and a Director of the Caribbean and Latin American (CARIBLA) Franchise Association for Yum! Brands.

Glenn Maharaj assumed a new portfolio and resigned this post effective 30 March 2014

MANAGEMENT DISCUSSION AND ANALYSIS

Prestige Holdings Limited is committed to continuing the success realised during our first forty-one years and we look forward to the future; one which promises long-term growth.

We will continue to achieve success by following the strategies of investing in brands with strong customer acceptance and ensuring that we remain committed to keeping our customers at the centre of our universe. These strategies continue to yield benefits, as we grow our sales year over year.

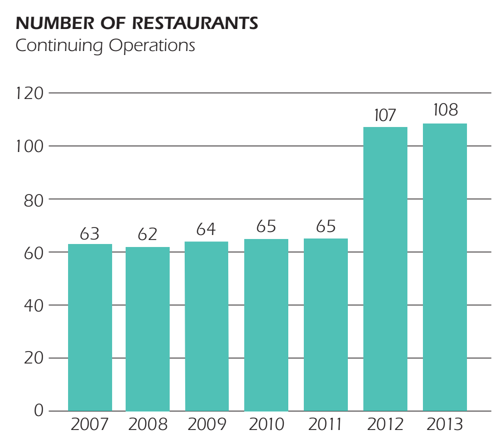


We are focused on reducing our long-term costs of operations through growth and efficiency. We experienced significant increases in food input costs as commodity prices rose early in the year, which resulted in higher local poultry prices. This, coupled with higher duties instituted by the Trinidad and Tobago Government on imported poultry products and frozen fries, resulted in these costs also increasing. While we had higher food costs and one-off charges from refinancing our debt, we were able to mitigate many of these increased costs by internal efficiencies and enhancements to our supply chain process. The net result is that we were able to achieve profits on continuing operations in line with prior year performance.

In 2013, we made the decision to exit the Barbados market. Due to the sustained recession and high costs of operation in that market, it was unlikely that this business could be brought to profit in the foreseeable future. This closure has resulted in a one-time, non-cash hit to our results for the year.

FINANCIAL PERFORMANCE

At 30 November 2013, we operated an average of 108 restaurants (2012:106). Our operating results were impacted by several external factors, including increased commodity prices, labour shortages and a fast-growing competitor landscape. Notwithstanding this challenging environment we delivered positive operating results through a combination of value offerings, menu innovations and focusing on operating efficiencies.

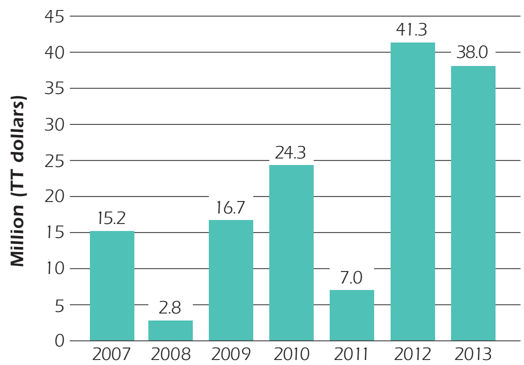


MANAGEMENT DISCUSSION AND ANALYSIS

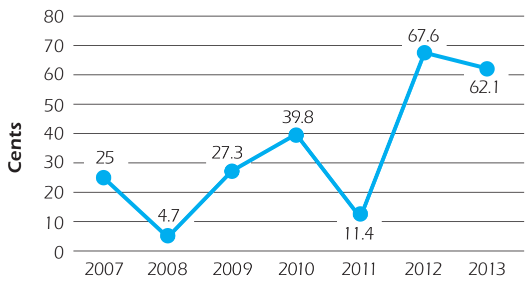
Total Operations

Profit for the year, including the results from the discontinued operations, decreased from $40.9 million to $36.4 million, with profit attributable to shareholders decreasing by 8%, from $41.3 million to $38 million.

GROUP PROFITS ATTRIBUTABLE TO SHAREHOLDERS



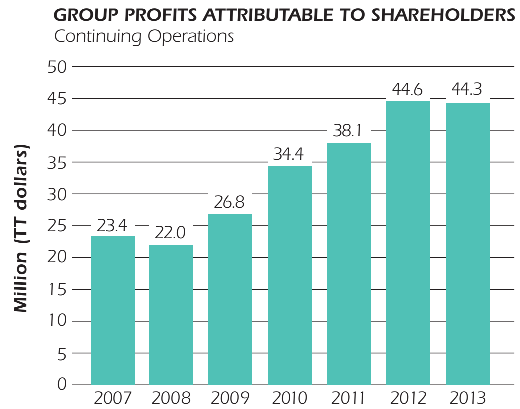
GROUP EARNINGS PER SHARE

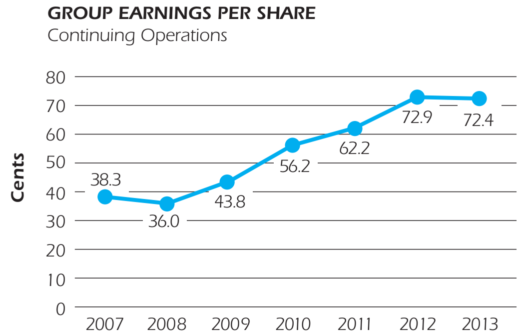


MANAGEMENT DISCUSSION AND ANALYSIS

Continuing Operations

Revenue increased by 7% to $902 million in 2013 compared with $845 million in 2012, with all brands achieving positive same store revenue growth. Consolidated gross margin decreased from 36.8% to 36.1% driven primarily by increased food input costs. Pre-tax operating profit increased to $62.5 million, or 2%, over financial year 2012, with a decrease in post-tax profits by 0.5% in 2013 to $44.3 million (2012: $44.6 million).





MANAGEMENT DISCUSSION AND ANALYSIS

The effect of our debt restructuring in June 2013 resulted in one-off charges of $2.5 million consisting of borrowing prepayment fees of $1.7 million and associated professional fees of $0.8 million, but our cost of debt will be significantly reduced in the next nine years. Without the refinancing charges our current year profit would have been 3.5% higher than that of the prior year.

Discontinued Operations

The loss on the TGI Fridays Barbados operation in 2013 was $7.9 million, of which $6.3 million was attributable to shareholders of the Group and the balance allocated to the 20% minority shareholder. The disposal of plant and equipment comprised 81% of the total loss from exiting the market.

In the comparable period, the loss from discontinued operations included $1.6 million from TGI Fridays Barbados and $1.9 million from the TCBY write-off.

We expect the removal of these ongoing losses and distractions to benefit our profitability in 2014.

Trinidad and Tobago Operations

Revenue from our Trinidad and Tobago businesses increased by 7.2%, from $829 million to $889 million. Same store revenue growth was 6% on prior year, and same store contribution achieved from the KFC, Pizza Hut and TGI Fridays operations increased by 1% over financial year 2012.

Profit after tax on continuing operations increased by 3%, from $43.8 million to $45.3 million. Our Pizza Hut, Subway and TGI Fridays Trinidad restaurants achieved double-digit growth in operating profit compared with that of prior year.

Overseas Operations – TGI Fridays Jamaica

Revenue decreased by 15% compared with prior year, of which the devaluation of the Jamaican currency accounted for 10%. The restaurant incurred post-tax losses of $1 million (2012: post-tax profit of $0.8 million). We continue to implement a number of initiatives to restore this restaurant's profitability.

Capital Expenditure

We deploy capital principally in the construction of new stores, renovating existing restaurants and investment in technology. In 2013, capital expenditure totalled $36.4 million compared with $144.5 million in 2012. We renovated two (2) Pizza Hut, five (5) KFC and six (6) Subway restaurants, and opened two (2) new restaurants during the current financial year. In the comparable period our capital investment included the acquisition of the Subway business and related assets for $111 million.

Our significant investments in the scheduled remodeling of restaurants, is one of the factors that maintain our leadership in all of the restaurant categories in which we operate.

MANAGEMENT DISCUSSION AND ANALYSIS

Borrowings

At the end of the financial year, our debt/equity ratio increased marginally from 27:73 to 28:72 with total borrowings for the Group, net of cash and cash equivalents and including parent company borrowing, closing at $86.6 million (2012: $72.3 million). In June 2013, we refinanced our Trinidad and Tobago borrowing portfolio where all of our existing short and long-term facilities were fully repaid with a new fixed rate $140 million bond at a reduced rate of interest.

Finance costs increased by 10.5% compared with prior year, primarily driven by the prepayment settlement fees of $1.7 million on existing long-term facilities.

Share Price

The Company's stock price closed at $9.45 as at 30 November 2013 (2012: $9.27). The share price declined subsequent to the financial year-end and as at 6 March 2014 was $9.29.

Building People Capability

In keeping with our 2013 theme of "Great Service from the Inside Out," the Company focused on building its people capability, reinforcing its performance management system, and redesigning its compensation structure. These core objectives served as the basis for driving employee performance in line with the Company's business strategies and for improving retention.

Continued focus was directed to the Company's recruitment practices to ensure that we attracted the right calibre of candidates at entry. The practice of utilising internal recruiters, whose role was to focus on the screening of candidates and aggressively tap into other sources of labour in the trade area, proved effective in 2013. This initiative, closely supported by the additional hiring being done by the Restaurant Managers and Area Coaches, realised an increase of Team Members from 71% in November 2012 to 89% in November 2013. The increase in numbers was also complemented by the improved scores which measure the calibre of candidates at entry. However, the labour shortage in Trinidad and Tobago continues to be a major challenge for the Company.

The Company's staffing processes were revised to ensure that the right people are selected to management positions to optimise business performance and individual development, and to maintain our positive culture. Our philosophy of development and promotion from within aids in the retention of high-potential employees and provides options for growth. This is complemented by selective external hiring to benefit from fresh perspectives. With its focus on people development, our Company revised its Management Readiness Checklists for all Brands. The training period was also increased to cover more in-depth cross functional areas. The Career Passport, which demonstrates a defined career path inclusive of relevant qualifications and skills for each position, was also designed and cascaded throughout the organisation. The number of training stores was also increased from eight to sixteen to facilitate the expansion in the training period and the numbers to be trained.

The Performance Management System (PMS), which revolves around the four key performance indicators (KPIs) of Customers, People, Sales and Profits of the Balanced Scorecard (BSC), further ensured the objective measurement of all targets. The BSC continues to be the enabling framework for the integration of performance improvement activities and the basis for rewarding individual and team performance. Similar KPIs were also introduced for Subway to ensure integration and alignment of Company objectives.

To ensure the attraction and retention of high-potential employees and to reinforce the PMS, the Company also revised its total compensation structure. The performance-based incentives, paid monthly, align the interests of employees with business goals. The revised compensation structure rewards employees for high performance and their potential for future contribution. In addition, the newly revised Employee Stock Ownership Plan helps to seal our employees' commitment to the Company's values, goals and future success, as active and vibrant shareholders.

KFC Trincity Mall

MANAGEMENT DISCUSSION AND ANALYSIS

KFC

KFC capped its 40th year of operations in Trinidad and Tobago with strong results from our fifty-four restaurants, reflective of the leading Quick Service Restaurant (QSR) brand driven by the right mix of menu innovation, consumer promotions, interactive marketing campaigns and asset enhancements that enlivened the overall consumer experience. 2013 Marketing initiatives combined a robust mix of new products, value initiatives, events, 360 degree campaigns, community and digital engagement to drive brand equity, sales and transactions. We achieved positive returns from products such as Popcorn chicken, Zinger shrimp and the Double Sweet and Fire sandwich.

