At the heart of every eating experience

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

PRESTIGE HOLDINGS LTD.
A Restaurant Management Company

CONTENTS

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 15 April 2015 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 2014 together with the Reports of the Directors and Auditors thereon.

2. To declare a final dividend of seventeen (17) cents per common share.

3. To re-elect Mr. Kurt Miller 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-appoint Messrs. PricewaterhouseCoopers as the Auditors of the Company to hold office until the close of the next Annual Meeting.

Dated: 19 March, 2015.

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

Notes:

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

2. The Directors of the Company have not fixed a record date for the determination of shareholders who are entitled to receive notice of the Annual Meeting. In accordance with Section 111(a)(i) of the Companies Act, Chapter. 81:01, the statutory record date applies. Only shareholders on record at the close of business on **18 March, 2015,** the date immediately preceding the day on which the Notice is given, are therefore entitled to receive Notice of the Annual Meeting. A list of such shareholders will be available for examination by shareholders at the Company s Registered Office at Nos. 47-49 Sackville Street, Port of Spain during usual business hours and at the Annual Meeting.

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

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

CORPORATE INFORMATION

BOARD OF DIRECTORS	**Christian E. Mouttet**	Chairman
	Charles Pashley	Chief Executive Officer
	Angela Lee Loy	Director
	Joseph P. Esau	Director
	Kurt A.A. Miller	Director
	Martin de Gannes	Director

