PRESTIGE HOLDINGS LTD.

A Restaurant Management Company

ANNUAL REPORT

OUR VISION

TO BE IN THE HEARTS AND MINDS OF OUR CUSTOMERS FOR EVERY EATING EXPERIENCE.

2011

PRESTIGE HOLDINGS LTD.
A Restaurant Management Company

47-49 Sackville Street, Port Of Spain, P.O.Box 3012
Tel: (868) 623-2646/8058 • Fax: (868) 623-6580

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NOTICE OF ANNUAL MEETING

NOTICE IS HEREBY GIVEN that the ANNUAL MEETING OF SHAREHOLDERS OF PRESTIGE HOLDINGS LIMITED ("the Company") will be held at No. 22 London Street, Port of Spain on Wednesday 25 April 2012 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 2011 together with the Reports of the Directors and Auditors thereon.

2. To declare a final dividend of ten (10) cents per common share.

3. To re-elect Mr. Glenn Maharaj 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 re-elect Mrs. Ria Morgan 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 her election until the close of the third Annual Meeting of the Company following her election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.

5. To elect Mr. Kurt Miller 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.

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

Dated: 29 March, 2012.

By Order of the Board

Jeannine du Coudray-Collier
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 **28 March, 2012,** 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

Joseph P. Esau	Chairman
Charles Pashley	Chief Executive Officer
Glenn I. Maharaj	Senior Vice President/YUM! Brands
Daniel J. Fitzwilliam	Director (Resigned effective 29 February 2012)
Angela Lee Loy	Director
Ria S. Morgan	Director
Christian E. Mouttet	Director
Kurt A.A. Miller	Director (Appointment effective 1 March 2012)

COMPANY SECRETARY & REGISTERED OFFICE

Jeannine du Coudray-Collier
47 - 49 Sackville Street
Port of Spain.

BANKERS

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

RBC Merchant Bank (Caribbean) Limited
4th Floor East,
St. Clair Place
7-9 St. Clair Avenue
Port of Spain

RBC Royal Bank (Trinidad and Tobago) Limited
19-21 Park Street
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 Deposit Ltd.
10th Floor, Nicholas Towers
63 Independence Square
Port of Spain

BOARD COMMITTEE

CORPORATE GOVERNANCE AND NOMINATION

Daniel J. Fitzwilliam	Chairman (Resigned effective 29 February 2012)
Joseph P. Esau	
Christian E. Mouttet	

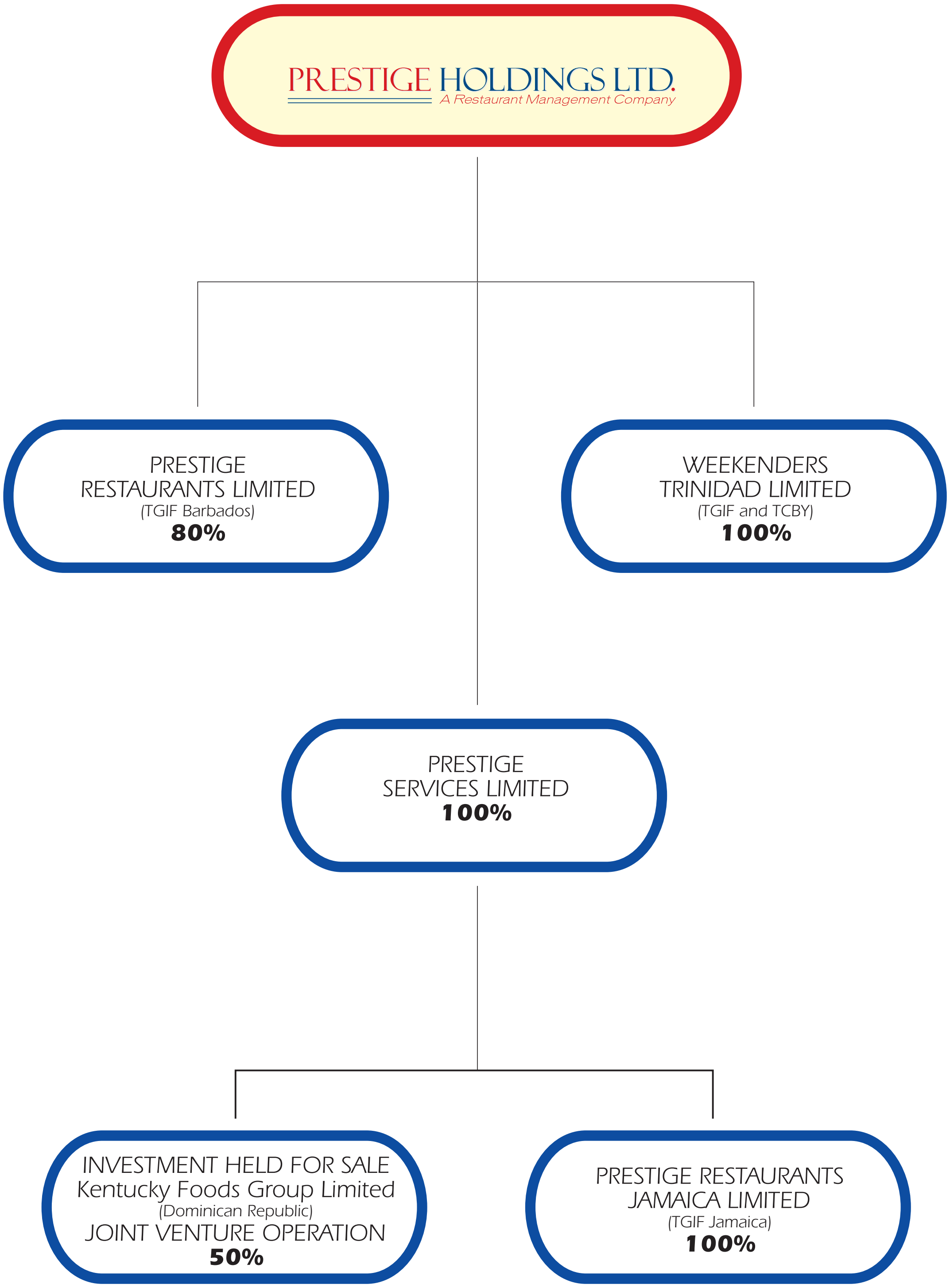
AUDIT

Angela Lee Loy	Chairman
Daniel J. Fitzwilliam	(Resigned effective 29 February 2012)
Ria S. Morgan	

HUMAN RESOURCE AND COMPENSATION

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

GROUP STRUCTURE



CHAIRMAN'S REPORT

Joseph P. Esau
Chairman

TO OUR SHAREHOLDERS, EMPLOYEES, CUSTOMERS AND PARTNERS

The past year was another one of actions for the growth of our business and improved returns to shareholders. The Dominican Republic (DR) business has experienced management challenges and heavy losses in recent years, and we are currently in negotiations for the sale of this joint venture operation. We acquired the Subway business in Trinidad & Tobago with effect from 1 December 2011. The final loss on the DR exit, represented by the carrying sunk cost of this investment, is disclosed in the Income Statement as "Loss from Discontinued Joint Venture Operation". The transaction and earnings from the Subway business acquisition will be reported in the financial statements from the first quarter of the year 2012.

Notwithstanding the ongoing recession, we experienced good profitability in our main businesses in Trinidad & Tobago until the declaration of the State of Emergency (SoE) and curfew towards the end of the third quarter in August 2011. The fourth quarter was therefore significantly affected by the resulting reduced business hours and consumer spending.

CONSOLIDATED PERFORMANCE AND FINANCIAL CONDITION

Group sales increased by 2% to $672 million, and profit after tax from continuing operations increased by 14% to $36.2 million, compared with $31.8 million in 2010. Profit attributable to shareholders, after substantially writing off the DR investment and losses from this discontinued operation, was $7 million compared with $24.3 million in the preceding year. Diluted earnings per share from continuing operations in 2011 were 59 cents compared with 52 cents in 2010, and 11 cents and 39 cents, respectively, after the charges for discontinued operations.

We again reduced borrowings, and the debt/equity ratio at end of 2011 was 44:56 compared with 47:53 in 2010.

At the close of 2011 we operated 70 restaurants, and that number increased to 110 after the Subway business acquisition.

TRINIDAD & TOBAGO OPERATIONS

Notwithstanding increased competition in the market and a weakening economy, our KFC and Pizza Hut businesses performed well until the SoE. The fourth quarter was challenging due to substantially reduced business hours for two and a half months of the curfew, which significantly constrained consumer spending, but we have seen a gradual improvement in sales since the lifting of the SoE in December 2011. On the positive side the strategies developed during the SoE have resulted in improved efficiency and service.

Our 54 KFC restaurants experienced same store sales growth over prior year, and the aggressive remodeling programme to the new brand image continued from 2010 and into 2012.

Our 7 Pizza Hut restaurants had yet another very good year, while the 3 T.G.I. FRiDAY's restaurants were adversely affected by operational issues and SoE, and ended the year with reduced profits.

OTHER MARKETS

The T.G.I. FRiDAY's restaurant in Kingston, Jamaica, again achieved improved sales, but had supply chain and food cost challenges, and the business earned a modest profit.

The Bridgetown, Barbados T.G.I. FRiDAY's restaurant is experiencing improved sales since the adjoining Marriott Hotel opening, but operated at a loss in a very weak economy.

We are continuing to work on improving efficiency and transactions in both markets.

DIVIDENDS

The Board has recognized that the charge of $29.5 million in 2011 for the investment in the DR does not affect the Company's cash position, and recommends a final dividend of 10 cents per common share, which, with shareholders' approval, would bring the total dividends payable for the financial year 2011 to 20 cents (2010 – 20 cents). The proposed final dividend would be paid on 28 May 2012 to shareholders whose names appear on the Register of Members on 7 May 2012.

OUTLOOK

Although the Trinidad & Tobago economy has been in recession, we expect improved performance from existing business units in 2012, based on market and operations initiatives. Additionally, acquisition of the Subway business at the start of the current year is expected to have a very positive effect on earnings per share, and brings new growth opportunities to our Company.

Based on the above, and barring any unforseen major negative developments, we are looking forward to improved earnings and dividend payments in 2012.

ACKNOWLEDGEMENTS

The SoE and curfew affected not only our logistics and business performance in 2011, but also presented many challenges to our employees who rallied to the Company's cause; we owe them a great debt of gratitude.

Mr. Daniel Fitzwilliam has recently resigned from the Board of Directors after twenty years of service. We cannot thank him enough for his sterling contributions to the development and practice of our governance standards, and his many other areas of experienced insights. The vacancy created by Mr. Fitzwilliam's resignation was filled by Mr. Kurt Miller, an eminent attorney, and we welcome him to the Board. To my fellow dedicated directors, I express my thanks for your unwavering commitment to the Company, and support.