Building on the commercial success of key campaigns, we stepped up the KFC community initiatives in Children's Literacy and Culture. For a third successful year, we continued to promote local talent, artistry and youth creativity through the KFC Primary School Carnival Tour and Children's Storytelling workshops throughout Trinidad and Tobago. Youth sport development continued to be a major thrust with the growth and expansion of the KFC Comets Youth Development Cricket programme. The brand extended its support to track and field events through a sponsorship alliance with the Toco Composite School, the top performing secondary school in athletics.

The achievements of 2013 reaffirmed KFC's leadership in its market category; placing it firmly in the hearts and minds of a new generation of consumers; making it a truly timeless brand poised for another 40 years of success.

Pizza Hut Roxy

MANAGEMENT DISCUSSION AND ANALYSIS

Pizza Hut

Pizza Hut had a very strong year in 2013 showing growth across all channels and product categories from our seven restaurants. A renewed focus on value propositions bolstered weekday transactions and made the brand more accessible to frequent and lapsed consumers, with offers like "Hot Deals" and "Dinner Box". These initiatives displayed the brand's intention to become an everyday meal solution by providing affordable products that do not compromise on quality and taste which make Pizza Hut the powerful brand that it is.

We complemented our value offering in 2013 with a focus on menu innovation with "Cheesy Bites Triple dip" and "Cheesy Bites remix". These were launched in the peak seasons of July- August and December respectively and showed that Pizza Hut is still the leader when it comes to innovation and a unique dining experience which is unrivalled in the Pizza and Pasta categories.

These menu innovations and other diversification initiatives like "Festival of Pasta" also inspired dine-in sales and transactions, and showed Pizza Hut as a preferred destination for the dine-in experience in addition to a delivery and carry-out options for the consumer.

As we close a positive chapter of Pizza Hut in 2013 we expect great results in 2014 after laying a strong foundation on value, innovation and menu diversification, ensuring Pizza Hut continues to be well-poised to grow in the years to come.

TGI FRIDAYS™

TGI Fridays™ Chaguanas

MANAGEMENT DISCUSSION AND ANALYSIS

TGI Fridays

2013 was an energising year for TGI Fridays with the brand continuing to deliver exceptional results from our three restaurants in Trinidad, by building on the success of prior year initiatives.

At TGI Fridays we continued to focus on innovations in both our food and drink menus, and on building guest counts through delivering exceptional service. New menus and promotions kept our guests coming back to see what was new at TGI Fridays. The year began with our 'Super Foods" promotion which offered healthy menu items and allowed the guests to build their meal, followed by "Seafood Selects" with delicious seafood entrees for the Lenten Season. We celebrated Easter by introducing new pastas on our "Pasta Celebration" promotion. In July and August we launched new menus, and took guests on a tour with "Taste What's New." Next, we introduced our new "Appetizer Initiative" and "Dessert Experience," and we ended the year with a new twist on a traditional TGI Fridays specialty with "Spicy Jack Daniel's."

Throughout the year TGI Fridays continued to be the place to celebrate all memorable occasions including Valentine's Day, SEA exams and results, Mother's Day, Father's Day and Birthdays, and we continued to support our communities.

As we journey into 2014 we have the honour of having "Earned Our Stripes" and we will now look towards delivering "Plus One" service with remarkable food, exceptional service and sharing our infectious IN HERE IT'S ALWAYS FRIDAY energy with every guest.

Subway West Mall

MANAGEMENT DISCUSSION AND ANALYSIS

Subway

The Year of Growth - that is how 2013 will be remembered at Subway. Growth in customers, growth in sales and growth in the bottom line after the first year of integration. This growth was driven by the whole Subway team who ensured that all our promotional activities were well-executed, and that our customers were happy to return time after time.

It was a full year of activity starting in January with our Salad + Free water offer. In partnership with Coca Cola we launched a promotion targeted at those consumers trying to keep New Years' resolutions as well as those getting in shape for Carnival. Every time a customer bought a Subway salad they received a free bottle of water. This was well-received and saw our salad sales for the period increase by 25% over prior year.

March saw the Subway team take a bold step and introduce the ground-breaking "Plenty for Twenty" offer: a 6" Oven Roasted Chicken sandwich plus the drink of choice for only $20. It was an aggressive strategy that has paid off. It has driven not only a significant sales increase but also made Subway affordable, everyday, and cemented in consumers' minds that they can regularly access Subway quality, freshness and taste.

In May, the "Daily Deal" was introduced. By doing this we achieved the twin goals of providing "Everyday Affordability" and at the same time encouraging our customers to trade up from the traffic driving "Plenty for Twenty" offer. Each day of the week a different 6" sandwich is featured so that as well as improving ticket average we are also showcasing the range of flavours that we offer. This has worked very well with at least a quarter of "Plenty for Twenty" customers regularly trading up to the "Daily Deal."

Breakfast is a big opportunity for the brand. To help realise this opportunity and highlight our breakfast offering the "Fresh Start Campaign" was launched in July. This offer consisted of an Egg & Cheese breakfast deli sandwich, a coffee and a cookie and was so popular that we extended it beyond the initial 6 week window. It helped us increase our breakfast volumes by almost 50% and created significant awareness of the breakfast range.

In September we added San Juan to be the forty-third community served by Subway. Our new store on the Eastern Main Road received a warm welcome and has delivered strong sales. It is a great reminder of the potential that exists for the Subway brand in Trinidad and Tobago.

The last quarter of the year saw us focusing on our delicious "BBQ Selects" range. We offer a wide variety of great-tasting sandwiches. However, many of our customers are unaware of the full range of flavours. To highlight this we promoted the BBQ range using appetising product shots. By showcasing our BBQ Chicken, Pork and Steak & Cheese we saw the sales of this range almost double.

To put the effect of our promotions and special offerings in context: the average number of sandwiches sold weekly in a Subway outlet in Trinidad and Tobago is twice the average number sold in a U.S. store.

All in all 2013 was a year that saw us deliver a range of exciting offers and promotions that have delivered fully to our expectations. We are very happy to have served all our customers during the year and look forward to helping them all to experience a happy and healthy 2014.

PHOTO ALBUM


KFC
sogood
NGC
Bocas
Lit Fest
WHEEL OF FLAVOUR
The Taste You Love!

REPORT OF THE DIRECTORS

The Directors are pleased to present their report for the year ended 30 November 2013.

1. CONSOLIDATED FINANCIAL RESULTS AND DIVIDENDS

	$
Profits attributable to shareholders	38,021,835
Final dividends for 2012 (Paid 12 cents per common share)	(7,341,721)
Interim dividends paid for 2013 (Paid 12 cents per common share)	(7,341,721)
Effect of disposal of subsidiary	(2,731,309)
Retained profits for the year	20,607,084
Retained profits brought forward from prior year	110,328,938
Retained profits at end of year	130,936,022

2. DIVIDENDS

On 14 October 2013 an interim dividend of 12 cents per common share was paid to shareholders. On 26 February 2014, the Board of Directors recommended a final dividend of 15 cents per common share for the shareholders' approval at the Annual Meeting. This will mean a total dividend payment of 27 cents per common share for the year ended 30 November 2013. If approved, the final dividend will be paid on 19 May 2014 to shareholders, whose names appear on the register of members 5 May 2014.

3. DIRECTORS

The Directors as of 30 November 2013, were as follows:-

Christian Mouttet, Joseph P. Esau, Angela Lee Loy, Glenn I. Maharaj, Ria Morgan, Kurt Miller and Charles Pashley

In accordance with paragraph 4.5 of the Company's By-Law No. 1, the term of office of Mr. Joseph P. Esau expires at the close of the Annual Meeting to be held on 23 April 2014. Mr. Esau offers himself for re-election as a Director for the term from the date of his election until the close of the third Annual Meeting following his election, subject always to earlier termination under paragraph 4.8.1 of the Company's By-Law No. 1.

Mr. Martin de Gannes was appointed as a Director by the Board of Directors, effective 1 January 2014, to serve until the close of the Annual Meeting following his election. Accordingly, Mr. de Gannes's term of office will expire at the close of the Annual Meeting to be held on 23 April 2014. Mr. de Gannes offers himself for election as a Director for the term from the date of his election until the close of the third Annual Meeting following his election, subject always to earlier termination under paragraph 4.8.1 of the Company's By-Law No. 1.

Effective 30 March 2014, Glenn I. Maharaj resigned from the Board of Directors

4. AUDITORS

The retiring auditors, Messrs. PricewaterhouseCoopers have expressed their willingness to be re-appointed and are eligible for appointment as auditors of the Company.

REPORT OF THE DIRECTORS - CONTINUED

5. BENEFICIAL INTERESTS OF DIRECTORS, SENIOR OFFICERS & THEIR CONNECTED PERSONS AND A LIST OF SUBSTANTIAL OR LARGEST INTERESTS.

In accordance with the requirements of our listing agreement with The Trinidad and Tobago Stock Exchange Limited ("the TTSE") and the disclosure Rules of the TTSE, we record hereunder details of the beneficial interest of each Director and Senior Officer together with their connected persons in the share capital of the Company as at the end of the Company's financial year 30 November 2013

DIRECTORS

Director	Beneficial Interest	Options granted under Share Option Plan	No. of Shares held by Connected Persons
Joseph P. Esau	1,200,000	Nil	Nil
Angela Lee Loy	Nil	Nil	Nil
Glenn I. Maharaj	145,681	142,452	Nil
Ria S. Morgan	66,500	6,000	Nil
Christian E. Mouttet	Nil	Nil	Nil
Charles Pashley	110,000	Nil	Nil
Kurt Miller	40,000	Nil	Nil
Martin de Gannes	Nil	Nil	Nil

There are no other interests held by the Directors. There has been no change in the interests of Directors or connected persons of Directors between the end of the Company's financial year and 28 February 2014 being a date not more than one (1) month prior to the date of the notice convening the Company's Annual Meeting.

SENIOR OFFICERS

Senior Officer	Beneficial Interest	Options granted under Share Option Plan	No. of Shares held by Connected Persons
Marlon Danglade	Nil	19,378	Nil
Anthony Martins	50,119	74,877	Nil
Angela Sobrian	29,606	106,906	Nil
Ian Currie	Nil	Nil	Nil
Lisa Fernandez	Nil	Nil	Nil

REPORT OF THE DIRECTORS - CONTINUED

SUBSTANTIAL INTEREST/LARGEST HOLDERS

In accordance with the requirements of our listing agreement with the TTSE and Rule 601 of the Rules of the TTSE, we list below those persons holding the ten (10) largest block of shares legally and beneficially in the Company as at 30 November 2013 and as at 28 February 2014 being a date not more than one (1) month prior to the date of the notice convening the Company's Annual Meeting.

Shareholder	Legal Interest	Beneficial Interest
Victor E. Mouttet Limited	Nil	42,690,175
RBC Trust (Trinidad and Tobago) Limited	Nil	5,610,860
Republic Bank Limited	Nil	1,664,000
Guardian Life Of The Caribbean Ltd.	Nil	1,535,811
Joseph P Esau	Nil	1,200,000
Employees Profit Sharing & Share Ownership Plan	Nil	1,096,570
Pelican Investments Limited	Nil	1,000,000
First Citizens Trust Services Limited	Nil	606,462
T Geddes Grant Ltd Pension Fund Plan	Nil	320,000
Olympic Manufacturing Limited	Nil	250,000

6. DISCLOSURE OF INTEREST OF DIRECTORS AND OFFICERS IN ANY MATERIAL CONTRACT

There has been no interest of directors and officers in any material contract.