COMPANY SECRETARY & REGISTERED OFFICE

Marlon Danglade
47-49 Sackville Street, Port of Spain

BANKERS

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

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

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

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

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

ATTORNEYS AT LAW

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

AUDITORS

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

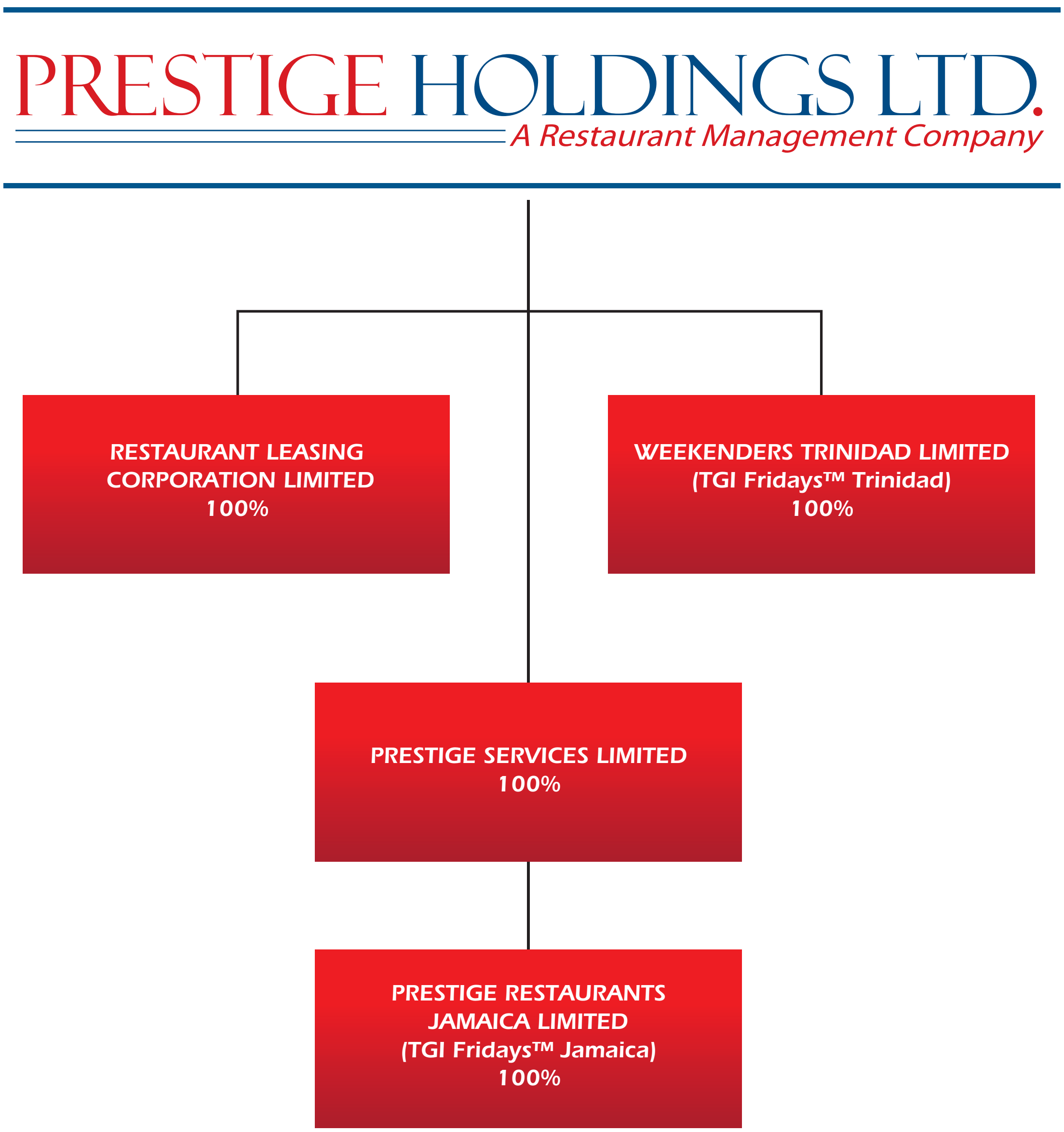
REGISTRAR & TRANSFER AGENT

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

BOARD COMMITTEES

CORPORATE GOVERNANCE AND NOMINATION	**Joseph P. Esau**	Chairman
	Christian E. Mouttet	
	Kurt A.A. Miller	
AUDIT	**Angela Lee Loy**	Chairman
	Kurt A.A. Miller	
HUMAN RESOURCE AND COMPENSATION	**Joseph P. Esau**	Chairman
	Christian E. Mouttet	
	Martin de Gannes	

GROUP STRUCTURE



CHAIRMAN'S REPORT

Christian E. Mouttet
Chairman

To Our Shareholders, Employees, Customers and Partners

2014 was another positive year for Prestige Holdings, with the Group experiencing improved profitability and all of our brands showing revenue growth. Total borrowings have been reduced, and dividends for the year will increase over prior year, subject to shareholders approval.

While the overall financial results were positive, the severe labour problems endemic in the Trinidad and Tobago economy, and particularly dire in the restaurant and retail sectors, continue to seriously impact our revenue and profitability, especially in our KFC and Subway brands. It is impossible to overstate the impact that labour shortages and high absenteeism are having on our operations, customer service, job satisfaction of our existing employees and on you our shareholders, due to lost opportunities and unfulfilled potential. Conversely, it would not be an understatement to say that our Group would have enjoyed substantially higher revenues and profitability in recent years, had we been able to achieve our required staffing levels.

Consolidated Performance and Financial Condition

Group sales increased by 2% to $922 million compared with $902 million for 2013, and profit after tax from continuing operations increased by 13% to $50.3 million, up from $44.3 million in 2013. Profit attributable to shareholders, increased by 32% after accounting for the writing off our Barbados TGIF business ($7.9 million) in the previous financial year. Diluted earnings per share from continued operations were 80.9 cents compared with 72.1 cents in 2013, and 80.9 cents and 61.8 cents respectively, after the charge for discontinued operation.

At the end of 2014 we operated 111 restaurants. During the year we opened 3 restaurants: KFC New Street, Port of Spain, and Subway Marabella and O Meara.

Operations

While the labour market continues to challenge us, your board and management nevertheless remain fully committed to overcome this hurdle. We continue to employ new initiatives, innovative technology and strong lobbying, as tools to improve customer experience and ultimately sales and profitability.

An example of one of these initiatives is the recent roll out in our KFC system of a Pack Monitor System which has allowed us to substantially improve transactions in test stores by as much as 30%. While we are still in the infancy stage of that roll out, the initial results are very encouraging, and we continue to seek innovative solutions like this across all of our brands.

Dividends

The Board recommends a final dividend of 17 cents per common share, which, with shareholder approval, will bring the total dividends payable for the financial year 2014 to 32 cents (2013   27 cents). The proposed final dividend will be paid on 8 May, 2015 to shareholders whose names appear on the Register of Members on 27 April, 2015.