We appreciate the continued trust and support of our customers, shareholders and business partners.

Joseph P. Esau
Chairman
16 February 2012

BOARD OF DIRECTORS' PROFILE

Joseph P. Esau, F.C.C.A., C.A.
Chairman

Mr. Esau is a Financial Consultant specialising in new projects, corporate capital restructuring and acquisitions. He is also Chairman of Agostini's Limited and a director of One Caribbean Media Limited (and Chairman of its subsidiary, Caribbean Communications Network Limited), Grace Kennedy Limited, Jamaica, and Arthur Lok Jack Graduate School of Business (UWI, St. Augustine). He is a former partner of Deloite & Touche, Trinidad.

Mr. Esau 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).

Christian E. Mouttet, B.A.
Director

Mr. Mouttet is the CEO of Victor E. Mouttet Limited, Chairman of Smith Robertson & Co. Ltd. and a Director of Republic Bank Limited.

Mr. Mouttet holds a Bachelor of Arts Degree with a double Major in Business Administration and Political Science from Wagner College, New York.

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 and 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.

BOARD OF DIRECTORS' PROFILE

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 firms 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).

Daniel J. Fitzwilliam, B.A. (Hons), LL.B. (Hons)
Director
(Resigned effective 29 February 2012)

Mr. Fitzwilliam is a Consultant at Fitzwilliam, Stone, Furness-Smith & Morgan having retired on 31 December 2008 as a Senior Partner with this Firm for 26 years and the Head of their Commercial Department. He has been a Director of the Company since 1991. He is also a Director of Scotiabank Trinidad and Tobago Limited and Scotiatrust and Merchant Bank Trinidad and Tobago Limited.

Mr. Fitzwilliam holds a Bachelor of Arts Degree (Honours Business Administration) from the Ivey Business School of the University of Western Ontario, Canada, a Bachelor of Law Degree (Honours) from the University of the West Indies and a Legal Education Certificate of Merit from the Hugh Wooding Law School.

Kurt A.A. Miller, LL.B. (Hons)
Director
(Appointment effective 1 March 2012)

Mr. Kurt 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 area of specialty is 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, securitization transactions and aviation transactions.

Mr. Miller is a graduate of the University of the West Indies (LL.B. 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 recognized in the Corporate/ Commercial Trinidad and Tobago section of Chambers Global: The World's Leading Lawyers.

BOARD OF DIRECTORS' PROFILE

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 the running of 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 Sports for Life – Trinidad and Tobago. He also served as President of the Caribbean and Latin American (CARIBLA) Franchise Association for YUM Brands from March 2011 to February 2012.

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 thirty five years' experience in Auditing and Business Advisory Services with Aegis, PricewaterhouseCoopers and its precursor Price Waterhouse.

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).

EXECUTIVE TEAM'S PROFILE

Charles Pashley, MBA, F.C.C.A. , C.A.
Chief Executive Officer

(See page 11)

Angela Laquis-Sobrian, B.A. (Hons)
Post Graduate Diploma (Education/Management)
Vice President Human Resources

Ms. Sobrian has over fifteen 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 Limited, she served as the Human Resources Manager of a major organisation where she played an integral role in the strategic planning process and aligning the performance management system more closely with Company goals and targets.

Ms. Sobrian holds a Bachelor or Arts Degree with Honours from the University of the West Indies, Post Graduate Diploma in Education and Management and has recently been certified as a Compensation and Global Remuneration Professional. She has also successfully completed both the Human Resource and Strategic Management MBA Modules through the Henley Management College, England. In addition, Ms. Sobrian has attended several training programmes, locally and abroad, in areas such as, management development, group leadership, organisational change and strategic management.

EXECUTIVE TEAM'S PROFILE

Glenn I. Maharaj, F.C.C.A., C.A., C.I.S.A.
Senior Vice President/ Business Leader – YUM! Brands

(See page 12)

Lisa Fernandez
Vice President - T.G.I. FRiDAY'S

Ms. Lisa Fernandez joined Prestige Holdings Limited in December 2010 in the position of Vice President, T.G.I. FRiDAY'S. 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, specializing 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 twenty five (25) years of international experience in the retail industry to Prestige Holdings Limited.

EXECUTIVE TEAM'S PROFILE

Marlon Danglade, F.C.C.A
Chief Financial Officer

Mr. Danglade joined Prestige Holdings Limited as Chief Financial Officer in 2007 from PricewaterhouseCoopers where he held the position of Audit and Business Advisory Services Manager. A Fellow of the Association of Chartered Certified Accountatnts of the United Kingdom (FCCA), Mr. Danglade has over 10 years auditing and business advisory experience and has led a wide variety of external audit engagements within the financial, manufacturing, retailing and transportation industries.

Jeannine du Coudray-Collier, LL.B. (Hons)
Vice President Legal and Company Secretary

Mrs. du Coudray-Collier, Attorney-at-Law, joined Prestige Holdings Limited, as the Vice President of Legal and Company Secretary in 2008. She has 12 years experience in Corporate Law, Corporate Governance, Environmental Law, Contract Law, Conveyancing and Corporate Secretarial functions and therefore brings to the Group a wealth of experience and knowledge.

Mrs. du Coudray-Collier holds an LL.B. Honours Degree in Law from the University of Wolverhampton in the United Kingdom and a Legal Education Certificate of the Council of Legal Education from the Hugh Wooding Law School in Trinidad and Tobago and has been a member of the Law Association of Trinidad and Tobago since 1997.

Anthony Martins
Vice President – Market Development

Mr. Martins joined Prestige Holdings Limited in 1978 as a Shift Supervisor at St. James, our first KFC 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.

MANAGEMENT DISCUSSION AND ANALYSIS

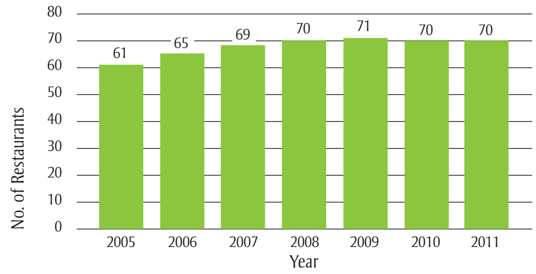
The following discussion and analysis is provided to facilitate the reader's assessment of the Group's results for fiscal year ended 30th November 2011 and the strategies used to generate the business opportunities during the financial year.

This should be read in conjunction with the consolidated financial statements provided in the Annual Report.

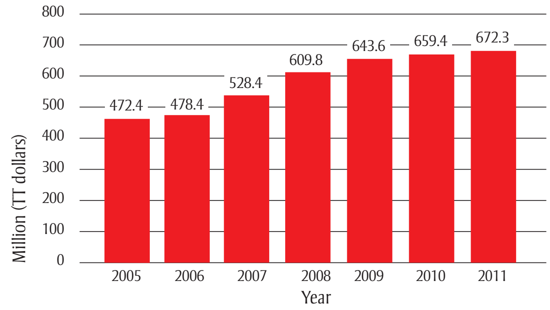
OVERVIEW

This, our 38th year of operations, began on a very positive note with our first three quarters providing significant improvements over the prior year's results. As with the rest of the business community in Trinidad and Tobago, we encountered the unexpected challenges of the reduced business hours which resulted from the State of Emergency and the accompanying curfew. This impacted the results for the period August to November 2011.

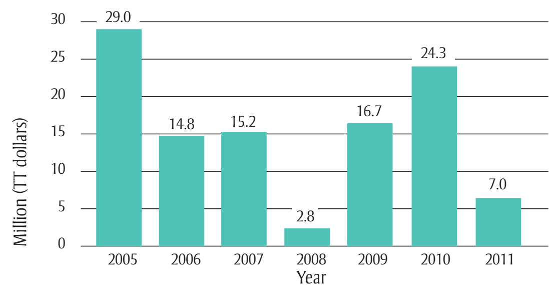
No. OF RESTAURANTS
- Continuing Operations



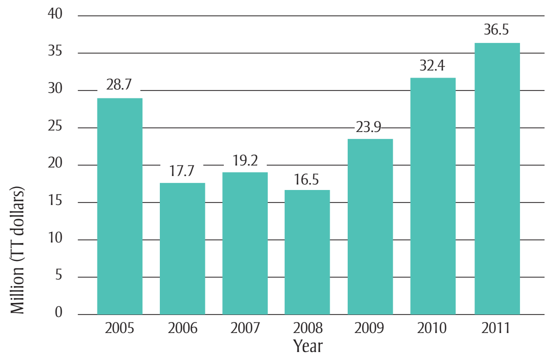
GROUP SALES



GROUP PROFITS ATTRIBUTABLE
TO SHAREHOLDERS



GROUP PROFITS ATTRIBUTABLE
TO SHAREHOLDERS
- CONTINUING OPERATIONS



Our Joint Venture in the Dominican Republic continued to provide us with governance and management challenges during the year, and in keeping with our strategy of exiting loss making businesses that did not present strong prospects of generating adequate returns, we decided to cut our losses by exiting the market.

On a brighter note we made significant strides to expand and secure our Market dominant position with our acquisition at the start of the 2012 financial year of the Subway Business in Trinidad and Tobago. We are of the view that this will provide us with substantial growth opportunities in the next few years.

The performance of the business during the year has been very encouraging. It supports the decisions made over the last three years to discontinue unprofitable operations and expand in markets in which we have the expertise to allow us to build a solid platform for growth and improved returns to shareholders.

OUR FINANCIAL PERFORMANCE

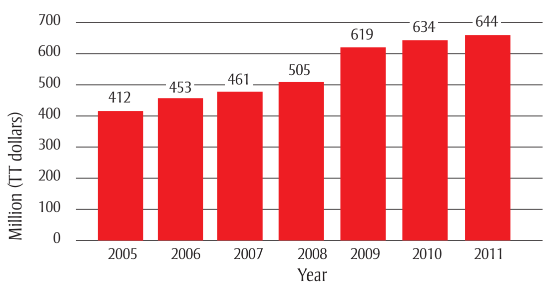
Financial Summary

Revenue from continuing operations increased from $659.4 million in 2010 to $672.3 million in 2011 representing a 2% growth over prior year. Profit after tax from continuing operations increased by 14% from $31.8 million to $36.2 million, while profit attributable to shareholders (including the effect of discontinued operations) decreased from $24.3 million to $6.9 million. The loss from discontinued operation in 2011 was $29.5 million and represented the write off of our Dominican Republic joint venture investment including its operating losses for the year.