The Directors wish to express their appreciation to the management and staff for the work done during the year and look forward to another exciting year.

By Order of the Board
Dated this 28 day of March 2014

CHRISTIAN E. MOUTTET

MARLON DANGLADE

AUDIT COMMITTEE REPORT

The Group Audit Committee assists the Board in fulfilling its responsibility to oversee Management's implementation of financial reporting and risk management processes as set out in the Audit Committee Terms of Reference. In performing its work, the Committee considers the following: -

i. Reliability and integrity of the accounting principles and practices.

ii. Internal audit functions.

iii. Risk management functions.

iv. Qualifications, independence and performance of the external auditors.

v. The effectiveness of the system of controls and procedures.

vi. Compliance with legal and regulatory requirements.

The Committee has reviewed and discussed the quarterly unaudited results, the annual audited financial statements and the audit plan with the company's management and the external auditors.

The Committee has discussed the audit plan covering the adequacy of internal controls and work schedule with the internal auditor.

The Committee met five (5) times for the year 2013.

The Audit Committee

Angela Lee Loy, Chairman
Ria S. Morgan
Kurt A.A. Miller

REPORT ON THE CORPORATE GOVERNANCE AND NOMINATION COMMITTEE

The Corporate Governance & Nomination Committee comprises three of the six non-executive directors of the Company.

This Committee supports the Board of Directors in matters of Corporate Governance, including Board and Directors' evaluation and nominations, Board Committee mandates, structure and membership, Code of Ethics and conflicts of interest, and CEO performance evaluation.

During the year the Committee held two meetings and dealt with the following matters:

- Mr. Martin de Gannes, a Human Resource and Industrial Relations professional, was nominated as a director, and appointed to the board with effect from 1 January 2014
- The Board's Roles and Responsibilities, and performance were reviewed
- The CEO's performance was reviewed
- Board Committee Mandates were reviewed and updated

The Company is substantially in compliance with the recently published Trinidad and Tobago Corporate Governance Code.

Corporate Governance & Nomination Committee

Joseph P. Esau, Chairman
Christian E. Mouttet
Kurt A.A. Miller

REPORT ON THE HUMAN RESOURCE AND COMPENSATION COMMITTEE

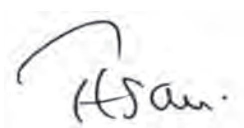
The Human Resource and Compensation Committee comprises three of the six non-executive directors of the Company.

This Committee supports the Board of Directors in matters of human resource policies and practices, including executive compensation structure and incentive programmes, monthly-rated employees' general salary levels, management succession planning, senior management appointments, and board compensation.

During the year the Committee held four meetings and dealt with the following matters:

- Implementation of the long-term incentive Performance Share Grant Programme and Rules under the ESOP, to replace the Management Stock Options Programme
- Award of 2012 profit performance bonuses and share grants based on audited financial statements
- Award of 2013 performance bonuses based on individual objectives
- Management and general compensation adjustments for 2014 approved
- Board members' compensation vis-a-vis market surveys reviewed
- Executive Succession Planning reviewed

Human Resource & Compensation Committee



Joseph P. Esau, Chairman
Ria S. Morgan
Christian E. Mouttet

INDEPENDENT AUDITOR'S REPORT

To the shareholders of
Prestige Holdings Limited

Report on the Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of Prestige Holdings Limited, which comprise the consolidated balance sheet as at 30 November 2013 and the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Prestige Holdings Limited and its subsidiaries as at 30 November 2013, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers

26 February 2014
Port of Spain
Trinidad, West Indies

CONSOLIDATED BALANCE SHEET

(Expressed in Trinidad and Tobago Dollars)

	Notes	30 November 2013 $	2012 $
ASSETS			
Non-current assets			
Property, plant and equipment	3	276,433,650	287,156,214
Intangible assets	4	73,967,683	74,403,470
Deferred income tax assets	6	843,699	1,095,314
		351,245,032	362,654,998
Current assets			
Inventories	7	41,570,906	42,924,279
Trade and other receivables	8	23,422,258	20,873,828
Current income tax assets		6,506,749	6,417,559
Cash and cash equivalents (excluding bank overdraft)	9	55,477,649	24,546,443
		126,977,562	94,762,109
Total assets		478,222,594	457,417,107
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent Company			
Share capital	10	21,739,424	21,156,749
Equity – settled arrangements		5,497,256	5,497,256
Other reserves	11	18,500,413	19,253,806
Other equity instrument	12	50,000,000	50,000,000
Retained earnings		130,936,022	110,328,938
		226,673,115	206,236,749
Unallocated shares held by ESOP	13	(4,644,286)	(4,644,286)
Non-controlling interests	14	—	(1,122,998)
Total equity		222,028,829	200,469,465
LIABILITIES			
Non-current liabilities			
Borrowings	15	122,500,000	44,056,108
Due to related party	16	—	5,000,000
Retirement benefit obligations	17	147,849	73,863
Deferred income tax liabilities	6	7,124,876	7,864,770
		129,772,725	56,994,741
Current liabilities			
Trade and other payables	18	100,682,187	101,757,077
Borrowings	15	14,542,585	42,771,060
Due to related parties	16	6,798,451	6,578,349
Other payable	19	—	45,000,000
Current income tax liabilities		4,397,817	3,811,665
Bank overdraft	9	—	34,750
		126,421,040	199,952,901
Total liabilities		256,193,765	256,947,642
Total equity and liabilities		478,222,594	457,417,107

The notes on pages 39 to 68 are an integral part of these consolidated financial statements.

On 26 February 2014, the Board of Directors of Prestige Holdings Limited authorised these consolidated financial statements for issue.

Director

Director

CONSOLIDATED INCOME STATEMENT – BY FUNCTION OF EXPENSE

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year Ended 30 November 2013 $	2012 $
Continuing operations			
Revenue		902,167,244	844,804,175
Cost of sales	20, 21	(576,268,114)	(533,686,265)
Gross profit		325,899,130	311,117,910
Other operating expenses	21	(191,428,938)	(178,025,895)
Administrative expenses	21	(59,782,289)	(61,112,430)
Other income		1,681,376	1,848,697
Operating profit		76,369,279	73,828,282
Finance costs - net	22	(13,801,436)	(12,482,717)
Profit before income tax		62,567,843	61,345,565
Income tax expense	23	(18,238,835)	(16,777,982)
Profit for the year from continuing operations		44,329,008	44,567,583
Discontinued operations			
Loss for the year from discontinued operations	24	(7,929,504)	(3,581,867)
Profit for the year		36,399,504	40,985,716
Profit attributable to:			
Owners of the parent company		38,021,835	41,322,135
Non-controlling interests	14	(1,622,331)	(336,419)
		36,399,504	40,985,716
Earnings per share from continuing and discontinued operations attributable to the equity holders of the company during the year	25		
- Basic earnings/(loss) per share (exclusive of ESOP shares)			
From continuing operations		72.4¢	72.9¢
From discontinued operations		(10.3¢)	(5.3¢)
		62.1¢	67.6¢
- Basic earnings/(loss) per share (inclusive of ESOP shares)			
From continuing operations		71.5¢	71.9¢
From discontinued operations		(10.2¢)	(5.2¢)
		61.3¢	66.7¢
- Diluted earnings/(loss) per share (exclusive of ESOP shares)			
From continuing operations		72.1¢	72.5¢
From discontinued operations		(10.3¢)	(5.3¢)
		61.8¢	67.2¢

The notes on pages 39 to 68 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year Ended 30 November 2013 $	2012 $
Profit For The Year		36,399,504	40,985,716
Other Comprehensive Income/(Loss)			
Gain on revaluation of land	11	180,000	—
Currency translation differences		(919,373)	(286,115)
Total Comprehensive Income For The Year		35,660,131	40,699,601
Attributable To:			
- Owners of the parent company		37,268,442	41,036,020
- Non-controlling interests	14	(1,608,311)	(336,419)
Total Comprehensive Income For The Year		35,660,131	40,699,601

The notes on pages 39 to 68 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Expressed in Trinidad and Tobago Dollars)

	Notes	Share Capital $	Equity Settled Arrangements $	Other Equity Instrument $	Other Reserves $	Retained Earnings $	Total $	Unallocated Shares Held by ESOP $	Non-controlling Interests $	Total Equity $
Balance at 1 December 2011		21,156,749	5,353,250	—	19,539,921	82,466,625	128,516,545	(4,644,286)	(786,579)	123,085,680
Comprehensive income/(loss)										
Profit/(loss) for the year		—	—	—	—	41,322,135	41,322,135	—	(336,419)	40,985,716
Other comprehensive loss										
Currency translation differences	11	—	—	—	(286,115)	—	(286,115)	—	—	(286,115)
Total comprehensive income/(loss) for the year		—	—	—	(286,115)	41,322,135	41,036,020	—	(336,419)	40,699,601
Transactions with owners										
Share based payments		—	144,006	—	—	—	144,006	—	—	144,006
Convertible share option	12	—	—	50,000,000	—	—	50,000,000	—	—	50,000,000
Dividends for 2011										
- Paid – 10 cents per share		—	—	—	—	(6,201,079)	(6,201,079)	—	—	(6,201,079)
Dividends for 2012										
- Paid – 12 cents per share		—	—	—	—	(7,441,295)	(7,441,295)	—	—	(7,441,295)
Dividends to ESOP		—	—	—	—	182,552	182,552	—	—	182,552
Total transactions with owners		—	144,006	50,000,000	—	(13,459,822)	36,684,184	—	—	36,684,184
Balance at 30 November 2012		21,156,749	5,497,256	50,000,000	19,253,806	110,328,938	206,236,749	(4,644,286)	(1,122,998)	200,469,465

The notes on pages 39 to 68 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

(Expressed in Trinidad and Tobago Dollars)

	Notes	Share Capital $	Equity Settled Arrangements $	Other Equity Instrument $	Other Reserves $	Retained Earnings $	Total $	Unallocated Shares Held by ESOP $	Non-controlling Interests $	Total Equity $
Balance at 1 December 2012		21,156,749	5,497,256	50,000,000	19,253,806	110,328,938	206,236,749	(4,644,286)	(1,122,998)	200,469,465
Comprehensive income/(loss)										
Profit/(loss) for the year		—	—	—	—	38,021,835	38,021,835	—	(1,622,331)	36,399,504
Other comprehensive income/(loss)										
Revaluation surplus	11	—	—	—	180,000	—	180,000	—	—	180,000
Currency translation differences	11	—	—	—	(933,393)	—	(933,393)	—	14,020	(919,373)
Total comprehensive income/(loss) for the year		—	—	—	(753,393)	38,021,835	37,268,442	—	(1,608,311)	35,660,131
Transactions with owners										
Proceeds from shares issued	10	582,675	—	—	—	—	582,675	—	—	582,675
Effect of disposal of subsidiary	14	—	—	—	—	(2,731,309)	(2,731,309)	—	2,731,309	—
Dividends for 2012 - Paid – 12 cents per share		—	—	—	—	(7,441,295)	(7,441,295)	—	—	(7,441,295)
Dividends for 2013 - Paid – 12 cents per share		—	—	—	—	(7,441,295)	(7,441,295)	—	—	(7,441,295)
Dividends to ESOP		—	—	—	—	199,148	199,148	—	—	199,148
Total transactions with owners		582,675	—	—	—	(17,414,751)	(16,832,076)	—	2,731,309	(14,100,767)
Balance at 30 November 2013		21,739,424	5,497,256	50,000,000	18,500,413	130,936,022	226,673,115	(4,644,286)	—	222,028,829