Outlook

While our expectation is for improved results in 2015, one cannot ignore the expected negative impact that lower energy prices will have on the Trinidad and Tobago economy. We have no crystal ball but are approaching 2015 positively, and expect to re-image a number of our existing restaurants as well as to open 6 new ones, in what will be an active year for our Group. Additionally, we expect that a slowing economy will loosen the tight labour market, which could positively impact our business through improved staffing levels.

Acknowledgement

We would like to take this opportunity to thank our many loyal and hard working employees. Your dedication and commitment are recognized and greatly appreciated.

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

Christian E. Mouttet
Chairman
25 February 2015

BOARD OF DIRECTORS' PROFILE

1 Christian E. Mouttet, B.A., Chairman

Mr. Mouttet is the CEO of Victor E. Mouttet Limited and a Director of Agostini s Limited. He holds a Bachelor of Arts Degree with a double Major in Business Administration and Political Science from Wagner College, New York.

2 Angela Lee Loy, F.C.C.A., C.A., Director

Ms. Lee Loy is the Chairman of Aegis Business Solutions Limited, outsourcing and advisory services, Partner of Aegis & Co., external audit company and Chairman of recruitment agency, Eve Anderson Recruitment Limited. She is a Fellow of the Association of Chartered Certified Accountants (UK) with over 40 years of professional experience, including thirteen years serving as Partner responsible for the provision of Assurance and Business Advisory Services with PricewaterhouseCoopers.

Ms. Lee Loy is non-executive director and Chairman of the audit committee for Gulf Insurance Limited. In addition she is President of Trinidad and Tobago Coalition Services Association (TTCSI) and within the NGO sector; she is also Chairman of Social Justice Foundation and Chairman of Music Literacy Trust.

She has held several past leadership roles including first female President of the Institute of Chartered Accountants of Trinidad & Tobago (ICATT) and first female President for the Institute of Chartered Accountants of the Caribbean (ICAC), of which she was instrumental in the introduction of Practice Monitoring for accounting firms across the Caribbean region. She was also the Chairman of the National AIDS Coordinating Committee (NACC).

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

Mr. Pashley has over 20 years management experience. He has worked with a major international accounting and auditing firm and has held various senior positions in manufacturing and distribution.

Mr. Pashley holds an MBA in Business Administration and is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

4 Martin de Gannes,B.Sc., M.Sc., FICB, Director

Mr. de Gannes joined the Board after holding several executive Human Resource leadership positions in both local and global companies within Trinidad and Tobago over the past 35 years.

A former first-place winner of the Open National Scholarship in Modern Studies from St. Mary s College, His qualifications include a B.Sc., (Economics) and an M.Sc., (Industrial Relations) from The London School of Economics and Political Science, as well as a Fellow of the Institute of Canadian Bankers FICB (with Honours). He has also had the benefit of training in Management Development from Harvard Business School and Dispute Resolution Training from the University of Windsor, Canada. Mr. de Gannes is a past Chairman of the Employers Consultative Association (ECA). He is a member of the Independent Review Panel of the Ministry of Public Administration for the implementation of the Diamond Standard in T&T, a Board member of the Immortelle Vocational Centre, and has recently been appointed to the Registration, Recognition and Certification Board of T&T.

5 Joseph P. Esau, F.C.C.A., C.A., Director

Mr. Esau is a Consultant in Corporate Financing and Mergers & Acquisitions. He is also Chairman of Agostini s Limited and a Director of Grace Kennedy Limited-Jamaica, and the Arthur Lok Jack Graduate School of Business (UWI, St. Augustine). He is a former partner of Deloitte & Touche, Trinidad.

Mr. Esau is a Fellow of the Association of Chartered Certified Accountants of the Unite Kingdom (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

6 Kurt A.A. Miller, LL.B. (Hons), Director

Mr. Miller is the Managing Partner and Head of the Commercial Department of Fitzwilliam, Stone, Furness-Smith & Morgan. He joined the firm in 1986 and has been a partner since 1992. His areas of specialty are finance, banking, and corporate/commercial transactions. He has acted and continues to act for a broad range of local and international clients in the areas of commercial transactions, structured credit transactions, leverage lending transactions, sovereign and commercial bond issues, mergers and acquisitions, securitisation transactions and aviation transactions.