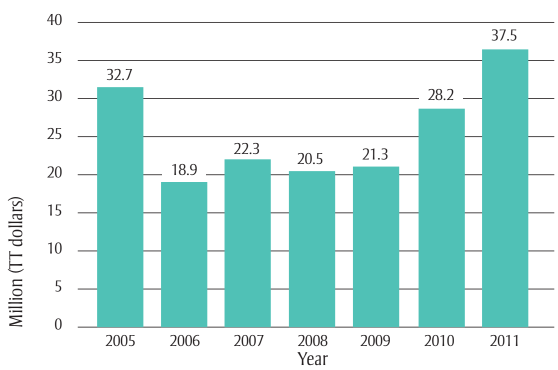
Trinidad and Tobago Operations

Revenues for the Trinidad and Tobago businesses increased by 2% from $633.6 million to $643.9 million, while our post-tax profits increased by 33% from $28.2 million to $37.5 million. Our KFC and Pizza Hut brands continued to achieve same store sales growth, while our T.G.I. FRiDAY'S and TCBY performances fell short of expectation and prior year.

SALES
- TRINIDAD AND TOBAGO



PROFITS ATTRIBUTABLE
TO SHAREHOLDERS
- TRINIDAD AND TOBAGO



Overseas operations - T.G.I. FRiDAY'S

Our T.G.I. FRiDAY'S restaurant in Jamaica achieved sales of 10% over prior year and recorded a small profit.

Our T.G.I. FRiDAY'S restaurant in Barbados achieved increased sales but suffered a loss due primarily to the severe recession in that market.

Group investments

Capital expenditure for the year totalled $22.6 million (2010: $39.9 million). Our investing activities were primarily utilised in our Trinidad and Tobago operations where we renovated 5 KFC's and 1 Pizza Hut restaurant under the new images. In 2010, our capital expenditure included the opening of four new stores and renovation of 10 restaurants under the new image in Trinidad and Tobago.

Borrowings

Our debt/equity ratio improved from 47:53 to 44:56 with total borrowings for the Group, net of cash and cash equivalents, closing 2011 at $97 million (2010: $114 million).

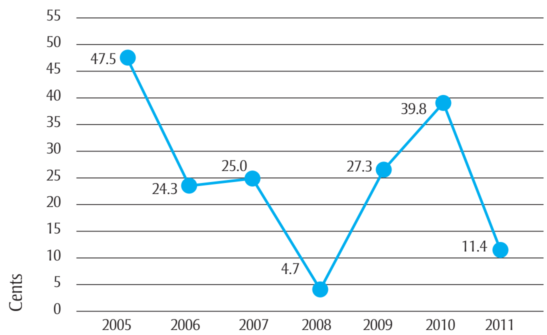
Finance cost reduced by 20% compared with prior year, primarily driven by the reduction in debt coupled with falling interest rates on short term borrowing facilities. This is consistent with our planned strengthening of the balance sheet.

Earnings Per Share

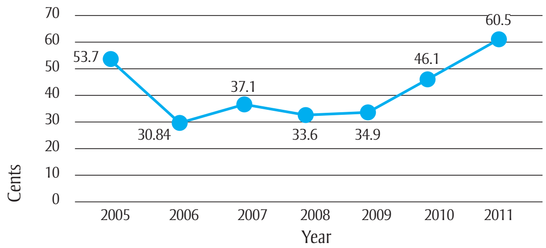
Our basic Group Earnings Per share (EPS) amounted to 11.4 cents in 2011 compared with the prior year's 39.8 cents, a decline by 71%. The basic Group EPS from continuing operations amounted to 59.6 cents compared with 53 cents in 2010, representing an improvement of 12%.

The EPS for our Trinidad and Tobago operations increased by 31% from 46.1 cents to 60.5 cents.

GROUP EARNINGS PER SHARE



EARNINGS PER SHARE
- TRINIDAD AND TOBAGO



Share Price

The Company's stock price closed at $6.80 as at 30 November 2011 (2010: $4.01). The share price improved subsequent to the financial year-end, and as at 8 March 2012 was $8.00 (a further improvement of 18%).

BUILDING PEOPLE CAPABILITY

As we continued our efforts to build World Class Operations, our strategy was aimed at equipping our people with the knowledge and skills to drive great operations and customer satisfaction, in keeping with our Annual Operating theme of being "Customer Driven".

In 2011, we expanded our commitment to develop leadership and management behaviour within the restaurant management teams for all brands. Programmes focused primarily on communication essentials, strategies for handling conflicts, team building, time management and dealing effectively with non-performers and problem employees. The investment in training resulted in an increase in the employee retention rate. Effective performance management was driven by a revised Balanced Scorecard and Performance Assessment, designed to reinforce employee and company goal alignment for all brands. Focus was also placed on identifying high potential employees, for development to management positions, both at the store and administrative levels. Many workshops were conducted during the year to produce prospective Bench managers and Supervisors.

Our recruitment and selection activity was enhanced by the introduction of a revised Orientation and On-boarding process. Training stores were established, each with an assigned In-Store Trainer. This initiative ensured that new hires were properly inducted into their roles, and proved to be effective in terms of focused learning and an easier transition into the work environment.

An aggressive external recruitment campaign was also simultaneously launched to increase staffing to the required levels, and to attract a more diverse cadre of workers.

With the strong foundations built in 2011, coupled with the focus on employee development, the Company will continue to meet the expectations of our people, customers and shareholders in 2012.

PHL Team Builder Day 1

PHL Team Builder Day 2

MARKETING

KFC

KFC continued to build on the solid menu innovations and successes of the previous year: introducing unique products, original and interactive marketing campaigns and initiatives that kept the brand fresh and engaging to our consumers year round.

In December 2010, KFC's "Together Campaign" invited consumers to share the food, festivity and friendship of a true "Trini Christmas" with the launch of savoury wedges, the perfect complement to our signature KFC chicken. Carnival 2011, proved to be another winning season with the launch of KFC's "Food for d' Road" 360 degree campaign: incorporating a 100% original soundtrack, popcorn chicken, branded Carnival events and the inaugural *KFC Carnival Road show, Primary School Tour*, providing the right mix of elements for a truly memorable campaign.

In March 2011, KFC maintained post-Carnival traditions with our premium fish menu featuring shadon beni tartar sauce. May 2011 ushered in the "Doublicious" sandwich; offering consumers layers of new and irresistible taste sensations that complemented KFC's range of signature sandwiches.

In November 2011, after months of retraining, revitalisation and renewal of our team's commitment to the brand, our customers and shareholders, KFC celebrated a major brand relaunch moving away from "finger lickin' good," and heralding the "sogood" era. For Team KFC, this was an opportunity to strengthen the relationship between our brand and our consumers; reconnecting emotionally to "become the Quick Service Restaurant (QSR) that's so loved by our customers, they describe it as sogood."

KFC maintained our commitment to investing in children's and youth programmes. We were especially proud to partner with the inaugural *Bocas Lit Fest* to sponsor and host the maiden Story-telling workshops at KFC restaurants. Children and teens throughout Trinidad and Tobago were encouraged to unleash their imagination to create original stories which have been compiled into a book to be distributed to school and community libraries nationwide.

KFC will continue to be relevant, exciting and connected to our customers in the most innovative and positive way.

KFC Gulf View

KFC Westmall

PIZZA HUT

The Pizza Hut brand continued to gain market share in Trinidad and Tobago with a strong sales performance in 2011. Our new Enhanced Dine in Restaurant Image (EDI) and an expanded menu have been well received by the market. In August 2011, we celebrated the re-launch of the Roxy restaurant in Woodbrook, Port of Spain; the second restaurant to be upgraded to the new EDI (first was Gulf View in July 2010). Roxy now boasts more seating, more party rooms, a fully integrated kitchen, expansive salad bar and a larger, more comfortable carryout area; all to the benefit and enjoyment of the customer.

New Products Innovation was the name of the game in the pizza category where we launched several new and genre revolutionising products such as the "Golden Stuffed Crust Pizza", "3 Cheese Stuffed Crust Pizza" and the "Cheesy Bites Gold Pizza", all of which were customer favourites, and really inspired users, both lapsed and frequent, to patronise the brand throughout the year. Additionally, we continued to strengthen our position in the Pasta category, launching new offerings to our already growing pasta catalogue. While we saw success with innovation, the Brand also sought to strengthen its position with core product range, with the "Your Favourites" campaign which reintroduced the consumer to the products that made Pizza Hut famous since its inception in Trinidad and Tobago. Pan Pizza, Stuffed Crust and Thin Crust were the products that made the brand what it is today, and this campaign sought to celebrate that fact and remind customers what it is that makes Pizza Hut so special. We are excited about the future prospects of the Pizza Hut Brand in Trinidad and Tobago.

Pizza Hut Roxy

Pizza Hut Roxy, New Image

T.G.I. FRiDAY'S

In 2011 T.G.I. FRiDAY'S continued to build on the focus from 2010 with an ongoing commitment to great food and great service, in order to deliver a true FRiDAY'S experience to every guest. Emphasis was placed on service to our guests and we invited them to rate us through GEM, our online Guest Experience Monitor. In addition, our food quality and selection continued to evolve and improve through introduction of new menu items, retraining of our team members, and sourcing of the best ingredients.

Recognising that menu innovation was key to our success, we revamped menus and introduced several new menus including a new food and beverage menu, a new bar menu, and a new kid's menu. In addition we introduced our guests to an even wider selection of FRiDAY'S offerings through our promotions: new seafood selections during Lent with "More Flavour, More Fish", new pastas during "FRiDAY'S Speaks Italian", bold new flavours with "Tex Mex" and warm and hearty meals for the Holidays with our "Chef's Holiday Menu". T.G.I. FRiDAY'S also remained the place to celebrate with friends and family with special offerings for Valentine's Day, Mother's Day, Father's Day and Birthdays.

In September we competed in all the locations to find the best bartender on our team to represent us in the Regional and Global Bar Championships. During the competitions guests were invited to see us deliver FRiDAY'S cocktails with true FRiDAY'S flair at all of the locations. In 2012 we will do it all over again and Trinidad will be the host country for the Regional Meetings and the Regional Bar Championships for Latin America and the Caribbean.

The initiatives begun in 2010 and followed through on in 2011 will be the foundation on which we continue to build in 2012.

T.G.I.F. Port of Spain patio

PHOTO ALBUM

PHOTO ALBUM


PRESTIGE


92%


FRiDAYS
Habitat For Humanity T&T
TT Five Thousand
T.G.I. FRiDAYS

PHOTO ALBUM

Report Of Directors

The Directors are pleased to present their report for the year ended 30 November, 2011.

1. CONSOLIDATED FINANCIAL RESULTS AND DIVIDENDS

	$
Profits attributable to shareholders	6,950,296
Final dividends for 2010 (Paid 12 cents per common share)	(7,341,721)
Interim dividends for 2011 (Paid 10 cents per common share)	(6,118,101)
Effect of acquisition of non-controlling interest	(1,665,947)
Retained profits for the year	(8,175,473)
Retained profits brought forward from prior year	90,642,098
Retained profits at end of year	82,466,625

2. DIVIDENDS

The Directors recommended that the interim dividend paid on 27 September, 2011 be ten (10) cents and on 16 February, 2012 the final dividend of ten (10) cents for the year under review.