The notes on pages 39 to 68 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year Ended 30 November 2013 $	2012 $
Cash Flows From Operating Activities			
Cash generated from operations	28	113,420,765	116,200,819
Interest paid		(13,801,436)	(12,738,966)
Income tax paid		(18,372,579)	(15,268,286)
Net cash generated from operating activities		81,246,750	88,193,567
Cash Flows From Investing Activities			
Acquisition of Subway business, net of cash acquired	31	—	(110,971,023)
Purchase of intangible assets	4	(2,333,247)	(2,199,921)
Purchase of property, plant and equipment	3	(37,642,950)	(33,459,499)
Proceeds from disposal of property, plant and equipment		3,580,753	1,445,684
Decrease in assets of disposal group held for sale		—	634,000
Net cash used in investing activities		(36,395,444)	(144,550,759)
Cash Flows From Financing Activities			
Proceeds from borrowings		143,500,000	7,686,784
Proceeds from shares issued		582,675	—
Dividends paid to shareholders		(14,683,442)	(13,459,822)
Repayment of borrowings		(93,284,583)	(30,479,385)
Proceeds from related party loan		—	65,000,000
Repayment of related party loan		(5,000,000)	(5,000,000)
Repayment of obligation due to vendor arising from business combination		(45,000,000)	—
Obligation due to vendor arising from the business combination		—	45,000,000
Net cash (used in)/generated from financing activities		(13,885,350)	68,747,577
Net Increase In Cash And Cash Equivalents And Bank Overdrafts		30,965,956	12,390,385
Cash And Cash Equivalents And Bank Overdrafts			
At start of year		24,511,693	12,121,308
At end of year	9	55,477,649	24,511,693

The notes on pages 39 to 68 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Trinidad and Tobago Dollars)

1 General Information

Prestige Holdings Limited (Parent Company) was incorporated in the Republic of Trinidad and Tobago on 24 November 1972 under the Companies Ordinance, Ch. 31 No. 1 and was continued under the Companies Act, 1995 on 26 November 1997. The Registered Office of the Parent Company is 47-49 Sackville Street, Port of Spain. The Parent Company operates under long-term franchise agreements for the KFC, Pizza Hut and Subway brands through a chain of restaurants in Trinidad and Tobago and is a public limited liability company which is listed on the Trinidad and Tobago Stock Exchange.

Prestige Services Limited is wholly owned by Prestige Holdings Limited and is incorporated in St. Christopher/Nevis. This company owns the Development Rights for the TGI Fridays Brand for the CARICOM and the Dominican Republic markets.

Prestige Holdings Limited also owns 100% of the share capital of Prestige Restaurants Jamaica Limited which operates the TGI Fridays Brand in Jamaica.

Weekenders Trinidad Limited is wholly owned by Prestige Holdings Limited and is an amalgamated entity of Weekenders Limited and TCBY Trinidad Limited effective 25 July 2011. The company is incorporated in the Republic of Trinidad and Tobago. This company operates under a long-term franchise agreement for the TGI Fridays Brand in Trinidad and Tobago.

Prestige Holdings Limited owns 80% of the share capital of Prestige Restaurants Limited, a company incorporated in Barbados. This company operates the TGI Fridays Brand in Barbados. Operations of this company were discontinued effective August 2013.

Restaurant Leasing Corporation Limited is wholly owned by Prestige Holdings Limited and is incorporated in the Republic of Trinidad and Tobago. This company owns and leases the premises on which the Subway restaurant and head offices are located.

The ultimate parent company is Victor E. Mouttet Limited, a privately owned company incorporated in the Republic of Trinidad and Tobago.

2 Summary Of Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These consolidated financial statements of Prestige Holdings Limited have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of land.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 2.30.

2.1.1 Changes in accounting policy and disclosures

(a) New and amended standards adopted by the Group:
There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 December 2012 that would be expected to have a material impact on the Group.

(b) New standards and interpretations not yet adopted by the Group:
A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 December 2012, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the financial statements of the Group, except the following set out below:

- Amendment to IAS 1, 'Financial statement presentation' regarding other comprehensive income. The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.

- IFRS 13, 'Fair value measurement' (effective for periods beginning on or after 1 January 2013), aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP.

2 Summary Of Significant Accounting Policies (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

(b) New standards and interpretations not yet adopted by the Group (continued):

- IAS 19, 'Employee benefits' (effective for periods beginning on or after 1 January 2013), was amended in June 2011. The impact on the Group will be as follows: to immediately recognise all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The Group is yet to assess the full impact of the amendments.
- IFRS 9, 'Financial instruments (effective for annual periods beginning on or after 1 January 2015)', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Group is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2015. The Group will also consider the impact of the remaining phases of IFRS 9 when completed by the Board.
- IFRS 10, Consolidated financial statements (effective for the annual periods beginning on or after 1 January 2013), builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Group is yet to assess IFRS 10's full impact and intends to adopt IFRS 10 no later than the accounting period beginning on or after 1 December 2013.
- IFRS 12, 'Disclosures of interests in other entities', (effective for periods beginning on or after 1 January 2013) includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The Group is yet to assess IFRS 12's full impact and intends to adopt IFRS 12 no later than the accounting period beginning on or after 1 December 2013.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders give the Group the power to govern the financial and operating policies, etc.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date, any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

2 Summary Of Significant Accounting Policies (Continued)

2.2 Consolidation (continued)

(a) Subsidiaries (continued)

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(d) Joint venture

A joint venture is an entity in which the Group holds a long-term interest and which is jointly controlled by the Group and one or more other venturers under a contractual arrangement. The results of joint ventures are accounted for using the equity method of accounting.

(e) Transactions and non-controlling interests

The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group. Disposals to non-controlling interests that result in gains or losses for the Group are recorded in the consolidated income statement. Purchases from non-controlling interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors that makes strategic decisions.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Trinidad and Tobago dollars, which is the Company's functional currency and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Trinidad and Tobago Dollars)

2 Summary Of Significant Accounting Policies (Continued)

2.4 Foreign currency translation (continued)

(b) Transactions and balances (continued)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated income statement within 'finance cost (net)'. All other foreign exchange gains and losses are presented in the consolidated income statement within 'administrative expenses'.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments are taken to other comprehensive income. When a foreign operation is partially disposed or sold, exchange differences that were recorded in equity are recognised in the consolidated income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.5 Property, plant and equipment

Property, plant and equipment are initially recorded at cost. Land is subsequently shown at market value, based on valuations by external independent valuers at least once every five years. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land are credited to other reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged against other reserves directly in equity; all other decreases are charged to the consolidated income statement.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Freehold buildings and improvements	-	10 - 50 years
Leasehold building improvements	-	10 - 20 years
Plant and machinery and equipment	-	10 - 15 years
Furniture and vehicles	-	5 - 8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other operating expenses in the consolidated income statement.

When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

Interest costs on borrowings to finance construction of property, plant and equipment are capitalised during the period of time that is required to complete and prepare the property for its intended use as part of the cost of the assets.

2 Summary Of Significant Accounting Policies (Continued)

2.6 Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisition of subsidiaries is included in 'intangible assets'. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to the operating segment.

(b) Franchise agreements – ongoing operations

Franchise agreements for ongoing operations acquired in a business combination are recognised and carried at fair value at the acquisition date and have an indefinite useful life. This asset is tested annually for impairment.

2.7 Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.8 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

2.9 Financial assets

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables' and cash and cash equivalents in the consolidated balance sheet (Notes 2.13 and 2.14). Loans and receivables are subsequently carried at amortised cost.

2.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2 Summary Of Significant Accounting Policies (Continued)

2.11 Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

i. Significant financial difficulty of the issuer or obligor;

ii. A breach of contract, such as a default or delinquency in interest or principal payments;

iii. It becomes probable that the customer will enter bankruptcy or other financial reorganisation;

The Group first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

2.12 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the average cost method. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses.

2.13 Trade receivables

Trade receivables are amounts due from customers for the sale of goods in the ordinary course of business. If collection is expected in one year or less (or, in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

2.14 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2.15 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental external costs directly attributable to the issue of new shares or options, other than in connection with a business combination, are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

2 Summary Of Significant Accounting Policies (Continued)

2.17 Provisions

Provisions for restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.18 Employee benefits

(a) Share-based payment

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

When the options are exercised, the company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

The grant by the company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

The social security contributions payable in connection with the grant of the share options is considered an integral part of the grant itself, and the charge will be treated as a cash-settled transaction.

(b) Pension obligations

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Trinidad and Tobago Dollars)

2 Summary Of Significant Accounting Policies (Continued)

2.18 Employee benefits (continued)

(b) Pension obligations (continued)

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(c) Employee Share Ownership Plan (ESOP)

The Company operates an Employee Share Ownership Plan and has accounted for all unallocated ESOP shares as a deduction in Equity. Shares allocated to employees as part of their bonus are expensed to staff costs based on the market value of the shares allocated. The ESOP account is credited with the cost of the shares allocated and any difference between this amount and the value charged to staff costs is charged/credited to shareholders' equity.

2.19 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The principal temporary difference arises from the difference between the accounting and tax treatment of depreciation on property, plant and equipment and tax losses.

2.20 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Sales of goods are recognised upon delivery of products and customer acceptance, or performance of services. Revenue is shown net of value-added tax, returns, and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the Group and when specific criteria have been met for the Group's activities. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Interest income is recognised on a time-proportion basis using the effective interest method.

2 Summary Of Significant Accounting Policies (Continued)

2.21 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Prepaid interest on the long-term debt is amortised over the period of the loan agreement.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.22 Compound financial instruments

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.23 Dividend distribution

Dividend distribution is recorded in the Group's financial statements in the period in which the dividends are approved by the Board of Directors.

2.24 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement under the terms of the lease.

2.25 Franchise fees

The Group pays an initial fee to the Franchisor for every new store and a renewal fee upon the expiration of the initial franchise period. The initial and renewal fees are written off over the ten to twenty year period to which they relate.

2.26 Development rights

Investment in the development rights is capitalised and amortised using the straight-line method over its estimated useful life but not exceeding ten years.

2.27 Royalty expenses

Royalty expense is recognised on the accrual basis and charged to the consolidated income statement (included in cost of sales) in accordance with the substance of the relevant agreements.

2 Summary Of Significant Accounting Policies (Continued)

2.28 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, product and emerging best practice.

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

a) Market risk

i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

As at 30 November 2013, if the currency had weakened/strengthened by 2% against the US dollar with all other variables held constant, post-tax profits for the year would have been $422,618 (2012: $743,135) lower/higher, mainly as a result of foreign exchange losses/gains on translation of US dollar-denominated trade payables and accruals.

ii) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. Given the economic environment, the Group's policy is to maintain a significant portion of its borrowings in fixed rate instruments.

iii) Price risk

The Group is not exposed to equity securities price risk since there are no investments held as available for sale or at fair value through profit or loss.

b) Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to trade customers. For banks and financial institutions, only those with good standing and with a sound reputation are used. No independent rating exists for trade customers and as a result an internal credit assessment is performed taking into account their financial position, past experience and other factors. Credit limits are set for trade customers which are regularly monitored.