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

EXECUTIVE TEAM'S PROFILE

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

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

2 Marlon Danglade, F.C.C.A., C.A.

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. He has over 10 years of auditing and business advisory experience and has led a variety of external audit engagements within the financial, manufacturing, retailing and transportation industries.

Mr. Danglade is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

3 Simon Hardy, B.Sc. (Hons.), F.C.A; C.A., Vice President, KFC

Mr. Hardy gained his formal education in the United Kingdom, having graduated with a Bachelor s degree (Honours) in Mechanical Engineering from the University of Bristol. He then pursued a career in Accountancy, qualifying as a Chartered Accountant and earning his certification in Corporate Treasury Management in 2001 and 2003 respectively. Simon is also a Fellow of the Institute of Chartered Accountants in England and Wales.

Prior to returning to Trinidad, Simon worked in internal audit with two major international companies in the United Kingdom where he engaged with Senior Managers in trade, finance and operations. He also worked in India conducting risk assessments, examining service level agreements and ensuring good Corporate Governance.

Upon his return to Trinidad, Simon joined a locally owned hospitality business in 2007 as the Group Chief Financial Officer. Within two years, he was promoted to the position of Chief Operating Officer, a position which he held until he joined Prestige Holdings in 2014.

4 Lisa Fernandez, Vice President, TGI Fridays™

Ms. Fernandez joined Prestige Holdings Limited in December 2010 in the position of Vice President, TGI Fridays™. Prior to her appointment, she worked at a general management level with various US-based companies in the retail sector.

Ms. Fernandez gained her academic foundation from George Brown College and Ryerson University in Canada, 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 25 years of international experience in the retail industry to Prestige Holdings Ltd.

5 Angela Laquis-Sobrian, M.Sc. Human Resources (Distinction), Post Graduate Diploma, Education (Distinction), B.A. (Hons.), Vice President, Human Resources

Ms. Sobrian has over 15 years experience in Human Resources Management, specializing in the areas of Strategic Planning, Performance Management Systems, Training and Organizational Development, Compensation and Benefits. Prior to joining Prestige Holdings Ltd., she served as the Human Resources Manager of a major organisation where she played an integral role in the strategic planning process and alignment of the performance management system with company goals and targets.

Ms. Sobrian holds a Masters Degree in Human Resources, with Distinction, from the Arthur Lok Jack Graduate School of Business; a Bachelor of Arts Degree with Honours and a Post Graduate Diploma in Education, with Distinction, from the University of the West Indies. She has also been certified as a Compensation and Benefits Professional from the World @ Work organisation, based in the U.S. Ms. Sobrian has successfully completed several training programmes, locally and abroad, in areas such as management and leadership development, organizational change and strategic management.

6 Ian Currie, B. Technology (Hons.), MBA (Distinction). Vice President, Subway

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

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

7 Navin Maharaj, B.Sc.(Hons.), MBA, Vice President, Pizza Hut.

Mr. Maharaj has worked extensively with both Multinational Corporations and Regional Conglomerates in the Caribbean. He has worked in various positions across many departments including Quality, Supply Chain, Trade Marketing, Marketing and Sales.

Mr. Maharaj holds a Bachelor s Degree (Double Major) in both Chemistry and Biochemistry from the University of the West Indies and an MBA from Heriott Watt University, specializing in International Trade and Finance.

8 Anthony Martins, Vice President, Market Development

Mr. Martins joined Prestige Holdings Ltd. in 1978 as a Shift Supervisor at KFC St. James, our very first restaurant in Trinidad. Since then, he has held several positions including Area Manager, Research and Development Manager and Quality Assurance Manager. In 1991, he was promoted to Business Development Manager. This significant portfolio provided him with in-depth knowledge and experience in market mapping, market segmentation and site selection using world class methodologies.

Mr. Martins has attended extensive overseas training programmes covering operations, business development, quality assurance and research.

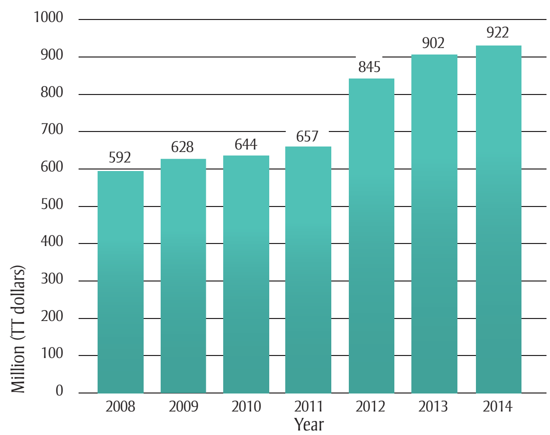
MANAGEMENT DISCUSSION AND ANALYSIS

We ended our 42nd year celebrating positive financial performance. Our strategy of investing in strong brands continues to drive our success, growth, and enhanced year over year performance.