3. DIRECTORS

The Directors as of 30 November, 2011, were as follows:-
Joseph Esau, Daniel Fitzwilliam, Angela Lee Loy, Glenn Maharaj, Ria Morgan, Christian Mouttet and Charles Pashley

In accordance with paragraph 4.5 of the Company's By-Law No. 1, the terms of office of Mr. Glenn Maharaj and Mrs. Ria Morgan expire at the close of the Annual Meeting to be held on 25 April, 2012. Mr. Maharaj and Mrs. Morgan being eligible, offer themselves for re-election as Directors for the term from the date of their election until the close of the third Annual Meeting following their election, subject always to earlier termination under paragraph 4.8.1 of the Company's By-Law No. 1.

Effective 29 February, 2012, Mr. Daniel Fitzwilliam resigned from the Board of Directors and as Chair of the Corporate Governance and Nomination Committee as well as a member of the Audit Committee. As a result and in accordance with paragraph 4.4.1 of the Company's By-Law No. 1, Mr. Kurt Miller, was elected as a Director by the Board of Directors, effective 1 March, 2012.

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.

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, 2011.

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
Daniel J. Fitzwilliam	147,500	30,000	Nil
Angela Lee Loy	Nil	Nil	Nil
Glenn I. Maharaj	97,407	253,893	Nil
Ria S. Morgan	55,000	30,000	Nil
Christian E. Mouttet	Nil	Nil	Nil
Charles Pashley	110,000	Nil	Nil
Kurt Miller	40,000	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 29 February, 2012 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
Jeannine du Coudray- Collier	Nil	Nil	Nil
Marlon Danglade	Nil	19,378	Nil
Anthony Martins	36,402	141,671	Nil
Angela Sobrian	11,834	187,813	Nil
Lisa Fernandez	Nil	Nil	Nil

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, 2011 and as at 29 February, 2012 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	42,665,500
RBTT Trust Limited	Nil	3,690,356
Republic Bank Limited	Nil	1,675,000
Pelican Investments Limited	Nil	1,464,179
Joseph P Esau	Nil	1,200,000
Employees Profit Sharing & Share Ownership Plan	Nil	1,112,240
Guardian Life Of The Caribbean Ltd	Nil	1,052,539
Brimont Limited	Nil	600,100
Issa Nicholas	Nil	566,666
T Geddes Grant Ltd Pension Fund Plan	Nil	300,000

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

The Directors' report to the Shareholders in compliance with the Companies Act, Chapter 81:01 - the following transactions between the Parent Company and the Company in which a Director had an interest:-

(1) The purchase consideration for 100% of the Subway Restaurant Business in Trinidad and Tobago and related assets from Mainstream Foods Limited as acquired by the Company on 1 December, 2011 was financed in part by an unsecured loan from the Parent Company of $65 million bearing a fixed interest rate of 7.5% on the principal balance of which $5 million is repayable at the end of each succeeding 3 years. This loan is convertible to Common Shares at the Company's option, through a rights issue of up to $50 million, and as soon as it is practicable, the Company will review the Group's combined capital structure to determine the optimal debt to equity ratio, and to take appropriate action on its capitalization.

(2) The Company made without prejudice a payment of $5.9 million on a disputed tax liability in respect of the income year 1997, 1998 and 1999 in order to take advantage of a tax amnesty. At the Company's request, the Parent Company has given a guarantee for the amount of this repayment should the dispute not be resolved in the Company's favour. The Company's auditors have expressed their satisfaction with this arrangement.

In accordance with the provisions of the Companies Act, Mr. Christian Mouttet, a Non-Executive Director of the Company who is also a Director and an officer of the Parent Company, declared his interest in these proposed transactions before the Board of Directors of the Company and was not present at, nor formed part of the quorum, nor voted on the Board's Resolutions to approve these transactions. Both transactions were approved by the remaining Directors as reasonable and fair to the Company at the time.

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 29th day of March 2012

JOSEPH P. ESAU

JEANINE DU COUDRAY-COLLIER

Audit Committee Report

The Audit Committee assists the Board in fulfilling its responsibility to oversee Management's implementation of financial reporting, risk management and internal controls processes. The Committee met six (6) times in 2011.

The Company's Chief Financial Officer along with the Management Team has the responsibility for the timely preparation and accuracy of the quarterly and annual financial statements and reporting process, subsequent to an in depth review and discussions with the Audit Committee and the Company's external auditors.

The Committee has also discussed with the Company's management, the internal auditors and the independent external auditors, the adequacy of the internal accounting controls and has received the assurance of the external auditors that the processes have produced statements giving a true and fair view of the affairs of the Company.

Recommendations for improvements and/or adjustments were made to management and the Board, all of which were accepted, and were either implemented or are in the process of being implemented.

The scope of work of the external auditors was also reviewed and based on this review and discussions with them, together with the Committee's reviews of the internal audit reports, the Committee has recommended to the Board of Directors that the audited financial statements be approved for presentation to the shareholders of the Company.

The Audit Committee

Angela Lee Loy (Chair)
Daniel Fitzwilliam
Ria Morgan

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 (Parent Company) and its subsidiaries and its joint venture (the 'Group') which comprise the consolidated balance sheet as at 30 November 2011 and the consolidated income statement, consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended and 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 the Group as at 30 November 2011, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Pricewaterhouse Coopers

PricewaterhouseCoopers
27 February 2012
Port of Spain
Trinidad, West Indies

Consolidated Balance Sheet

(Expressed in Trinidad and Tobago Dollars)

	Notes	30 November 2011 $	2010 $
ASSETS			
Non-current assets			
Property, plant and equipment	3	243,335,222	251,878,674
Intangible assets	4	14,958,336	15,301,531
Investment in joint venture	6	–	20,446,888
Deferred income tax assets	7	2,069,403	692,937
		260,362,961	288,320,030
Current assets			
Inventories	8	26,854,594	24,070,164
Trade and other receivables	9	15,334,337	10,694,233
Current income tax assets		6,255,602	5,603,124
Cash and cash equivalents (excluding bank overdrafts)	10	12,143,271	10,683,702
		60,587,804	51,051,223
Assets of disposal group classified as held for sale	11	634,000	–
		61,221,804	51,051,223
Total assets		321,584,765	339,371,253
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent Company			
Share capital	12	21,156,749	21,156,749
Equity – settled arrangements		5,353,250	5,053,250
Other reserves	13	19,539,921	19,579,910
Retained earnings		82,466,625	90,642,098
		128,516,545	136,432,007
Unallocated shares held by ESOP	14	(4,644,286)	(4,644,286)
Non-controlling interests	15	(786,579)	(1,475,190)
Total equity		123,085,680	130,312,531
LIABILITIES			
Non-current liabilities			
Borrowings	16	60,325,774	77,085,974
Deferred income tax liabilities	7	8,690,242	9,542,390
		69,016,016	86,628,364
Current liabilities			
Trade and other payables	17	76,871,162	73,084,650
Borrowings	16	49,293,993	47,175,291
Due to affiliated companies	18	1,043,759	881,517
Current income tax liabilities		2,252,192	1,174,092
Bank overdrafts	10	21,963	114,808
		129,483,069	122,430,358
Total liabilities		198,499,085	209,058,722
Total equity and liabilities		321,584,765	339,371,253

The notes on pages 35 to 63 are an integral part of these consolidated financial statements.

On 16 February 2012, 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 2011 $	2010 $
Continuing operations			
Revenue		672,276,469	659,431,876
Cost of sales	19	(435,660,091)	(431,625,578)
Gross profit		236,616,378	227,806,298
Other operating expenses		(140,712,707)	(131,616,889)
Administrative expenses		(40,166,010)	(42,466,265)
Other income		2,083,341	1,101,473
Operating profit		57,821,002	54,824,617
Finance costs - net	21	(9,386,368)	(11,697,884)
Profit before income tax		48,434,634	43,126,733
Income tax expense	22	(12,226,781)	(11,316,146)
Profit for the year from continuing operations		36,207,853	31,810,587
Discontinued operations			
Loss from discontinued joint venture operation	11	(29,510,953)	(3,074,346)
Loss for the year from discontinued operation	23	–	(5,013,114)
Profit for the year		6,696,900	23,723,127
Profit attributable to:			
Owners of the Parent Company		6,950,296	24,342,970
Non-controlling interests	15	(253,396)	(619,843)
		6,696,900	23,723,127
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**			
From continuing operations		59.6¢	53.0¢
From discontinued operations		(48.2¢)	(13.2¢)
		11.4¢	39.8¢
- **Diluted earnings/(loss) per share**			
From continuing operations		59.4¢	52.8¢
From discontinued operations		(48.1¢)	(13.2¢)
		11.3¢	39.6¢
- **Basic earnings/(loss) per share (inclusive ESOP shares)**			
From continuing operations		58.8¢	52.3¢
From discontinued operations		(47.6¢)	(13.0¢)
		11.2¢	39.3¢

The notes on pages 35 to 63 are an integral part of these consolidated financial statements.

Consolidated Statement Of Comprehensive Income

(Expressed in Trinidad and Tobago Dollars)

	2011 $	2010 $
	Year Ended 30 November	
Profit for the year	6,696,900	23,723,127
Other Comprehensive (Loss)/Income		
Currency translation differences	(39,989)	240,666
Total Comprehensive Income For The Year	6,656,911	23,963,793
Attributable To:		
- Owners of the parent company	6,910,307	24,580,051
- Non-controlling interests	(253,396)	(616,258)
Total Comprehensive Income For The Year	6,656,911	23,963,793

The notes on pages 35 to 63 are an integral part of these consolidated financial statements.