Management does not expect any significant losses from non-performance by counterparties.

2 Summary Of Significant Accounting Policies (Continued)

2.28 Financial risk management (continued)

c) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its un-drawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal balance sheet ratio targets.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows.

Comparative information has been restated as permitted by the amendments to IFRS 7 for the liquidity risk disclosures.

	6 months or less $	6 to 12 months $	1 to 5 years $	Over 5 years $
At 30 November 2013				
Borrowings – third party	11,646,954	10,882,813	96,796,875	58,242,188
Borrowings – related party	4,585,417	4,490,625	—	—
Due to related party	1,798,451	—	—	—
Trade and other payables, excluding statutory liabilities	86,909,628	—	—	—
	104,940,450	15,373,438	96,796,875	58,242,188
At 30 November 2012				
Borrowings – third party	37,548,302	10,411,789	51,013,816	—
Borrowings – related party	3,625,000	3,625,000	13,780,208	—
Due to related party	1,578,349	—	—	—
Bank overdrafts	34,750	—	—	—
Other payable	45,000,000	—	—	—
Trade and other payables, excluding statutory liabilities	89,912,651	—	—	—
	177,699,052	14,036,789	64,794,024	—

2 Summary Of Significant Accounting Policies (Continued)

2.28 Financial risk management (continued)

d) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) and bank overdraft less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

	2013 $	2012 $
Total borrowings and bank overdrafts	142,042,585	96,861,918
Less: cash and cash equivalents	(55,477,649)	(24,546,443)
Net debt	86,564,936	72,315,475
Total equity	222,028,829	200,469,465
Total capital	308,593,765	272,784,940
Gearing ratio	28%	27%

2.29 Fair value estimation

Fair value represents an estimate of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market price, if one exists. Many of the Group's financial instruments lack an available trading market. Therefore, these instruments have been valued using present value or other valuation techniques and may not necessarily be indicative of the amounts realisable in an immediate settlement of the instruments. In addition, the calculation of estimated fair value is based on market conditions at a specific point in time and may not be reflective of future fair values.

The fair values of receivables, cash and deposits, and payables are assumed to approximate their carrying values due to their short-term nature.

2.30 Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Income taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(b) Estimated impairment of goodwill and intangible assets

The Group tests annually whether goodwill and intangible assets have suffered any impairment in accordance with the accounting policy stated in Note 2.6. The recoverable amounts of cash-generating units have been determined based on value-in use calculations. These calculations require the use of estimates (See also Note 4).

(Expressed in Trinidad and Tobago Dollars)

3 Property, Plant And Equipment

	Land, Buildings and Improvements $	Plant and Machinery $	Furniture and Vehicles $	Work In Progress $	Total $
Year Ended 30 November 2013					
Opening net book amount	173,583,954	63,867,222	49,705,038	—	287,156,214
Additions	14,079,881	11,471,291	10,743,934	1,347,844	37,642,950
Revaluation surplus (Note 11)	180,000	—	—	—	180,000
Other movements	(6,971)	(1,217,182)	1,224,153	—	—
Disposals – continuing operations	(86,655)	(175,230)	(89,835)	—	(351,720)
Disposals – discontinued operation	(4,237,030)	(734,470)	(1,452,298)	—	(6,423,798)
Exchange differences	(353,658)	(119,154)	(21,516)	—	(494,328)
Depreciation charge	(14,544,427)	(16,024,549)	(10,706,692)	—	(41,275,668)
Closing net book amount	168,615,094	57,067,928	49,402,784	1,347,844	276,433,650
At 30 November 2013					
Cost or valuation	256,151,492	208,477,636	111,641,456	1,347,844	577,618,428
Accumulated depreciation	(87,536,398)	(151,409,708)	(62,238,672)	—	(301,184,778)
Net book amount	168,615,094	57,067,928	49,402,784	1,347,844	276,433,650
Year Ended 30 November 2012					
Opening net book amount	146,617,239	50,900,715	45,817,268	—	243,335,222
Additions	10,635,303	10,740,400	12,083,796	—	33,459,499
Assets acquired under business combination (Note 31)	30,625,595	20,028,093	883,605	—	51,537,293
Disposals	(474,213)	(1,268,099)	(446,561)	—	(2,188,873)
Exchange differences	(149,855)	(24,943)	(40,414)	—	(215,212)
Depreciation charge	(13,670,115)	(16,508,944)	(8,592,656)	—	(38,771,715)
Closing net book amount	173,583,954	63,867,222	49,705,038	—	287,156,214
At 30 November 2012					
Cost or valuation	248,522,654	203,722,274	104,195,319	—	556,440,247
Accumulated depreciation	(74,938,700)	(139,855,052)	(54,490,281)	—	(269,284,033)
Net book amount	173,583,954	63,867,222	49,705,038	—	287,156,214
At 30 November 2011					
Cost or valuation	208,574,068	175,683,148	92,322,508	—	476,579,724
Accumulated depreciation	(61,956,829)	(124,782,433)	(46,505,240)	—	(233,244,502)
Net book amount	146,617,239	50,900,715	45,817,268	—	243,335,222

Depreciation expense on continuing operations of $40,838,176 (2012: $37,857,578) is included in other operating expenses. Depreciation expense on discontinued operations of $437,492 (2012: $914,137) is included in loss from discontinued operations.

Included in land and buildings is freehold land which was valued by an independent valuator in 2013 on the basis of market value for existing use and amounted to $37,235,000. If land was stated on the historical cost basis, the amount would be $14,488,230.

Bank borrowings are secured on fixed assets of the Group for the value of approximately $136.5 million (2012: $60 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Trinidad and Tobago Dollars)

4 Intangible Assets

	Goodwill $	Development Rights $	Other Deferred Costs $	Total $
Year Ended 30 November 2013				
Opening net book amount	24,791,308	271,002	49,341,160	74,403,470
Additions		—	2,333,247	2,333,247
Exchange differences	—	—	(12,924)	(12,924)
Amortisation charge	—	(271,002)	(2,485,108)	(2,756,110)
Closing net book amount	24,791,308	—	49,176,375	73,967,683
At 30 November 2013				
Cost	25,427,536	6,301,813	68,081,177	99,810,526
Accumulated amortisation and impairment	(636,228)	(6,301,813)	(18,904,802)	(25,842,843)
Net book amount	24,791,308	—	49,176,375	73,967,683
Year Ended 30 November 2012				
Opening net book amount	6,157,578	630,386	8,170,372	14,958,336
Additions	—	—	2,199,921	2,199,921
Intangible assets acquired under business combination (Note 31)	18,633,730	—	40,800,000	59,433,730
Exchange differences	—	—	(7,252)	(7,252)
Amortisation charge	—	(359,384)	(1,821,881)	(2,181,265)
Closing net book amount	24,791,308	271,002	49,341,160	74,403,470
At 30 November 2012				
Cost	25,427,536	6,301,813	65,760,854	97,490,203
Accumulated amortisation and impairment	(636,228)	(6,030,811)	(16,419,694)	(23,086,733)
Net book amount	24,791,308	271,002	49,341,160	74,403,470
At 30 November 2011				
Cost or valuation	6,793,806	6,301,813	22,760,933	35,856,552
Accumulated amortisation and impairment	(636,228)	(5,671,427)	(14,590,561)	(20,898,216)
Net book amount	6,157,578	630,386	8,170,372	14,958,336

Amortisation charge on continuing operations of $2,258,533 (2012: $2,133,565) is included in other operating expenses. Amortisation charge on discontinued operation of $497,577 (2012: $47,700) is included in loss from discontinued operation.

Franchise agreements for ongoing operations of the Subway business acquired in the business combination are recognised and carried at fair value at the acquisition date. These franchise agreements are for a 20 year period, however the Franchisor has always renewed for an additional 20 year period since inception of the Subway operations in 1974. As a result, the franchise agreements have been estimated to have indefinite useful lives and are tested annually for impairment.

The development rights represent the costs associated with the acquisition of rights for the KFC branch in Tobago and the TGI Fridays brand in CARICOM.

Other deferred costs represent franchise fees and loan fees capitalised, and amortised over remaining periods of three to fifteen years.

4 Intangible Assets (Continued)

Impairment tests for goodwill

	2013 $	2012 $
Weekenders Trinidad Limited	6,157,578	6,157,578

The recoverable amount of each business unit is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets and forecasts approved by management covering a five year period. Cash-flows for the five year period are extrapolated using the estimated growth rates stated below.

The key assumptions used for value-in-use calculations in 2013 are as follows:

	Gross margin %	Growth rate %	Discount rate %
Weekenders Trinidad Limited	43	4	17

The key assumptions used for value-in-use calculations in 2012 are as follows:

	Gross margin %	Growth rate %	Discount rate %
Weekenders Trinidad Limited	42	4	14.1

Assumptions for gross profit margins, growth rates and pre-tax weighted average cost of capital are based upon past performance, economic conditions and expectations for market development.

Impairment tests for intangibles arising from the Subway business combination

	2013 $	2012 $
Goodwill (Note 31)	18,633,730	18,633,730
Intangible assets – franchise agreements (Note 31)	40,800,000	40,800,000
Assets acquired	59,433,730	59,433,730

The recoverable amount of each business unit is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets and forecasts approved by management covering a five year period. Cash-flows for the five year period are extrapolated using the estimated growth rates stated below.

The key assumptions used for value-in-use calculations in 2013 are as follows:

	Gross margin %	Growth rate %	Discount rate %
Subway business combination	36	5	12.8

The key assumptions used for value-in-use calculations in 2012 are as follows:

	Gross margin %	Growth rate %	Discount rate %
Subway business combination	38	3	14.2

Assumptions for gross profit margins, growth rates and pre-tax weighted average cost of capital are based upon past performance, economic conditions and expectations for market development.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Trinidad and Tobago Dollars)

5(a) *Financial Instruments By Category*

	Loans and Receivables	
	2013	**2012**
	$	**$**
Assets as per balance sheet		
Trade and other receivables, excluding prepayments	15,582,377	14,854,354
Cash and cash equivalents (excluding bank overdrafts)	55,477,649	24,546,443
Total	71,060,026	39,400,797

	Other Financial Liabilities at Amortised Cost	
	2013	**2012**
	$	**$**
Liabilities as per balance sheet		
Borrowings – third party	137,042,585	86,827,168
Borrowing – related party	5,000,000	10,000,000
Trade and other payables, excluding statutory liabilities	86,909,628	89,912,651
Other payable	—	45,000,000
Due to related parties	1,798,451	1,578,349
Bank overdrafts	—	34,750
Total	230,750,664	233,352,918

5(b) *Credit Quality Of Financial Assets*

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to the Group's internal aged receivable analysis; customers with aging of 0 – 90 days are not considered past due or impaired.