Our financial success has continued as a result of strong brand equity and brand presence in the three segments of the restaurant industry within which we operate. However, we are concerned at the level of customer service being provided, mainly in the Quick Service Restaurant (QSR) side of the business at KFC and Subway.

Our financial success has continued

The very difficult labour environment in Trinidad and Tobago continued to hamper our operations, and the endemic labour shortage in the economy continues to impede our ability to attract and retain the required numbers of employees, despite a 30% increase in wage rates implemented since December 2014. This shortage and low labour numbers result in long hours of work by our employees, which then contributes to high absenteeism in the system.



GROUP REVENUE
- Continuing Operations

Our supply chain management has been challenged as we face increases in our food costs as a result of the increasing tariffs imposed on products which we cannot continually source locally.

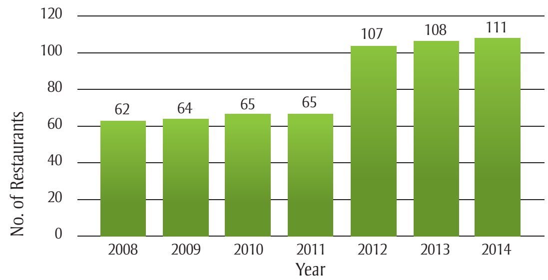
We continue to focus on alleviating our labour issues, and also on decreasing our cost of operations and improving long term efficiencies. Your management team will continue to work towards achieving these critical goals.

FINANCIAL PERFORMANCE

Revenue

For the financial year ended 30 November, 2014 the Group revenue increased 2% from \$902 million to \$922 million, with all brands recording growth. Revenue was generated from a total of 111 restaurants, namely KFC 55, Pizza Hut 7, Subway 45 and TGI Fridays™ 4.

No. OF RESTAURANTS
- Continuing Operations

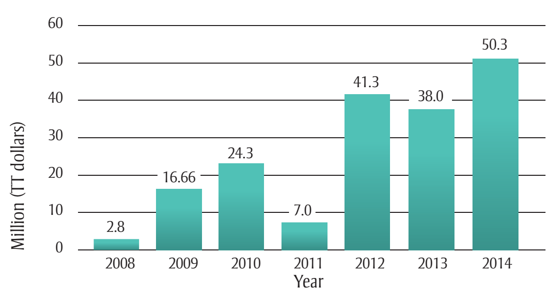


Ninety nine percent (99%) of the revenue was generated by our Trinidad and Tobago operations. Our TGI Fridays™ Jamaica revenue decreased by 11% compared with the prior year, driven by the continued devaluation in the Jamaican currency which accounted for 10% of the 11% decline due to that country s recession.

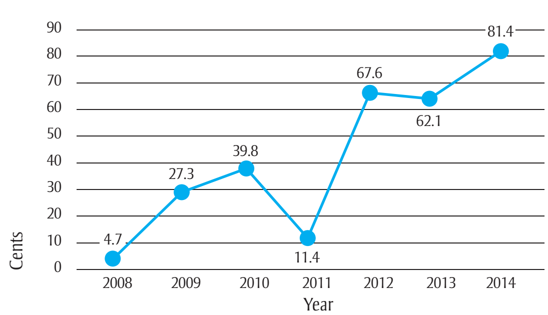
Profit on Total Operations

In 2014, the reported net profit attributable to shareholders was $50.3 million which represents an increase of 32.2% compared with the prior year. Earnings per share attributable to shareholders increased 31% from 62.1 cents to 81.4 cents. On continuing operations (excluding the effect of the closed Barbados operation in 2013) net profit attributable to shareholders increased 13% from $44.2 million to $50.26 million and earnings per share on continuing operations increased 13% from 72.4 cents to 81.4 cents.