Consolidated Statement Of Changes In Equity
(Expressed in Trinidad and Tobago Dollars)

ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY

	Notes	Share Capital $	Equity Settled Arrangements $	Other Reserves $	Retained Earnings $	Total $	Unallocated Shares Held by ESOP $	Non Controlling Interest $	Total Equity $
Balance at 1 December 2009		21,084,044	4,558,250	12,563,554	76,088,089	114,293,937	(4,644,286)	5,920,343	115,569,994
Comprehensive Income/(loss)									
Profit/(loss) for the year		–	–	–	24,342,970	24,342,970	–	(619,843)	23,723,127
Other comprehensive income/(loss)									
Effect of de-consolidation of subsidiary		–	–	6,779,275	–	6,779,275	–	(6,779,275)	–
Currency translation differences		–	–	237,081	–	237,081	–	3,585	240,666
Total comprehensive income/(loss)		–	–	7,016,356	24,342,970	31,359,326	–	(7,395,533)	23,963,793
Transactions with owners									
Share based payments		–	495,000	–	–	495,000	–	–	495,000
Proceeds from shares issued	12	72,705	–	–	–	72,705	–	–	72,705
Dividends for 2009									
- Paid – 8 cents per share		–	–	–	(4,960,863)	(4,960,863)	–	–	(4,960,863)
Dividends for 2010									
- Paid – 8 cents per share		–	–	–	(4,960,863)	(4,960,863)	–	–	(4,960,863)
Dividends to ESOP		–	–	–	132,765	132,765	–	–	132,765
Total transactions with owners		72,705	495,000	–	(9,788,961)	(9,221,256)	–	–	(9,221,256)
Balance at 30 November 2010		21,156,749	5,053,250	19,579,910	90,642,098	136,432,007	(4,644,286)	(1,475,190)	130,312,531
Balance at 1 December 2010		21,156,749	5,053,250	19,579,910	90,642,098	136,432,007	(4,644,286)	(1,475,190)	130,312,531
Comprehensive income/(loss)									
Profit/(loss) for the year		–	–	–	6,950,296	6,950,296	–	(253,396)	6,696,900
Other comprehensive income/(loss)									
Currency translation differences		–	–	(39,989)	–	(39,989)	–	–	(39,989)
Total comprehensive income/(loss)		–	–	(39,989)	6,950,296	6,910,307	–	(253,396)	6,656,911
Transactions with owners									
Share based payments		–	300,000	–	–	300,000	–	–	300,000
Effect of acquisition of non-controlling interests		–	–	–	(1,665,947)	(1,665,947)	–	852,347	(813,600)
Equity injection – non-controlling interests	15	–	–	–	–	–	–	89,660	89,660
Dividends for 2010									
- Paid – 12 cents per share		–	–	–	(7,441,295)	(7,441,295)	–	–	(7,441,295)
Dividends for 2011									
- Paid – 10 cents per share		–	–	–	(6,201,079)	(6,201,079)	–	–	(6,201,079)
Dividends to ESOP		–	–	–	182,552	182,552	–	–	182,552
Total transactions with owners		–	300,000	–	(15,125,769)	(14,825,769)	–	942,007	(13,883,762)
Balance at 30 November 2011		21,156,749	5,353,250	19,539,921	82,466,625	128,516,545	(4,644,286)	(786,579)	123,085,680

The notes on pages 35 to 63 are an integral part of these consolidated financial statements.

Consolidated Statement Of Cash Flow
(Expressed in Trinidad and Tobago Dollars)

	Notes	Year Ended 30 November 2011 $	2010 $
Cash Flows From Operating Activities			
Cash generated from operations	28	75,569,249	91,530,407
Interest paid		(9,386,368)	(11,697,884)
Income tax paid		(14,034,485)	(13,253,579)
Net cash generated from operating activities		52,148,396	66,578,944
Cash Flows From Investing Activities			
Effect of acquisition of non-controlling interests		(813,600)	–
Purchase of intangible assets	4	(1,930,359)	(1,378,814)
Purchase of property, plant and equipment	3	(20,044,647)	(38,684,177)
Proceeds from disposal of property, plant and equipment		204,284	194,061
Net cash used in investing activities		(22,584,322)	(39,868,930)
Cash Flows From Financing Activities			
Proceeds from borrowings		15,443,312	7,533,475
Equity injection - non-controlling interests	15	89,660	–
Dividends paid to shareholders		(13,459,822)	(9,788,961)
Repayment of borrowings		(30,084,810)	(35,473,748)
Proceeds from issue of shares	12	–	72,705
Net cash used in financing activities		(28,011,660)	(37,656,529)
Net Increase/(Decrease) In Cash, Cash Equivalents And Bank Overdrafts		1,552,414	(10,946,515)
Cash, Cash Equivalents And Bank Overdrafts			
At start of year		10,568,894	21,515,409
At end of year	10	12,121,308	10,568,894

The notes on pages 35 to 63 are an integral part of these consolidated financial statements.

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 and Pizza Hut 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 T.G.I. FRiDAY'S 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 T.G.I. FRiDAY'S 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 T.G.I. FRiDAY'S, TCBY Treats, Mrs Fields Cookies and Pretzel Time Brands in Trinidad and Tobago. It has the development, operational and distribution rights in Trinidad and Tobago, Antigua, Barbuda, Barbados, Dominica, St Lucia and St Vincent and the Grenadines for TCBY Treats. It also has rights of first refusal for "Mrs Fields Cookies" and "Pretzel Time" in these markets.

Prestige Holdings Limited owns 80% of the share capital of Prestige Restaurants Limited, a company incorporated in Barbados. This company operates the T.G.I. FRiDAY'S Brand in Barbados.

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 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.

(a) New and amended standards adopted by the Group:

The Group has adopted the following new and amended IFRSs as at 1 December 2010:

- IFRS 3 (revised), 'Business combinations', and consequential amendments to IAS 27, 'Consolidated and separate financial statements', IAS 28, Investments in associates', and IAS 31, 'Interests in joint ventures', are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.

  The revised standard continues to apply the acquisition method to business combinations but with some significant changes compared with IFRS 3. For example, all payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the statement of comprehensive income. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed.

- IAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the equity is re-measured to fair value, and a gain or loss is recognised in profit or loss. IAS 27 (revised) has had no impact on the current period, as none of the non-controlling interests have a deficit balance; there have been no transactions whereby an interest in an entity is retained after the loss of control of that entity, and there have been no transactions with non-controlling interests.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2.1 Basis of preparation - Continued

(a) New and amended standards adopted by the Group: (continued)

- IFRS 2 (amendments), 'Group cash-settled share-based payment transactions' (effective from 1 January, 2010). In addition to incorporating IFRIC 8, 'Scope of IFRS 2', and IFRIC 11, 'IFRS 2- Group and treasury shares transactions', the amendments expand on the guidance in IFRIC 11 to address the classification of Group arrangements that were not covered by the interpretation.

- IAS 36 (amendment), 'Impairment of assets', effective 1 January 2010. The amendment clarifies that the largest cash-generating unit (or group of units) to which goodwill should be allocated for the purposes of impairment testing is an operating segment, as defined by paragraph 5 of IFRS 8, 'Operating segments' (that is, before the aggregation of segments with similar economic characteristics).

- IFRS 5 (amendment), 'Non-current assets held for sale and discontinued operations'. The amendment clarifies that IFRS 5 specifies the disclosures required in respect of non-current assets (or disposal groups) classified as held for sale or discontinued operations. It also clarifies that the general requirement of IAS 1 still apply, in particular paragraph 15 (to achieve a fair presentation) and paragraph 125 (sources of estimation uncertainty) of IAS 1.

- Amendments to IFRS 7 on derecognition (effective July 1, 2011). These amendments are part of the IASBs comprehensive review of off balance sheet activities. The amendments will promote transparency in the reporting of transfer transactions and improve user's understanding of the risk exposures relating to transfer of financial assets and the effect of those risks on an entity's financial position, particularly those involving securitisation of financial assets. Earlier application subject to EU endorsement is permitted.

- IAS 24 (revised), 'Related party disclosures', issued in November 2009. It supersedes IAS 24, 'Related party disclosures', issued in 2003. IAS 24 (revised) is mandatory for periods beginning on or after January 1, 2011. Earlier application, in whole or in part, is permitted.

(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group:

The following standards and amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 December 2011 or later periods, but the Group has not early adopted them:

- IFRS 10, 'Consolidated financial statements' (effective January 1, 2013). This standard 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. The standard provides additional guidance to assist in determining control where this is difficult to assess. This new standard will not impact the entities that a Group consolidates as its subsidiaries.

- IFRS 9, 'Financial instruments', on 'Classification and measurement' of financial assets (effective January 1, 2013). This is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39. IFRS 9 has two measurement categories: amortisation cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is a fair value through consolidated income statement.

  There are further additions of IFRS 9 dealing with financial liabilities. The additions, which are part of the IASB's plan to replace IAS 39, retain most of the IAS 39 requirements. These include amortised cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change in the additions 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 consolidated income statement, unless this creates an accounting mismatch. This change will mainly affect financial institutions.

- IFRS 11, 'Joint arrangements' (effective January 1, 2013). This standard provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations to the arrangement, rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidated joint venture is no longer allowed.

- IFRS 12, 'Disclosure of interests in other entities' (effective January 1, 2013). This standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangement, associates, special purpose vehicles and other off balance sheet vehicles.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2.1 Basis of preparation - Continued

(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group - Continued

- IFRS 13, 'Fair value measurement' (effective January 1, 2013). This standard 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 IFRs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be adopted where its use is already required or permitted by other standards within IFRs or US GAAP.

- Amendment to IAS 1, 'Financial statement presentation' on other comprehensive income (OCI) (effective July 1, 2012). This amendment changes the disclosure of items presented in the financial statement of comprehensive income. The IASB originally proposed that all entities should present profit or loss and OCI together in a single statement of comprehensive income. The proposal has been withdrawn and IAS 1 will still permit profit or loss and OCI to be presented in either a single statement or in two consecutive statements. The amendment was developed jointly with the FASB, which has removed the option in US GAAP to present OCI in the statement of changes in equity.

- Amendment to IAS 12, 'Income taxes' on deferred tax (effective January 1, 2012). Currently IAS 12, 'Income taxes', requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. It can be difficult and subjective to assess whether recovery will be through use of through sale when the asset is measured using the fair value model in IAS 40,'Investment Property'. Hence this amendment introduces an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. As a result of the amendments, SIC 21, Income taxes- recovery of re-valued non-depreciable assets', would no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC 21, which is accordingly withdrawn.

- IAS 27 (revised), 'Separate financial statements' (effective January 1, 2013). This standard includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10.

- IAS 28 (revised), 'Investment in associates and joint ventures' (effective January 1, 2013). This standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.

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

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interests. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement (see Note 2.6).

Inter-company transactions, balances and unrealised gains on transactions among Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2.2 Consolidation - Continued

(b) 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.

(c) 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.

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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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. The following rates are used:

Freehold buildings and improvements	-	2% - 10%
Leasehold building improvements	-	5% - 10%
Plant and machinery and equipment	-	8% - 10%
Furniture and vehicles	-	12.5% - 20%

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.

2.6 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.

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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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 (Note 2.13 and 2.14).

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.

2.11 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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.

2.17 Employee benefits

(a) Share-based payment
The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employees' services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

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.

(b) Pension obligations
Retirement benefits for employees are provided by a defined contribution plan which is funded by contributions from the Company and qualified employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Payments are made to a pension trust which is financially separate from the Company. These payments, which are in accordance with periodic calculations by actuaries, are charged against the results of the year in which they become payable. 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.

(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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2.18 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.

2.19 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.