	2013	**2012**
	$	**$**
Trade receivables		
Group 1 – Customers (0 – 60 days)	2,298,324	3,145,925
Group 2 – Customers (61 – 90 days)	175,475	447,624
	2,473,799	3,593,549
Other receivables		
Group 1 – Non trade customers (0 – 60 days)	2,957,657	434,675
Group 2 – Non trade customers (61 – 90 days)	854,695	783,852
	3,812,352	1,218,527
	6,286,151	4,812,076

6 Deferred Income Tax

	2013 $	2012 $
Opening amount	6,769,456	6,620,839
(Credit)/charge to income statement (Note 23)	(630,707)	120,177
Exchange differences	142,428	28,440
Closing amount	6,281,177	6,769,456

The deferred income tax assets and liabilities at the end of the year are attributable to the following items:

	2012 $	(Credit)/Charge To Income Statement $	Foreign Currency Translation $	2013 $
Deferred income tax liabilities				
Accelerated tax depreciation	7,864,770	(739,894)	—	7,124,876
Deferred income tax assets				
Tax losses	(1,095,314)	109,187	142,428	(843,699)
	6,769,456	(630,707)	142,428	6,281,177

	2011 $	(Credit)/Charge To Income Statement $	Foreign Currency Translation $	2012 $
Deferred income tax liabilities				
Accelerated tax depreciation	8,690,242	(825,472)	—	7,864,770
Deferred income tax assets				
Tax losses	(2,069,403)	945,649	28,440	(1,095,314)
	6,620,839	120,177	28,440	6,769,456

Tax losses of approximately $2.3 million (2012: $12.1 million) have not been recognised for purposes of deferred taxation because of the uncertain future timing of their recoverability.

7 Inventories

	2013 $	2012 $
Food supplies and packaging materials	33,286,613	36,624,029
Consumable stores	8,284,293	6,300,250
	41,570,906	42,924,279

The cost of inventories recognised as expense and included in "cost of sales" amounted to $375,902,099 (2012: $348,757,081).
The write-down of inventories recognised as expense and included in "administrative expenses" amounted to $471,779 (2012: $769,498).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Trinidad and Tobago Dollars)

8 Trade And Other Receivables

	2013 $	2012 $
Trade receivables	2,989,923	5,072,113
Less: provision for impairment of trade receivables	(379,908)	(411,915)
	2,610,015	4,660,198
Prepayments	7,839,881	6,019,473
Other receivables	12,972,362	10,194,157
	23,422,258	20,873,828

As of 30 November 2013, trade receivables of $2,473,799 (2012: $3,593,549) were fully performing.

As of 30 November 2013, trade receivables of $136,216 (2012: $1,066,649) were past due but not considered impaired. These relate to a number of independent customers for whom there is no recent history of default.

As at 30 November 2013, trade receivables of $379,908 (2012: $411,915) were impaired and provided for.

Movements on the Group's provision for impairment of trade receivables are as follows:

	2013 $	2012 $
At 1 December	411,915	411,915
Unused amounts reversed	(32,007)	—
At 30 November	379,908	411,915

The carrying amount of the Group's trade and other receivables are denominated in the following currencies:

	2013 $	2012 $
TT dollar	23,180,685	19,996,238
Other currencies	241,573	877,590
	23,422,258	20,873,828

9 Cash And Cash Equivalents

	2013 $	2012 $
Cash at bank and on hand	55,477,649	24,546,443
Bank overdrafts	—	(34,750)
	55,477,649	24,511,693

10 Share Capital

	Common Shares No. of Shares	$
Balance at 30 November 2012	62,010,792	21,156,749
Proceeds from shares issued	143,419	582,675
Balance at 30 November 2013	62,154,211	21,739,424

Authorised share capital

The Company has an unlimited number of authorised common shares of no par value.

Share option plan for directors and management

The Parent Company has established a Share Option Plan for the benefit of certain full time employees (executive, senior and middle management positions) and two non-executive directors.

Shareholders have approved up to a total of 5,000,000 common shares for grant of options (option shares) under the Share Option Plan. The current status of options at 30 November is as follows:

	Number of Options 2013	2012	Movement
Total share options allocated to the Plan	5,000,000	5,000,000	—
Total share options cancelled	2,344,759	2,219,713	125,046
Total share options granted	(5,192,920)	(5,192,920)	—
Remaining shares allocated to the Plan in respect of Options not yet granted	2,151,839	2,026,793	125,046

No share options were granted during the year (2012: nil).

Share option plan for directors and management

	Number of Options 2013	2012
Total share options granted at 1 December	538,292	799,144
Exercised during the year	—	(72,359)
Cancelled during the year	(125,046)	(188,493)
Total share options granted not yet exercised at 30 November	413,246	538,292

Share options outstanding at the end of the year have the following expiry dates and option prices:

Expiry date	Option price	Number of Options 2013	2012
2013	11.83	—	106,703
2014	5.50	169,146	177,041
2015	5.75	244,100	254,548
		413,246	538,292

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Trinidad and Tobago Dollars)

11 Other Reserves

	Land Revaluation $	Currency Translation $	Total $
Balance at 1 December 2011	22,566,770	(3,026,849)	19,539,921
Currency translation differences	—	(286,115)	(286,115)
Balance at 30 November 2012	22,566,770	(3,312,964)	19,253,806
Balance at 1 December 2012	22,566,770	(3,312,964)	19,253,806
Revaluation	180,000	—	180,000
Currency translation differences	—	(933,393)	(933,393)
Balance at 30 November 2013	22,746,770	(4,246,357)	18,500,413

12 Other Equity Instrument

	2013 $	2012 $
Convertible share option	50,000,000	50,000,000

The acquisition of the Subway business was funded through an unsecured loan of $65 million from the ultimate parent, Victor E. Mouttet Limited (VEML). The $65 million loan from VEML bears interest at a fixed rate of 7.5% per annum. The principal is payable in six semi-annual instalments of $2.5 million with the first instalment due in May 2012, and the balance through a rights issue of common shares up to $50 million at PHL's option. As soon as it is practicable, management will review the Group's combined capital structure, to determine the optimal debt to equity ratio, and take appropriate action on its capitalisation.

13 Unallocated Shares Held By ESOP

The Parent Company established an Employees' Profit and Share Ownership Plan for all permanent employees. The Trust Deed and Rules of the Plan have been approved by the Board of Inland Revenue under Section 35 of the Income Tax Act Chapter 75:01.

For the year ended 30 November 2013, there were no contributions to the Plan (2012: nil).

Unallocated shares held by the ESOP are as follows:

	Ordinary Shares #	Ordinary Shares $
Balance at 30 November 2012	829,783	4,644,286
Balance at 30 November 2013	829,783	4,644,286

14 Non-Controlling Interests

	2013 $	2012 $
At beginning of year	(1,122,998)	(786,579)
Share of losses	(1,622,331)	(336,419)
Exchange differences	14,020	—
Effect of disposal of subsidiary	2,731,309	—
At end of year	—	(1,122,998)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Trinidad and Tobago Dollars)

15 Borrowings – Third Party

	2013 $	2012 $
Non-current		
Bank borrowings	122,500,000	44,056,108
Current		
Bank borrowings	14,542,585	16,271,060
Bankers' acceptances and other loans	—	26,500,000
	14,542,585	42,771,060
Total borrowings	137,042,585	86,827,168

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates at the end of the reporting period are as follows:

	2013 $	2012 $
6 months or less	—	26,500,000

The carrying amount and fair value of the non-current borrowings are as follows:

	Carrying amount		Fair value	
	2013 $	2012 $	2013 $	2012 $
Bank borrowings	122,500,000	44,056,108	92,167,966	37,182,836

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant. The fair values are based on cash flows discounted using a rate based on the borrowing rate of 6.25% to 8% (2012: 6% to 9.5%).

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	2013 $	2012 $
Trinidad and Tobago dollar	136,500,000	84,670,206
Barbados dollar	542,585	2,156,962
	137,042,585	86,827,168

Parent Company:

Loan 1 – Fixed Rate Bond B $91.7 Million

This loan was repaid during the year.

Loan 2 – Fixed Rate Bond C $60 Million

This loan was repaid during the year.

Loan 3 - $4 Million

This loan was repaid during the year.

Loan 4 – Fixed Rate Bond 2023 - $140 Million

This loan bears interest at a fixed rate of 6.25% per annum. Interest is payable quarterly. Principal is payable quarterly in 40 equal instalments of $3.5m with the first payment payable on 3 September 2013.

The loan is secured by a Registered Demand First Debenture on the Fixed and Floating Assets of the Company.

Bankers' acceptances and other loans

These unsecured short-term facilities were repaid during the year.

15 Borrowings – Third Party (Continued)

Subsidiary Companies:

Loan 5 - $4.87 Million

This loan was repaid during the year.

Loan 6 - $5.1 Million

This loan represents an amount owed to First Caribbean International Bank (Barbados) Limited bearing interest at the rate of 8% per annum. The loan is secured by a Registered Demand First Debenture on the Fixed and Floating Assets of Prestige Restaurants Limited (Barbados). The balance on this loan was renegotiated during the year which resulted in a change in the terms and conditions of the facility. This balance will be paid during the financial year ending 2014.

16 Related Party Balances And Transactions

	2013 $	2012 $
a) Due to related parties		
Non-current		
Due to ultimate parent company - borrowings (see Note 12)	—	5,000,000
Current		
Due to affiliated company	1,798,451	1,578,349
Due to ultimate parent company - borrowings (see Note 12)	5,000,000	5,000,000
	6,798,451	6,578,349
The Parent company conducted the following transactions with its affiliated companies:		
Purchase of foods and related supplies	17,935,401	15,846,918
Loan from ultimate parent company (see Note 12)	—	65,000,000
Repayment of ultimate parent company loan (see Note 12)	5,000,000	5,000,000
Interest charged on ultimate parent company loan	4,454,167	4,833,333
Lease of properties	1,312,023	1,380,162
b) Directors' fees	340,200	380,600
c) Key management compensation		
Salaries and other short-term benefits	6,840,745	6,654,216

17 Retirement Benefit Obligations

	2013 $	2012 $
Retirement benefit obligation for liability in the balance sheet:		
Pension benefits	147,849	73,863
Income statement charge (Note 29)		
Pension benefits	646,281	573,059
The amounts recognised in the balance sheet are determined as follows:		
Present value of funded obligations	4,922,386	5,386,492
Fair value of plan assets	(4,431,397)	(4,368,296)
Deficit of funded plan	490,989	1,018,196
Unrecognised actuarial losses	(343,140)	(944,333)
Liability in the balance sheet	147,849	73,863

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Trinidad and Tobago Dollars)

17 *Retirement Benefit Obligations (Continued)*

The movement in the defined benefit obligation over the year is as follows:

	2013 $	2012 $
Net liability acquired in a business combination	5,386,492	3,429,873
Interest cost	251,753	273,596
Current service cost	834,481	817,713
Benefits payable	(163,428)	(76,842)
Actuarial (gain)/loss on obligation	(282,705)	942,152
Other movements	(1,104,207)	—
Present value of obligation at end of year	4,922,386	5,386,492
The movement in the fair value of plan assets over the year is as follows:		
Assets acquired in a business combination	4,368,296	3,187,807
Expected return on plan assets	195,244	184,348
Total contributions	817,506	1,075,164
Benefits payable	(163,428)	(76,842)
Actuarial gain/(loss) on plan assets	4,240	(2,181)
Other movements	(790,461)	—
Fair value of plan assets at end of year	4,431,397	4,368,296
The amounts recognised in the consolidated income statement are as follows:		
Current service cost	580,597	483,811
Interest cost	251,753	273,596
Expected return on plan assets	(195,244)	(184,348)
Net actuarial loss recognised	9,175	—
Total included in employee benefit expense (Note 29)	646,281	573,059

The actual return on plan assets was $199,484 (2012: $182,167).