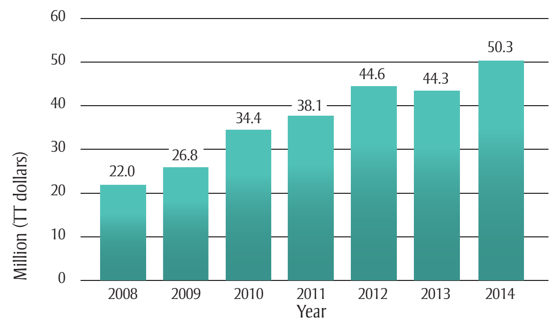
GROUP PROFITS ATTRIBUTABLE
TO SHAREHOLDERS



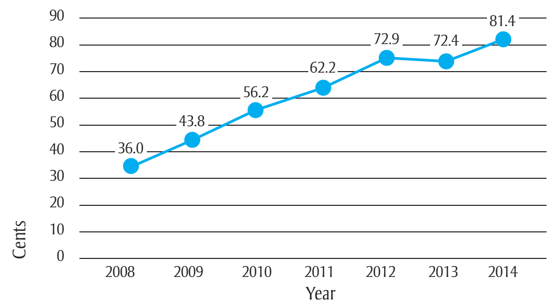
GROUP EARNINGS PER SHARE



GROUP PROFITS ATTRIBUTABLE TO SHAREHOLDERS - Continuing Operations



GROUP EARNINGS PER SHARE - Continuing Operations



Trinidad and Tobago Operations

The restaurant contributions (excluding administrative and finance costs) from our Trinidad and Tobago operations increased by 5% over the previous year. This was attributable to the revenue growth of 2%, which was partly off-set by an increase in food input costs of 4%. Our KFC, Pizza Hut and TGI Fridays™ brands achieved same store profitability growth while our Subway operation fell short of expectations and prior year, the profits being negatively impacted by the 15% import surcharge on imported chicken.

Administrative expenses fell by 1.2%, primarily due to decreases in staff costs, surplus on disposal of fixed assets and fees associated with debt financing (not applicable in 2014).

The Jamaica economy has been advancing

Overseas Operations TGI Fridays™ Jamaica

The TGI Fridays™ Jamaica operation incurred pre-tax losses of $0.7 million (2013: pre-tax losses of $0.9 million) with post-tax losses of $1.5 million (2013: post-tax losses of $1 million). In 2014 the tax charge included reversal of a previously recognised deferred tax asset totalling $0.8 million. The Jamaica economy has been advancing recently, with improved consumer confidence, marginal GDP growth, and relative exchange rate stability.

Three (3) new restaurants opened

Capital Expenditure

Capital expenditure (net of proceeds on disposal of assets) for the year totalled $25.8 million (2013: $36.4 million). Our investing activities were primarily focused on our Trinidad and Tobago operations. During the financial year we renovated seven (7) KFC, three (3) Subway and one (1) TGI Fridays™, and opened three (3) new restaurants (1 KFC and 2 Subway).

Borrowings

Finance costs decreased by 13% compared with prior year, primarily driven by the payment of settlement fees of $1.7 million incurred in the prior year, not applicable in the current financial year. At the end of the year, our debt/equity ratio improved from 28:72 to 22:78, with total borrowings net of cash and cash equivalent closing 2014 at $65 million (2013: $86 million).

Share Price

The Company s stock price closed at $9.56 at 30 November 2014 (2013: $9.45). The share price increased subsequent to the financial year-end, and at 27 February 2015 was $9.90.

Building People Capability

Our focus on people capability remained one of the major priorities of the business. To reinforce this goal in 2014, the Company invested heavily in putting structures in place to a) attract the numbers of Team Members (TMs) required, and improve the calibre of candidates at entry; b) develop management Bench; c) retrain and develop the current management team; d) revise the associated rewards structure to reinforce performance and positive behaviours, aligned with the objectives and culture of the Company.

Arising out of Company recruitment surveys conducted, the majority of our employees come from employee referrals, walk-ins, in-store flyers and tapping into schools and constituency offices. Recruitment initiatives, such as a monetary bonus to employees for each successful candidate referred, counter/store displays, mini application cards, vacancy banners/window clings, flyers and door hangers, were linked to letters and notices posted in schools and constituency offices. These initiatives varied by brand and location of the store. However, in spite of vigorous and persistent efforts to attract the right quantity of labour needed to satisfy service requirements, the Company continued to experience a severe labour shortage. This was compounded by the poor attraction of candidates who meet the Company s basic entry criteria. In 2015, the Company is exploring other advertising and e-recruitment strategies and will aggressively pursue the expansion and diversification of its pool of applicants.