2.20 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.

2.21 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2.22 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.

2.23 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.

2.24 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-year period to which they relate.

2.25 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.

2.26 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.

2.27 Comparative information

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year. Comparative figures were adjusted to account for the reclassification of the share of loss of joint venture (Note 11).

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 2011, if the currency had weakened/strengthened by 3% against the US dollar with all other variables held constant, post-tax profits for the year would have been $456,379 (2010: $501,987) lower/higher, mainly as a result of foreign exchange losses/gains on translation of US dollar-denominated trade payables and accruals.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2.28 Financial risk management - Continued

a) Market risk - Continued

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.

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 (Note 16) 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 2011				
Borrowings	44,622,341	11,343,307	72,187,299	–
Bank overdrafts	21,963	–	–	–
Trade and other payables, excluding statutory liabilities	76,516,535	–	–	–
	121,160,839	11,343,307	72,187,299	–
At 30 November 2010				
Borrowings	43,165,805	12,034,990	88,783,428	6,427,500
Bank overdrafts	114,808	–	–	–
Trade and other payables, excluding statutory liabilities	72,643,485	–	–	–
	115,924,098	12,034,990	88,783,428	6,427,500

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.

	2011 $	2010 $
Total borrowings and bank overdrafts	109,641,730	124,376,073
Less: cash and cash equivalents	(12,143,271)	(10,683,702)
Net debt	97,498,459	113,692,371
Total equity	123,085,680	130,312,531
Total capital	220,584,139	244,004,902
Gearing ratio	44%	47%

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
The Group tests annually whether goodwill has 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).

3 PROPERTY, PLANT AND EQUIPMENT

	Land, buildings and improvements $	Plant and machinery $	Furniture and vehicles $	Total $
Year Ended 30 November 2011				
Opening net book amount	146,184,376	58,552,673	47,141,625	251,878,674
Additions	8,910,510	4,356,064	6,778,073	20,044,647
Disposals	(28,992)	(25,012)	(83,869)	(137,873)
Exchange differences	(18,704)	(7,643)	(1,462)	(27,809)
Depreciation charge	(8,429,951)	(11,975,367)	(8,017,099)	(28,422,417)
Closing net book amount	146,617,239	50,900,715	45,817,268	243,335,222
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
Year Ended 30 November 2010				
Opening net book amount	141,258,706	86,415,270	47,432,939	275,106,915
Additions	17,937,876	11,922,678	8,823,623	38,684,177
De-consolidation of subsidiary (Note 24)	(2,999,869)	(27,096,318)	(2,124,739)	(32,220,926)
Disposals	(2,633,179)	(947,445)	(51,720)	(3,632,344)
Exchange differences	89,627	52,942	10,692	153,261
Depreciation charge	(7,468,785)	(11,794,454)	(6,949,170)	(26,212,409)
Closing net book amount	146,184,376	58,552,673	47,141,625	251,878,674
At 30 November 2010				
Cost or valuation	199,728,832	171,381,520	85,651,776	456,762,128
Accumulated depreciation	(53,544,456)	(112,828,847)	(38,510,151)	(204,883,454)
Net book amount	146,184,376	58,552,673	47,141,625	251,878,674
At 30 November 2009				
Cost or valuation	192,522,344	200,813,753	84,891,802	478,227,899
Accumulated depreciation	(51,263,638)	(114,398,483)	(37,458,863)	(203,120,984)
Net book amount	141,258,706	86,415,270	47,432,939	275,106,915

Included in land and buildings is freehold land which was valued by an independent valuator in 2008 on the basis of market value for existing use and amounted to $37,055,000. 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 $164 million (2010: $164 million).

4 INTANGIBLE ASSETS

	Goodwill $	Development rights $	Other deferred costs $	Total $
Year Ended 30 November 2011				
Opening net book amount	6,157,578	1,260,542	7,883,411	15,301,531
Additions	–	–	1,930,359	1,930,359
Exchange differences	–	–	(1,397)	(1,397)
Amortisation charge	–	(630,156)	(1,642,001)	(2,272,157)
Closing net book amount	6,157,578	630,386	8,170,372	14,958,336
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
Year Ended 30 November 2010				
Opening net book amount	9,849,903	1,890,698	9,513,169	21,253,770
Additions	–	–	1,378,814	1,378,814
Other movement	–	–	(31,021)	(31,021)
De-consolidation of subsidiary (Note 24)	(3,692,325)	–	(1,348,007)	(5,040,332)
Exchange differences	–	–	8,452	8,452
Amortisation charge	–	(630,156)	(1,637,996)	(2,268,152)
Closing net book amount	6,157,578	1,260,542	7,883,411	15,301,531
At 30 November 2010				
Cost or valuation	6,793,806	6,301,813	20,830,574	33,926,193
Accumulated amortisation and impairment	(636,228)	(5,041,271)	(12,947,163)	(18,624,662)
Net book amount	6,157,578	1,260,542	7,883,411	15,301,531

The development rights represent the costs associated with the acquisition of rights for the KFC branch in Tobago and the T.G.I. FRiDAY'S brand in CARICOM.

Other deferred costs represent franchise fees and loan fees capitalised.

Impairment tests for goodwill

	2011 $	2010 $
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.

4 INTANGIBLE ASSETS - Continued

Impairment tests for goodwill - Continued

The key assumptions used for value-in-use calculations in 2011 are as follows:

	Gross margin %	Growth rate %	Discount rate %
Weekenders Trinidad Limited	49	5	12.9

The key assumptions used for value-in-use calculations in 2010 are as follows:

	Gross margin %	Growth rate %	Discount rate %
Weekenders Trinidad Limited	49	5	12.7

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

5(a) FINANCIAL INSTRUMENTS BY CATEGORY

	Loans and receivables	
	2011	**2010**
	$	**$**
Assets as per balance sheet		
Trade and other receivables, excluding prepayments	12,826,326	7,990,417
Cash and cash equivalents, excluding bank overdrafts	12,143,271	10,683,702
Total	24,969,597	18,674,119

	Other financial liabilities at amortised cost	
	2011	**2010**
	$	**$**
Liabilities as per balance sheet		
Borrowings	109,619,767	124,261,265
Trade and other payables, excluding statutory liabilities	76,516,535	72,643,485
Due to affiliated companies	1,043,759	881,517
Bank overdrafts	21,963	114,808
Total	187,202,024	197,901,075

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.

Trade receivables	**2011**	**2010**
	$	**$**
Group 1 – Customers (0 – 60 days)	2,104,862	1,582,352
Group 2 – Customers (61 – 90 days)	608,725	122,509
	2,713,587	1,704,861

6 INVESTMENT IN JOINT VENTURE

	2011 $	2010 $
Kentucky Foods Group Limited (50% owned) 12,551,200 ordinary shares of no par value		
Net investment	20,446,888	23,521,234
Share of loss (Note 11)	(5,511,600)	(3,074,346)
Discontinued operation in joint venture (Note 11)	(14,935,288)	–
	–	20,446,888

Kentucky Foods Group Limited was de-consolidated on 1 December 2009 and subsequently recognised as a joint venture. In accordance with IAS 31 –'Interests in joint ventures', the fair value of the Group's remaining interest in Kentucky Foods Group Limited was recognised as an investment in joint venture. The fair value of the joint venture was determined based on the value-in-use calculations. These calculations use cash flow projections based on financial budgets and forecasts approved by management over a five-year period. Cash-flows for the five-year period are extrapolated using the estimated growth rates stated below.

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

	Gross margin %	Growth rate %	Discount rate %
Kentucky Foods Group Limited	49	6	17

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 for this market.

7 DEFERRED INCOME TAX

	2011 $	2010 $
Opening amount	8,849,453	9,579,444
Credit to income statement (Note 22)	(2,233,326)	(711,177)
Exchange differences	4,712	(18,814)
Closing amount	6,620,839	8,849,453

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

	2010 $	Credit To Income Statement $	Foreign Currency Translation $	2011 $
Deferred income tax liabilities				
Accelerated tax depreciation	9,542,390	(852,148)	–	8,690,242
Deferred income tax assets				
Tax losses	(692,937)	(1,381,178)	4,712	(2,069,403)
	8,849,453	(2,233,326)	4,712	6,620,839

	2009 $	Credit To Income Statement $	Foreign Currency Translation $	2010 $
Deferred income tax liabilities				
Accelerated tax depreciation	10,096,356	(553,966)	–	9,542,390
Deferred income tax assets				
Tax losses	(516,912)	(157,211)	(18,814)	(692,937)
	9,579,444	(711,177)	(18,814)	8,849,453

Tax losses of approximately $15.7 million (2010: $19.6 million) have not been recognised for purposes of deferred taxation because of the uncertain future timing of their recoverability.

8 INVENTORIES

	2011 $	2010 $
Food supplies and packaging materials	21,879,835	19,466,253
Consumable stores	4,974,759	4,603,911
	26,854,594	24,070,164

The cost of inventories recognised as expense and included in "cost of sales" amounted to $285,840,761 (2010: $287,682,953).

The write-down of inventories recognised as expense and included in "administrative expenses" amounted to $857,946 (2010: $708,310).

9 TRADE AND OTHER RECEIVABLES

Trade receivables	3,364,791	2,084,378
Less: provision for impairment of trade receivables	(411,915)	(245,542)
	2,952,876	1,838,836
Prepayments	2,508,011	2,703,816
Other receivables	9,873,450	2,162,041
Due from joint venture (Note 18)	–	3,989,540
	15,334,337	10,694,233

As of 30 November 2011, trade receivables of $2,713,587 (2010: $1,704,861) were fully performing.

As of 30 November 2011, trade receivables of $239,289 (2010: $133,975) 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 2011, trade receivables of $411,915 (2010: $245,542) were impaired and provided for.

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

At 1 December	245,542	154,427
Provision for receivables impairment	166,373	91,115
At 30 November	411,915	245,542

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

TT dollar	14,908,950	10,262,683
Other currencies	425,387	431,550
	15,334,337	10,694,233

10 CASH AND CASH EQUIVALENTS

	2011 $	2010 $
Cash at bank and on hand	12,143,271	10,641,294
Short-term bank deposits	–	42,408
	12,143,271	10,683,702
Bank overdrafts	(21,963)	(114,808)
	12,121,308	10,568,894

11 ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATION

Fair value of investment held for sale	634,000	–

The net assets related to the joint venture operation, Kentucky Foods Group Limited have been presented as held for sale following the Board decision to exit the market. The Company is currently in negotiations for the sale of the joint venture operation.

The key assumptions used in the fair value calculation are as follows:

	Gross margin %	Growth rate %	Discount rate %
Kentucky Foods Group Limited	37	6	12

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 for this market.

The joint venture operation in the Dominican Republic continued to incur significant losses that have been increasing since our Company ceded management control, and the Board decided to exit this market in the best interest of the Company.