The principal actuarial assumptions were as follows:	2013 Per Annum	2012 Per Annum
Discount rate at end of year	4.5%	5%
Expected return on plan assets	4.5%	5%
Future salary increases	3.5%	4%

The sensitivity of the overall pension liability to changes in the weighted principal assumptions is:

	Change in Assumption	Impact on Overall Liability
Discount rate	Increase by 0.5%	Decrease by 13.4%
Discount rate	Decrease by 0.5%	Increase by 15.8%
Salary growth rate	Increase by 0.5%	Increase by 9.2%
Salary growth rate	Decrease by 0.5%	Decrease by 8.4%

The plan assets are invested in a Deposit Administration Fund managed by Sagicor Life Inc.

Expected contributions to the plan for the year ending 30 November 2014 amount to $775,681 (2013: $885,334).

The date of the most recent actuarial valuation was 13 December 2013 which valued the plan as at 1 April 2013. The next actuarial valuation is due as at 1 April 2016.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Trinidad and Tobago Dollars)

18 Trade And Other Payables

	2013 $	2012 $
Trade payables	68,022,299	64,731,428
Accrued expenses	19,167,634	26,226,115
Payroll related taxes and other benefits	13,492,254	10,799,534
	100,682,187	101,757,077

19 Other Payable

Deferred payment to seller of Subway business	—	45,000,000

This represents the balance on the purchase price payable to the shareholders of Mainstream Foods Limited payable 18 months after 1 December 2011. This balance is interest free and was repaid during the year.

20 Cost Of Sales

Cost of sales includes food supplies, packaging materials, labour and other costs directly related to the level of sales.

21 Expenses By Nature – Continuing Operations

The following items have been charged/(credited) in arriving at the operating profit:

	2013 $	2012 $
Cost of inventories (Note 7)	375,852,099	348,757,081
Employee benefit expense (Note 29)	136,472,413	126,693,872
Other expenses	68,728,500	62,720,007
Royalties	56,902,323	53,111,466
Operating lease expenses	45,370,272	42,429,933
Depreciation and amortisation	43,096,709	39,991,143
Advertising costs	36,850,878	33,476,279
Utilities	22,409,504	22,107,999
Repairs and maintenance on property, plant and equipment	21,639,778	21,252,558
Security	18,918,819	18,013,353
Insurance	4,327,586	4,697,280
Foreign exchange losses	139,493	2,410
Profit on disposal of property, plant and equipment	(3,229,033)	(428,791)
Cost of sales, other operating and administrative expenses	827,479,341	772,824,590

22 Finance Costs – Net

Bank borrowings - interest expense	7,676,902	7,778,496
Borrowing prepayment fees	1,683,677	—
Interest on ultimate parent company loan	4,454,167	4,833,333
Interest income on short-term bank deposits	(13,310)	(129,112)
	13,801,436	12,482,717

(Expressed in Trinidad and Tobago Dollars)

23 Taxation

	2013 $	2012 $
Current tax	17,953,352	15,857,983
Deferred tax (credit)/charge (Note 6)	(630,707)	120,177
Green fund levy	916,190	799,822
	18,238,835	16,777,982

The taxation charge differs from the theoretical amount that would arise using the basic rate of tax as follows:

	2013 $	2012 $
Profit before tax, after discontinued operations	54,638,339	57,763,698
Tax calculated at 25%	13,659,585	14,440,925
Permanent differences	304,441	845,832
Expenses not deductible for tax purposes	989,055	916,053
Green fund and business levy	916,190	799,822
Prior year adjustments	8,218	18,924
Tax losses not recognised	333,433	410,627
Utilisation of tax losses previously not recognised	—	(672,957)
Effect of different tax rates in other countries	—	18,756
Tax effect of loss from discontinued operations	2,027,913	—
	18,238,835	16,777,982

The Group has accumulated tax losses of approximately $3.1 million (2012: $15.3 million) available for set off against future chargeable profits.

24 Discontinued Operations

	2013 $	2012 $
TCBY	—	(1,995,182)
Prestige Restaurant Limited - Barbados	(7,929,504)	(1,586,685)
Expenses not deductible for tax purposes	(7,929,504)	(3,581,867)

In November 2012, at a meeting held by the Board of Directors of Prestige Holdings Limited, the necessary approvals and authorisations were provided with regard to the termination of the operations of TCBY, as its four restaurants in Trinidad continued to incur significant operating losses. The TCBY restaurants operated for twelve months in this financial period.

The resulting total loss to the Group is disclosed in the Consolidated Income Statement as "Loss for the year from discontinued operations".

	2012 $
Revenue	2,670,952
Cost of sales	(1,852,990)
Gross profit	817,962
Other operating and administrative expenses	(1,641,164)
Operating loss	(823,202)
Loss on disposal of property, plant and equipment	(1,171,980)
Loss for the year from discontinued operation	(1,995,182)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Trinidad and Tobago Dollars)

24 Discontinued Operations (Continued)

Expenses By Nature - Discontinued Operations

The following items have been charged in arriving at the loss on discontinued operations:

	2012 $
Cost of inventories recognised as expenses	1,188,605
Loss on disposal of property, plant and equipment	1,171,980
Employee benefit expense	853,400
Other expenses	539,780
Other lease expenses	370,051
Depreciation and amortisation	269,830
Utilities	120,195
Royalties	66,774
Advertising cost	6,144
Repairs and maintenance on property, plant and equipment	20,416
Security	18,752
Insurance	40,207
	4,666,134

In August 2013, at a meeting held by the Board of Directors of Prestige Holdings Limited, the necessary approvals and authorisations were provided with regard to the termination of the business of Prestige Restaurant Limited, as its operation in Barbados continued to incur significant operating losses in an unpredictable and declining market. The restaurant operated for nine months in this financial period.

The resulting total loss to the Group is disclosed in the Consolidated Income Statement as "Loss for the year from discontinued operations".

	2013 $	2012 $
Revenue	7,886,721	11,956,162
Cost of sales	(6,494,622)	(8,259,278)
Gross profit	1,392,099	3,696,884
Other operating and administrative expenses	(2,753,733)	(5,198,967)
Other income	33,716	171,647
Operating loss	(1,327,918)	(1,330,436)
Finance costs	(177,788)	(256,249)
Loss on disposal of property, plant and equipment	(6,423,798)	—
Loss for the year from discontinued operation	(7,929,504)	(1,586,685)

The following items have been charged in arriving at the loss on discontinued operations:

	2013 $	2012 $
Cost of inventories recognised as expenses	2,842,192	4,408,765
Loss on disposal of property, plant and equipment	6,423,798	—
Employee benefit expense	3,560,685	3,473,555
Other expenses	(715,167)	1,679,577
Other lease expenses	835,316	788,965
Depreciation and amortisation	935,069	692,007
Utilities	1,008,509	1,302,788
Royalties	332,029	503,369
Advertising cost	46,646	61,751
Repairs and maintenance on property, plant and equipment	129,368	228,606
Security	79,839	106,883
Foreign exchange gain	(6,693)	(10,694)
Insurance	200,562	222,673
	15,672,153	13,458,245

25 Group Earnings Per Share

(a) Basic

Basic earnings per share is calculated by dividing the net profit attributable to equity holders by the weighted average number of common shares in issue during the year.

	2013 $	2012 $
Profit attributable to owners of the Parent Company	44,329,008	44,567,583
Loss from discontinued operations attributable to the owners of the Parent Company	(6,307,173)	(3,245,448)
	38,021,835	41,322,135
Weighted average number of common shares in issue during the year exclusive of ESOP shares	61,204,912	61,181,009
Weighted average number of common shares in issue during the year inclusive of ESOP shares	62,034,695	62,010,792
Basic earnings/(loss) per share (exclusive of ESOP shares)		
From continuing operations	72.4¢	72.9¢
From discontinued operations	(10.3¢)	(5.3¢)
	62.1¢	67.6¢
Basic earnings/(loss) per share (inclusive of ESOP shares)		
From continuing operations	71.5¢	71.9¢
From discontinued operations	(10.2¢)	(5.2¢)
	61.3¢	66.7¢

(b) Diluted

For the diluted earnings per share, the weighted average number of common shares in issue is adjusted to assume conversion of all dilutive potential common shares. The share options allocated to employees and non-executive directors are based on the fair value of common shares at 30 November 2013.

	2013	2012
Profit attributable to owners of the parent company	44,329,008	44,567,583
Loss from discontinued operations attributable to the owners of the parent company	(6,307,173)	(3,245,448)
	38,021,835	41,322,135
Weighted average number of common shares in issue for diluted earnings per share	61,468,195	61,489,507
Diluted earnings/(loss) per share (exclusive of ESOP shares)		
From continuing operations	72.1¢	72.5¢
From discontinued operations	(10.3¢)	(5.3¢)
	61.8¢	67.2¢

26 Segment Information – Geographical Segment

The Group is principally engaged in the restaurant industry (casual, quick service and dessert), operating the worldwide KFC, Pizza Hut, Subway, TGI Fridays and TCBY concepts. Management has determined the operating segments based on the reports reviewed by the Executive Committee and the Board of Prestige Holdings Limited.

The Executive Committee and the Board consider the business from both a geographic and business unit perspective. Geographically, management considers the performance of operating companies in Trinidad and Tobago, Barbados and Jamaica. The Executive Committee and the Board assess the performance of the operating segments based on a measure of revenue and profit before tax.

Trinidad and Tobago is the home country of the Parent Company which is also the main operating Company. The Parent Company's principal subsidiaries operate in Barbados and Jamaica. All companies operate in the restaurant sector.

The segment results for the year ended 30 November 2013 are as follows:

	Trinidad $	Others $	Group $
Total segment revenue	889,126,168	13,041,076	902,167,244
Operating profit/(loss)	77,266,267	(896,988)	76,369,279
Finance costs - net	(13,801,436)	—	(13,801,436)
Profit/(loss) before taxation	63,464,831	(896,988)	62,567,843
Taxation	(18,129,648)	(109,187)	(18,238,835)
Profit/(loss) for the year from continuing operations	45,335,183	(1,006,175)	44,329,008
Loss from discontinued operations	—	(7,929,504)	(7,929,504)
Profit/(loss) for the year	45,335,183	(8,935,679)	36,399,504

The segment results for the year ended 30 November 2012 are as follows:

	Trinidad $	Others $	Group $
Total segment revenue	829,432,128	15,372,047	844,804,175
Operating profit	73,641,471	186,811	73,828,282
Finance costs - net	(12,482,717)	—	(12,482,717)
Profit before taxation	61,158,754	186,811	61,345,565
Taxation	(17,331,089)	553,107	(16,777,982)
Profit for the year from continuing operations	43,827,665	739,918	44,567,583
Loss from discontinued operations	(1,995,182)	(1,586,685)	(3,581,867)
Profit/(loss) for the year	41,832,483	(846,767)	40,985,716

Other segment items included in the consolidated income statement are as follows:

	Year ended 30 November 2013		
	Trinidad $	Others $	Group $
Depreciation	40,369,761	905,907	41,275,668
Amortisation	2,219,400	536,710	2,756,110

	Year ended 30 November 2012		
	Trinidad $	Others $	Group $
Depreciation	37,573,764	1,197,951	38,771,715
Amortisation	2,035,191	146,074	2,181,265

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Trinidad and Tobago Dollars)

26 Segment Information – Geographical Segment (Continued)

The segment assets and liabilities at 30 November 2013 and capital expenditure for the year then ended are as follows:

	Trinidad $	Others $	Group $
Assets	472,385,077	5,837,517	478,222,594
Liabilities	252,630,419	3,563,346	256,193,765
Capital expenditure	36,916,418	726,532	37,642,950

The segment assets and liabilities at 30 November 2012 and capital expenditure for the year then ended are as follows:

	Trinidad $	Others $	Group $
Assets	434,189,678	23,227,429	457,417,107
Liabilities	220,876,282	36,071,360	256,947,642
Capital expenditure	33,235,818	223,681	33,459,499

27 Dividends

On 26 February 2014, the Board of Directors of Prestige Holdings Limited recommended a final dividend subject to Shareholders' approval at the Annual Meeting of 15 cents, bringing the total dividends for the financial year ended 30 November 2013 to 27 cents (2012: 24 cents).