Career Advancement Programme (CAP)

The focus on career/Bench and management development proved to be an effective retention strategy. Communication of career growth and learning was reinforced at the point of orientation and at store level via the defined Career Advancement Programme (CAP) structure. By the end of 2014, 489 TMs had progressed through the CAP, from which future Supervisors are selected. The implementation of a Career Day, devoted to the interviewing, assessment and education of candidates, was a major success factor in the selection of the right calibre candidate to be future managers. Consequently, turnover amongst high potential employees significantly decreased and brought management stability to a system beleaguered by a persistent TM labour challenge.

In addition, the Company specifically targeted executives, middle management and current restaurant managers for leadership development which aimed to achieve cultural and behavioural improvements. The programme focussed on simple, practical strategies which sought to change how one perceives situations, people and events, and assisted participants to define and internalize the Company s revised mission. Participants were also provided with more effective opportunities to reflect on situations and positive learning outcomes. These initiatives require long-term commitment from participants, and they are expected to bring the needed cultural change.

To reinforce behavioural improvements to achieve performance objectives, the Rewards Structure was revised to encompass the core values of service, responsibility, integrity and teamwork. These were measured via the Management by Objectives performance assessments, and rewarded through the revised pay-for-performance approach. While change will take time, the commitment to strategies and programmes which seek to shape and transform the Company s culture will continue systematically in 2015.

KFC - Penal

KFC

In 2014, KFC continued to build on the successes of 2013 with a winning combination of menu innovation, consumer promotions and interactive marketing campaigns. We were proud to be the first country in the Caribbean and Latin American region to implement the new In-store Prepared (ISP) brand image in 2014 with the image enhancement of our Trincity restaurant, and five stores currently feature this image. Our latest addition to the KFC family is KFC New Street, Port of Spain. The ISP design signifies the true essence of the KFC brand and is a key pillar of our Real Food, Real People philosophy, reinforcing that all our products are hand-made fresh, every day, by our dedicated staff for the enjoyment of our customers nationwide.

2014 marketing initiatives continued to be unique and innovative, combining an exciting mix of new products, value initiatives, integrated campaigns, and community and digital engagement to keep the brand relevant and young. Products such as Honey BBQ Chicken, Popcorn Chicken and a varied Hot Wings menu items enabled us to drive commercial goals and achieve solid returns in a highly competitive market.

KFC deepened our community connections through partnerships with local organizations, sponsoring a number of key social initiatives including the Light it Up Blue Campaign which literally shone a light to build Autism awareness. We also proudly supported the annual Buddy Walk to build Down syndrome awareness locally.

Youth Sport development continued to be a major thrust with the expanded KFC Comets Youth Development Cricket programme along with extended support for Youth Athletics in communities such as Toco, Pt. Fortin, Rio Claro and Cedros.
After 42 years in Trinidad and Tobago, KFC has formed a strong bond with our consumers which we treasure deeply. We remain passionately committed to Helping People Taste Happiness Every Day.

Pizza Hut - Gulf View

MANAGEMENT DISCUSSION AND ANALYSIS
(CONTINUED)

PIZZA HUT

Introduce new innovative products

We enjoyed another year of growth with Pizza Hut for 2014, achieving commercial goals across all channels. There were major changes in the management team in 2014, and we strengthened the executive level to include a Vice President Pizza Hut who is charged with growing and developing the opportunities for the brand.

On the marketing front, we continue to introduce new, innovative products, and launched the Crunchy Stuffed crust pizza in October. This new menu item boosted our sales in the last quarter.

During the year, our focus was mainly in the area of Management re-structuring across the entire brand. The changes improved our internal customer service results, and we expect this initiative, with the deployment of the new customer service training planned for 2015, to improve our external customer experience.

Our primary focus in 2015 will continue to be on improving both our staffing levels and enhanced staff training. We have planned strategic recruitment events across Trinidad and Tobago which are being implemented to fulfil our current staffing needs.