The resulting total loss to Prestige Holdings Limited, which represents the carrying value of this investment, is disclosed in the Consolidated Income Statement as "Loss for the year from discontinued joint venture operation".

	2011 $	2010 $
Investment in joint venture	14,935,288	–
Share of loss	5,511,600	3,074,346
Fair value	(634,000)	–
	19,812,888	3,074,346
Receivable from joint venture	9,698,065	–
Loss for the year from discontinued joint venture operation	29,510,953	3,074,346

12 SHARE CAPITAL

	Common Shares	
	No. of Shares	$
Balance at 1 December 2009	61,987,111	21,084,044
Proceeds from shares issued	23,681	72,705
Balance at 30 November 2010	62,010,792	21,156,749
Balance at 30 November 2011	62,010,792	21,156,749

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 2011 is as follows:

	Number of Options		
	2011	2010	Movement
Total share options allocated to the Plan	5,000,000	5,000,000	–
Total share options granted	(5,192,920)	(5,192,920)	–
Total share options cancelled	2,031,220	2,011,014	20,206
Remaining shares allocated to the Plan in respect of Options not yet granted	1,838,300	1,818,094	20,206

No share options were granted during the year (2010: nil).

Share option plan for directors and management	Number of Options	
	2011	2010
Total share options granted at 1 December	956,769	1,539,835
Exercised during the year	(137,419)	–
Cancelled during the year	(20,206)	(583,066)
Total share options granted not yet exercised at 30 November	799,144	956,769

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

		Number of Options	
Expiry date	Option price	2011	2010
2011	4.00	–	157,625
2012	8.80	135,809	135,809
2013	11.83	117,587	117,587
2014	5.50	247,886	247,886
2015	5.75	297,862	297,862
		799,144	956,769

13 OTHER RESERVES

	Revaluation $	Currency Translation $	Total $
Balance at 1 December 2009	22,566,770	(10,003,216)	12,563,554
Effect of de-consolidation of subsidiary	–	6,779,275	6,779,275
Currency translation difference	–	237,081	237,081
Balance at 30 November 2010	22,566,770	(2,986,860)	19,579,910
Balance at 1 December 2010	22,566,770	(2,986,860)	19,579,910
Currency translation difference	–	(39,989)	(39,989)
Balance at 30 November 2011	22,566,770	(3,026,849)	19,539,921

14 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 2011, there were no contributions to the Plan (2010: nil).

The movement in unallocated shares held by the ESOP is as follows:

	Ordinary Shares #	Ordinary Shares $
Balance at 30 November 2010	829,783	4,644,286
Balance at 30 November 2011	829,783	4,644,286

15 NON-CONTROLLING INTERESTS

	2011 $	2010 $
At beginning of year	(1,475,190)	5,920,343
Effect of acquisition of non-controlling interests	852,347	–
Equity injection	89,660	–
Share of translation reserve	–	3,585
Effect of de-consolidation of subsidiary	–	(6,779,275)
Share of losses	(253,396)	(619,843)
At end of year	(786,579)	(1,475,190)

16 BORROWINGS

	2011 $	2010 $
Non-current		
Bank borrowings	60,325,774	77,085,974
Current		
Bank borrowings	16,765,263	16,748,861
Bankers' acceptances and other loans	32,528,730	30,426,430
	49,293,993	47,175,291
Total borrowings	109,619,767	124,261,265

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:

	2011 $	2010 $
6 months or less	32,528,730	30,426,430

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

	Carrying amount		Fair value	
	2011 $	2010 $	2011 $	2010 $
Bank borrowings	60,325,774	77,085,974	49,222,744	60,775,914

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% to 9.5% (2010: 7.5% to 9.5%).

The carrying amounts of short-term borrowings approximate their fair value.

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

	2011 $	2010 $
Trinidad and Tobago dollar	106,718,100	120,670,737
Barbados dollar	2,901,667	3,590,528
	109,619,767	124,261,265

Parent Company:

Loan 1 – Fixed Rate Bond B $91.7 Million

This loan bears interest at a fixed rate of 7.75% per annum. Interest is payable semi-annually. Principal is payable semi annually in 20 equal instalments of approximately $4.6m which commenced 1 June 2006.

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

Loan 2 – Fixed Rate Bond C $60 Million

This loan bears interest at a fixed rate of 9.50% per annum. Interest is payable semi-annually. Principal is payable semi annually in 20 equal instalments of $3m which commenced 1 June 2008.

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

16 BORROWINGS - Continued

Loan 3 - $4 Million

This loan bears interest at a fixed rate of 7.75% per annum for the first 5 years and for the remaining 5 years is fixed at 10.25% per annum. The Company has the right of early repayment of principal at any time without penalties. Principal is repayable in equal monthly instalments of approximately $26,000 until the end of the period, 30 November 2014.

The loan is secured by a fixed and floating charge on the assets of Prestige Restaurants Jamaica Limited.

Bankers' acceptances and other loans

These unsecured short-term facilities totalling $32.5 million bear interest at an average rate of 6% (2010: 6.5%) per annum.

Subsidiary Companies:

Loan 4 - $4.87 Million

Interest is at a fixed rate of 7.75% per annum for the first 5 years and for the remaining 3 years is fixed at 10.25% per annum. The Company has the right of early repayment of principal at any time without penalty. Principal is repayable in equal monthly instalments of approximately $44,200 until the end of the period, 31 December 2012.

The loan is secured by a fixed and floating charge on the assets of Weekenders Limited.

Loan 5 - $0.23 Million

This loan was repaid during the year.

Loan 6 - $5.1 Million

This loan represents an amount owed to FirstCaribbean International Bank (Barbados) Limited bearing interest at 8% per annum. The loan is secured by a Registered Demand First Debenture on the Fixed and Floating Assets of the Company. Principal is repayable over a seven year period with monthly instalments of approximately $62,200 until the end of the period, 31 January 2015.

17 TRADE AND OTHER PAYABLES

	2011 $	2010 $
Trade payables	54,335,409	43,208,281
Accrued expenses	22,181,126	29,435,204
Payroll related taxes and other benefits	354,627	441,165
	76,871,162	73,084,650

18 RELATED PARTY TRANSACTIONS

		2011	2010
a)	Due to affiliated companies	1,043,759	881,517
	The parent company conducted the following transactions with its affiliated companies:		
	Purchase of foods and related supplies	11,263,413	9,667,354
	Lease of properties	1,117,371	1,117,371
	All related party transactions are done on an arms' length basis.		
b)	Due from joint venture (Note 9)	–	3,989,540
c)	Directors' fees	400,800	327,000
d)	Key management compensation		
	Salaries and other short-term benefits	5,526,129	5,043,465

19 COST OF SALES

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

20 EXPENSES BY NATURE – CONTINUING OPERATIONS

	2011 $	2010 $
The following items have been charged/(credited) in arriving at the operating profit:		
Cost of inventories	285,840,761	287,682,953
Employee benefit expense (Note 29)	104,211,219	98,688,509
Other expenses	50,296,222	50,193,172
Royalties	39,296,247	38,388,950
Operating lease expenses	30,529,673	29,930,118
Depreciation and amortisation	30,694,574	26,632,303
Advertising costs	26,388,634	26,033,667
Utilities	18,887,387	18,198,495
Security	14,377,754	13,864,806
Repairs and maintenance on property, plant and equipment	12,940,070	11,187,100
Insurance	3,266,542	3,308,713
(Profit)/loss on disposal of property, plant and equipment	(66,411)	1,518,235
Foreign exchange (gains)/losses	(123,864)	81,711
Cost of sales, other operating and administrative expenses	616,538,808	605,708,732

21 FINANCE COSTS – NET

Bank borrowings - interest expense	9,505,469	11,885,381
Interest income on short-term bank deposits	(119,101)	(187,497)
	9,386,368	11,697,884

22 TAXATION

Current tax	13,761,511	11,377,042
Deferred tax credit (Note 7)	(2,233,326)	(711,177)
Green fund and business levy	698,596	650,281
	12,226,781	11,316,146

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

Profit before tax, after discontinued operations	18,923,681	35,039,273
Tax calculated at 25%	4,730,920	8,759,818
Permanent differences	118,252	66,885
Expenses not deductible for tax purposes	299,173	607,364
Tax effect of loss from discontinued joint venture operation	7,377,738	97,811
Prior year adjustments	374,955	5,457
Effect of different tax rates in other countries	(690)	(1,066)
Tax losses not recognised	286,697	1,129,596
Tax losses recognised	(1,658,860)	–
Green fund and business levy	698,596	650,281
	12,226,781	11,316,146

The Group has accumulated tax losses of approximately $21.2 million (2010: $21.7 million) available for set off against future chargeable profits.

23 DISCONTINUED OPERATION

In February 2010, 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 operation of Long John Silver's, as its three restaurants in Trinidad, continued to incur significant operating losses. The Long John Silver's restaurants operated for only three months in this financial period.

The resulting total loss to Prestige Holdings Limited is disclosed in the Consolidated Income Statement as "Loss for the year from discontinued operation".

	2010 **$**
Revenue	2,040,968
Cost of sales	(1,620,709)
Gross profit	420,259
Other operating expenses	(3,513,325)
Operating loss	(3,093,066)
Disposal of property, plant and equipment	(1,920,048)
Loss for the year from discontinued operation	(5,013,114)

Expenses By Nature- Discontinued Operation

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

Depreciation and amortisation	1,848,258
Cost of inventories recognised as expenses	1,057,011
Other expenses	620,401
Operating lease expenses	583,659
Employee benefit expense	342,821
Utilities	188,985
Repairs and maintenance on property, plant and equipment	156,982
Royalties	122,458
Advertising costs	98,420
Security	70,703
Insurance	44,336
Cost of sales and other operating expenses on discontinued operation	5,134,034

24 DE-CONSOLIDATION OF SUBSIDIARY

At a general meeting of Kentucky Foods Group Limited (KFGL) in December 2009, the shareholders agreed to certain changes in the governance and management arrangements. Three out of six Board members are representatives of Prestige Holdings Limited (PHL), with the positions of chairman and company secretary being rotated annually between PHL and the other equal shareholder. Management responsibility now resides with the board of directors, and the Chairman does not have a casting vote. As a result of these changes which took effect in December 2009, PHL ceased to consolidate this subsidiary, which is now accounted for under the equity method of accounting.

The Group's remaining interest in KFGL was fair valued and subsequently recognised as a joint venture in accordance with IAS 31 – 'Interest in joint ventures'. See Note 6.