28 Cash Generated From Operations

	2013 $	2012 $
Profit before taxation, after discontinued operations	54,638,339	57,763,698
Adjustments for:		
Depreciation and amortisation	44,031,778	40,952,980
Finance costs (net)	13,801,436	12,738,966
Equity settled arrangements	—	144,000
Increase in retirement benefit obligations	73,986	73,863
Foreign exchange differences	(269,694)	(27,212)
(Profit)/loss on disposal of property, plant and equipment	(3,229,033)	743,195
Loss on disposal of property, plant and equipment from discontinued operation	6,423,798	—
Changes in current assets and current liabilities:		
Decrease/(increase) in inventories	1,353,373	(16,069,685)
Increase in trade and other receivables	(2,548,430)	(5,539,491)
(Decrease)/increase in trade and other payables	(1,074,890)	24,885,915
Increase in due to related parties	220,102	534,590
	113,420,765	116,200,819

29 Employee Benefit Expense

	2013	2012
Wages and salaries	120,571,911	115,104,343
Payroll related taxes and other benefits	14,646,828	10,377,113
Share based payment	—	144,006
Pension costs – defined contribution plan	607,393	495,351
Pension costs – defined benefit plan	646,281	573,059
	136,472,413	126,693,872

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Trinidad and Tobago Dollars)

30 Commitments And Contingencies

Capital commitments

Capital commitments for the Group amounted to approximately $1.7 million at 30 November 2013 (2012: $12.4 million).

Lease commitments

The Group's minimum lease commitments under the terms of various leases of property, plant and equipment used primarily for its restaurant operations, exclusive of any related value added tax, are as follows:

	2013 $	2012 $
Rentals due within one year	41,869,996	44,016,749
Rentals due between two to five years	100,225,228	142,095,224
Rentals due in more than five years	47,318,689	47,318,689
	189,413,913	233,430,662

Custom bonds

The Group has contingent liabilities in respect of custom bonds arising in the ordinary course of business from which it is anticipated that no material liabilities will arise as follows:

Custom bonds	1,025,000	1,025,000

31 Business Combination

Under an agreement dated 1 December 2011, Prestige Holdings Limited (PHL) acquired 100% of the Subway Restaurant business in Trinidad and Tobago and related assets from Main Stream Foods Limited, with effect from that date.

Main Stream Foods Limited is a successful private limited liability company, which was established in October 1997 and owned and operated forty (40) Subway restaurants throughout Trinidad and Tobago as at 1 December 2011. The acquisition will provide an increase in earnings per share on a stand alone basis. It is anticipated that after factoring interest costs and synergies, the combined Group performance will be further enhanced, and this will facilitate additional growth and development in the Trinidad and Tobago market for the Group. None of the goodwill recognised is expected to be deductible for income tax purposes.

The following table summarises the consideration paid for the Subway Restaurant business, the fair value of assets acquired and liabilities assumed at the acquisition date.

Consideration at 1 December 2011	$
Cash	65,000,000
Deferred payment to seller (due May 2013)	45,000,000
Payment to transfer franchise agreements and property	1,736,338
Total consideration	111,736,338
Recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	140,130
Rental deposits on restaurants' properties	625,185
Property, plant and equipment	51,537,293
Franchise agreements – initial fees and ongoing operations (Note 4)	40,800,000
Inventories	5,698,162
Trade payable – inventories	(5,698,162)
Total identifiable net assets	93,102,608
Goodwill (Note 4)	18,633,730
Total	111,736,338

Acquisition-related costs of $1,331,618 have been charged to administrative expenses in the consolidated income statement for the year ended 30 November 2012.

Management Proxy Circular

REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, CHAPTER. 81:01
(SECTION 144)

1. **Name of company:**
   Prestige Holdings Ltd. .... Company No. P-130 (C)

2. **Particulars of meeting:**
   The Annual Meeting of shareholders of the Company to be held at No. 22 London Street, Port of Spain on Wednesday 23 April, 2014 at 10.00 a.m.

3. **Solicitation:**
   It is intended to vote the proxy hereby solicited by the management of the Company (unless the shareholder directs otherwise) in favour of all resolutions specified in the Proxy Form sent to the shareholders with this circular and, in the absence of a specific direction, in the discretion of the proxy holder in respect of any other resolution.

4. ***Any director's statement submitted pursuant to section 76 (2):***
   No statement has been received from any director pursuant to section 76(2) of the Companies Act, Chapter. 81:01.

5. ***Any auditors' statement submitted pursuant to section 171 (1):***
   No statement has been received from the auditors of the Company pursuant to section 171(1) of the Companies Act, Chapter. 81:01.

6. ***Any shareholder's proposal and/or statement submitted pursuant to sections 116 (a) and 117 (2):***
   No proposal or statement has been received from any shareholder pursuant to sections 116(a) and 117 (2) of the Companies Act, Chapter. 81:01.

Date	Name and title	Signature
28 March 2014	Marlon Danglade Corporate Secretary	

PRESTIGE HOLDINGS LTD.
A Restaurant Management Company

Form of Proxy

REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, CHAPTER. 81:01
(SECTION 143(1))

1. Name of Company: **PRESTIGE HOLDINGS LTD.** Company No. P-130(C)

2. Particulars of Meeting: Annual Meeting of Shareholders to be held at No. 22 London Street, Port of Spain on Wednesday 23 April, 2014 at 10.00 a.m.

I/We ....

(Block Letters)

of..

(Block Letters)

shareholder(s) of the above Company, hereby appoint the Chairman, Mr. Christian Mouttet or failing him

.... of...

....

to be my/our proxy to vote for me/us on my/our behalf at the above meeting and any adjournment thereof in the same manner, to the same extent and with the same powers as if I/we were present at the said meeting or such adjournment or adjournments thereof, and in respect of the resolutions below to vote in accordance with my/our instructions below.

....

(Signature(s) of Shareholder(s))

Dated the .... day of.. 2014.

(Please indicate with an "X" in the spaces below your instructions on how you wish your votes to be cast. Unless otherwise instructed, the proxy may vote or abstain from voting as he/she thinks fit.)

Please consider the Notes **1 to 6** below for your assistance to complete and deposit this Proxy Form.

NOTES:

1. If it is desired to appoint as a proxy a person other than those named on the form, delete as necessary and insert the name and address of the person appointed.
2. If the Shareholder is a corporation, this Proxy Form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.
3. A Shareholder that is a body corporate may, in lieu of appointing a proxy, authorise an individual by resolution of its directors or governing body to represent it at this Annual Meeting.
4. In the case of a joint Shareholder, the names of all joint shareholders must be stated on the proxy form and all joint shareholders must sign the proxy form.
5. If the Proxy Form is returned without any indication as to how the person appointed proxy shall vote, the proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting.
6. To be valid, the signed proxy form must be deposited at the Registered Office of the Company at least 48 hours before the time of holding the Annual Meeting.

Return to:
Prestige Holdings Ltd.
47-49 Sackville Street
Port of Spain.

Form of Proxy

REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, CHAPTER. 81:01
(SECTION 143(1))

Resolution No.	Ordinary Business	For	Against
1	The Audited Financial Statements of the Company and its subsidiaries for the year ended 30 November 2013 together with the Reports of the Directors and the Auditors thereon be and the same are hereby received and adopted.		
2	Pursuant to the recommendation of the Directors, a final dividend of fifteen (15) cents per common share for the year ended 30 November 2013 be and the same is hereby declared, and that such dividend be paid on 19 May 2014 to shareholders whose names appear on the register of members on 5 May 2014.		
3	Mr. Joseph P. Esau be and is hereby re-elected, a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company to hold office from the date of his election until the close of the third Annual Meeting of the Company following his election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.		
4	Mr. Martin de Gannes who was appointed to the Board since the last Annual Meeting be and is hereby elected a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company to hold office from the date of his election until the close of the third Annual Meeting of the Company following his election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.		
5	Messrs. PricewaterhouseCoopers be and are hereby reappointed as the Auditors of the Company to hold office until the close of the next Annual Meeting.		

NOTES

NOTES

CELEBRATING COLLECTIVELY 2000 YEARS OF DEDICATED AND DISTINGUISHED SERVICE

40 YEARS AWARDEE Presented by Charles Pashley, CEO Prestige Holdings Ltd. (left), Ashram Sookram(Research and Development Manager)

35 YEARS AWARDEE Presented by Charles Pashley, CEO Prestige Holdings Ltd. (left), Trevor Rodriguez (Security Manager)

CHAMPIONS Restaurant of the Year. KFC Sangre Grande Management team receiving KFC Restaurant of the Year (L-R, Germain De Leon, Natalie Perez, Charles Pashley, Jo-Ann Farley, Grace Ragbir). Presented by Charles Pashley, CEO Prestige Holdings Ltd - Cedric Baptiste, Manager TGIF POS, receiving TGIF Restaurant of the Year. Deborah Grant, RGM, Subway Sangre Grande, receiving Subway. (L-R) Presented by Glenn Maharaj, Senior VP Yum! Brands - Charmaine Bascombe-Joseph, Acting RGM, KFC Gulf City Mall, receiving CER Champions Trophy. Bette Surrey, RGM, Pizza Hut Lowlands, receiving CHAMPS trophy. Jillian Trim, Acting RGM, KFC Rio Claro, receiving CHAMPS trophy. Carol Kelly, RGM, Pizza Hut Trincity, receiving Pizza Hut Restaurant of The Year.

30 YEARS AWARDEES (Clockwise from left) Presented by Charles Pashley, CEO Prestige Holdings Ltd. Almina Panueote (In Store Coach, KFC). Jennifer Haynes (In Store Coach, KFC). Veronica Darlington (Restaurant Support Centre). Minty Jankie-Ramdial (In Store Coach, KFC).

20 YEARS AWARDEE Presented by Angela Sobrian, VP Human Resources (left), Jennifer Gordon-Rampersad (RGM, KFC Pt. Fortin).

25 YEARS AWARDEES (L-R) Presented by Angela Sobrian, VP Human Resources - Carmen Joseph-Bridgeman (In Store Coach, KFC). Patricia Elcock (RGM, KFC Coffee St). Joslyn Eligon (Area Manager, KFC).

15 YEARS AWARDEES (L-R) Presented by Marlon Danglade, CFO Prestige Holdings Ltd. Loreen Didier-Ralph(Area Manager, KFC). Jo-Ann Farley (Area Manager, KFC). Erica Alexander (RGM, Pizza Hut Gulf View).

10 YEARS AWARDEES (Clockwise from left) Presented by Anthony Martins, VP Market Development - Cintra Johnson (Sandwich Artist, Subway). Presented by Lisa Fernandez, VP TGIF - Michael Cupidore (Services Department. Presented by Ian Curry, VP Subway - Tracey Ann Grant (RGM, KFC Montrose). Presented by Anthony Martins, VP Market Development - Cedric Baptiste (Manager, TGIF POS), Akisha Assoon (Shift Supervisor, PH Gulf View).