The impact of the de-consolidation of this subsidiary has resulted in the decrease in the following line items on the consolidated balance sheet:

	2010 $
Non-current assets	
Property, plant and equipment (Note 3)	32,220,926
Intangible assets (Note 4)	5,040,332
	37,261,258
Current assets	
Inventories	3,139,645
Trade and other receivables	5,106,706
Cash and cash equivalents	93,013
	8,339,364
Non-current liability	
Borrowings	(2,807,913)
Current liabilities	
Trade and other payables	(16,204,923)
Borrowings	(704,669)
Current income tax liability	(403,310)
Bank overdraft	(1,958,573)
	(19,271,475)
Net assets de-consolidated	23,521,234

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.

	2011 $	2010 $
Profit attributable to owners of the Parent Company	36,461,249	32,430,430
Loss from discontinued operations attributable to the owners of the Parent Company	(29,510,953)	(8,087,460)
	6,950,296	24,342,970
Weighted average number of common shares in issue during the year exclusive of ESOP shares	61,181,009	61,177,062
Weighted average number of common shares in issue during the year inclusive of ESOP shares	62,010,792	62,006,845
Basic earnings per share (exclusive of ESOP shares)		
From continuing operations	59.6¢	53.0¢
From discontinued operations	(48.2¢)	(13.2¢)
	11.4¢	39.8¢
Basic earnings per share (inclusive of ESOP shares)		
From continuing operations	58.8¢	52.3¢
From discontinued operations	(47.6¢)	(13.0¢)
	11.2¢	39.3¢

(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 2011.

	2011 $	2010 $
Profit attributable to owners of the Parent Company	36,461,249	32,430,430
Loss from discontinued operations attributable to the owners of the Parent Company	(29,510,953)	(8,087,460)
	6,950,296	24,342,970
Weighted average number of common shares in issue for diluted earnings per share	61,367,150	61,461,058
Diluted earnings per share (exclusive of ESOP shares)		
From continuing operations	59.4¢	52.8¢
From discontinued operations	(48.1¢)	(13.2¢)
	11.3¢	39.6¢

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, T.G.I. FRiDAY'S 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, Jamaica and Dominican Republic. 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 and joint venture entity operate in the Dominican Republic, Barbados and Jamaica. All companies operate in the restaurant sector.

The segment results for the year ended 30 November 2011 are as follows:

	Trinidad $	Others $	Group $
Total segment revenue	643,976,533	28,299,936	672,276,469
Operating profit/(loss)	58,776,873	(955,871)	57,821,002
Finance costs - net	(9,088,218)	(298,150)	(9,386,368)
Profit/(loss) before taxation	49,688,655	(1,254,021)	48,434,634
Taxation	(12,226,781)	–	(12,226,781)
Profit/(loss) for the year from continuing operations	37,461,874	(1,254,021)	36,207,853
Loss from discontinued joint venture operation	–	(29,510,953)	(29,510,953)
Profit/(loss) for the year	37,461,874	(30,764,974)	6,696,900

The segment results for the year ended 30 November 2010 are as follows:

	Trinidad $	Others $	Group $
Total segment revenue	633,681,429	25,750,447	659,431,876
Operating profit/(loss)	55,469,470	(644,853)	54,824,617
Finance costs - net	(11,377,973)	(319,911)	(11,697,884)
Profit/(loss) before taxation	44,091,497	(964,764)	43,126,733
Taxation	(11,324,785)	8,639	(11,316,146)
Profit/(loss) for the year from continuing operations	32,766,712	(956,125)	31,810,587
Loss from discontinued joint venture operation	–	(3,074,346)	(3,074,346)
Loss for the year from discontinued operation	(5,013,114)	–	(5,013,114)
Profit/(loss) for the year	27,753,598	(4,030,471)	23,723,127

26 SEGMENT INFORMATION – GEOGRAPHICAL SEGMENT - Continued

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

	Year ended 30 November 2011		
	Trinidad $	Others $	Group $
Depreciation	27,211,188	1,211,229	28,422,417
Amortisation	1,853,934	418,223	2,272,157

	Year ended 30 November 2011		
	Trinidad $	Others $	Group $
Depreciation	25,028,319	1,184,090	26,212,409
Amortisation	1,850,545	417,607	2,268,152

The segment assets and liabilities at 30 November 2011 and capital expenditure for the year then ended are as follows:

	Trinidad $	Others $	Group $
Assets	305,298,225	16,286,540	321,584,765
Liabilities	190,539,036	7,960,049	198,499,085
Capital expenditure	19,836,506	208,141	20,044,647

The segment assets and liabilities at 30 November 2010 and capital expenditure for the year then ended are as follows:

	Trinidad $	Others $	Group $
Assets	327,025,360	12,345,893	339,371,253
Liabilities	204,518,645	4,540,077	209,058,722
Capital expenditure	38,007,199	676,978	38,684,177

27 DIVIDENDS

On 16 February 2012, the Board of Directors of Prestige Holdings Limited recommended a final dividend subject to Shareholders' approval at the Annual Meeting of 10 cents, bringing the total dividends for the financial year ended 30 November 2011 to 20 cents (2010: 20 cents).

28 CASH GENERATED FROM OPERATIONS

	2011 $	2010 $
Profit before taxation, after discontinued operations	18,923,681	35,039,273
Adjustments for:		
Depreciation and amortisation	30,694,574	28,480,561
Loss from discontinued operations - joint venture (Note 11)	19,812,888	3,074,346
Finance costs (net)	9,386,368	11,697,884
Equity settled arrangements	300,000	495,000
Foreign exchange differences	(6,071)	83,074
(Profit)/loss on disposal of property, plant and equipment	(66,411)	3,438,288
Effect of de-consolidation of subsidiary	–	33,345,366
Investment in joint venture (Note 6)	–	(23,521,234)
Changes in current assets and current liabilities:		
(Increase)/decrease in inventories	(2,784,430)	8,912,056
(Increase)/decrease in trade and other receivables	(4,640,104)	1,321,771
Increase/(decrease) in trade and other payables	3,786,512	(10,680,612)
Increase/(decrease) in due to affiliated companies	162,242	(155,366)
	75,569,249	91,530,407

29 EMPLOYEE BENEFIT EXPENSE

Wages and salaries	95,883,309	90,058,503
Payroll related taxes and other benefits	7,539,534	7,629,371
Share based payment	300,000	495,000
Pension costs – defined contribution plan	488,376	505,635
	104,211,219	98,688,509

30 COMMITMENTS AND CONTINGENCIES

Capital commitments

Capital commitments for the Group amounted to approximately $3.1 million at 30 November 2011 (2010: $1.5 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:

Rentals due within one year	30,595,412	31,362,636
Rentals due between two to five years	109,067,217	101,402,693
Rentals due in more than five years	51,008,780	45,170,702
	190,671,409	177,936,031

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 SUBSEQUENT EVENT

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 currently owns and operates forty (40) Subway restaurants throughout Trinidad and Tobago.

The acquisition will provide an increase in earnings per share on a stand alone basis. It is anticipated that after factoring interest cost 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 PHL.

The purchase consideration of $110 million was financed by an unsecured loan of $65 million from the ultimate parent, Victor E. Mouttet Limited (VEML), with the balance of $45 million payable to the shareholders of Mainstream Foods Limited, 18 months after 1 December 2011. The $65 million loan from VEML bears interest at a fixed rate of 7.5% on the principal balance. The principal is payable in three annual instalments of $5 million, and the balance through a rights issue of common shares up to $50 million at PHL's option. As soon as it is practicable, PHL will review the Group's combined capital structure, to determine the optimal debt to equity ratio, and take appropriate action on its capitalisation.

This acquisition will compliment PHL's position as owner and operator of the 64 KFC, Pizza Hut and T.G.I FRiDAY'S restaurants in Trinidad and Tobago, and is expected to have a positive impact on the Group's strategic position in the restaurant industry and its future performance and earnings per share.

Management Proxy Circular

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

1. **Name of company:**
   Prestige Holdings Limited ……………………...…………………...…………... 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 25 April, 2012 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 section171 (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
29 March, 2012	Jeannine du Coudray-Collier Corporate Secretary	

Form Of Proxy

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

1. Name of Company: **PRESTIGE HOLDINGS LIMITED** 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 25 April 2012 at 10.00 a.m.

I/We...
(Block Letters)

of...
(Block Letters)

shareholder(s) of the above Company, hereby appoint the Chairman, Mr. Joseph P. Esau 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 .... 2012.

(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 Limited
47-49 Sackville Street
Port of Spain.

Form Of Proxy

Resolution No.	Ordinary Resolutions	For	Against
1	The Audited Financial Statements of the Company and its subsidiaries for the year ended 30 November, 2011 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 ten (10) cents per common share for the year ended 30 November 2011 be and the same is hereby declared, and that such dividend be paid on 28 May 2012 to shareholders whose names appear on the register of members on 7 May 2012.		
3	Mr. Glenn Maharaj 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	Mrs. Ria Morgan 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 her election until the close of the third Annual Meeting of the Company following her election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.		
5	Mr. Kurt Miller who was appointed by the Board since the last Annual Meeting be and is hereby elected as 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.		
6	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

Awards and Achievements

RGM OF THE YEAR PIZZA HUT
Selina Thomas, Pizza Hut Valsayn

25 YEAR LONG SERVICE
Ann Jacqueline Harroo (All Star KFC Montrose)

15 YEAR LONG SERVICE
Nathalie Cyrus-Bertrand (Assistant Manager, KFC Maraval)

20 YEAR LONG SERVICE
Dawn Yorke (Area Coach, KFC)

15 YEAR LONG SERVICE
Natasha Marshall (Act Rgm, KfFC Gasparillo)

HOME SERVICE COORDINATOR OF THE YEAR 2011
Jillian Trim (KFC Rio Claro)

Awards and Achievements

10 YEAR LONG SERVICE
Roshan Singh (Rider, KFC Montrose)

10 YEAR LONG SERVICE
Emmanuel Felix (Driver KFC Point Fortin)

25 Year Long Service
Karisann Herry (Ss, KFC Coffee Street)

15 YEAR LONG SERVICE
Avril Olive Richardson Afrani (Act Rgm, KFC Piarco)

SERVICE TECHNICIAN OF THE YEAR
Joseph Serrette

10 YEAR LONG SERVICE
Alicia Ramlogan (Hsc KFC Coffee Street)

Awards and Achievements

10 YEAR LONG SERVICE
Stacey Celestine (All Star KfFC Piarco)

10 YEAR LONG SERVICE
Attene Bucchan-Walker (Hsc- Pizza Hut Valsayn)

RGM OF THE YEAR –KFC (WITH HIGHEST BSC)
Leechelle Canhigh-Richards (KfFC Rio Claro)

KFC SHIFT SUPERVISOR OF 2011
Reshma Ragoo (KFC Rio Claro)

10 YEAR LONG SERVICE
Stacey Charles (Assistant Manager KFC West Moorings)

15 YEAR LONG SERVICE
Bernadette Sandy (Payroll, Rsc)