We will expand our footprint in 2015 with the planned opening of two new restaurants. Our operations continue to be a major area of opportunity for the Pizza Hut brand, and this will be enhanced with the expansion of the management team to include a new Area Coach.

The growth vehicle for the brand has been the ability to innovate and bring new products to market. This strength will continue in 2015 with the development of new healthy options, as well as the introduction of a kids menu across all channels. Enhanced delivery is also a major area of opportunity and we are in the process of improving the system to maximise this business opportunity. We also intend to embark on a number of out-of-store sales events during the course of the year.

TGI Fridays™ - Price Plaza

TGI Fridays™

Guest excellence and flawless execution

We continued to build on the progress of the previous year, as 2014 proved to be another year of success and growth. These positive results are driven by menu innovation, strong marketing campaigns and a continuous focus on guest excellence. Innovation continued to be one of the key growth drivers in the business and for the brand. In each of our six promotional windows during the year, there were new menu items and enhancements of some of our signature items. Each promotional window drove the growth in sales and excitement around the brand.

The continued focus on guest excellence and flawless execution earned the Trinidad team several international awards, and recognition for delivering great results and leading the way in the Central America and Caribbean region. Our restaurants Earned their Stripes by having re-certified all team members and we began the Friday s Service Style journey as part of the commitment to doing what is right for the guest. The market was honoured when one of our own won General Manager of the Year for the region and our Trinidad team earned awards for Marketing, Leadership and Execution. Additionally, the teams were recognized for leading the way by testing and implementing the Friday s online training program Stripes U .

We embarked on freshening the brand by the re-image of our Price Plaza restaurant. This new image transforms the restaurant inside and out, with a contemporary dining experience where every seat is a great seat. This new Friday s design and layout demonstrates our commitment to providing a comfortable and inviting atmosphere for our guests.

Our strong local and international market performance was complemented by community initiatives, such as our first ever Autism Campaign in conjunction with local autism group Right Start programme. TGI Fridays™ leads this campaign with our involvement in a number of activities and events aimed at increasing awareness of autism in Trinidad and Tobago.

As we venture into 2015, we will continue to be the brand that guests crave every day, and offer the type of Friday s service that will have them returning to our doors.

SUBWAY - O meara

Everyday affordability and innovation

SUBWAY

SUBWAY continued to focus on two key areas in 2014   Everyday Affordability and Innovation.

Our key Everyday Affordability campaigns   Plenty for Twenty and $25 Daily Deal - were revamped with new communication material. SUBWAY also joined the shareable category with a new offer - $100 Family Feast - which provides customers with any 4 Subs and 4 Drinks. We returned to breakfast as part of our Everyday Affordability platform with our revamped Fresh Start campaign.

SUBWAY leads Innovation as the first brand to market the new Sriracha sauce. This campaign was introduced at the end of the year offering consumers a spicy option while at the same time bringing a unique flavour profile to the industry.

At the restaurant level, the focus was on highlighting our full range through cleaner and simpler menu panels, and pricing supported with printed take-away menus. This change was reinforced by crew incentive programmes.

We continued the expansion as we opened two new restaurants, one in Marabella and one in O Meara. This brings the SUBWAY family of restaurants operating in Trinidad and Tobago to 45. Both these new stores have been well received by the local communities.

PHOTO ALBUM

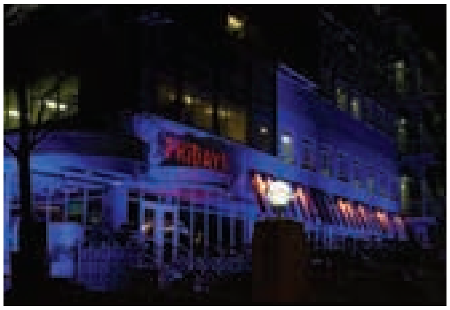


PHOTO ALBUM

REPORT OF DIRECTORS

The Directors are pleased to present their report for the year ended 30 November, 2014.

1. CONSOLIDATED FINANCIAL RESULTS AND DIVIDENDS

	$
Profits attributable to shareholders	50,267,267
Remeasurement of post employment benefit obligations	(77,821)
Final dividends for 2013 (Paid 15 cents per common share)	(9,327,173)
Interim dividends paid for 2014	
(Paid 15 cents per common share)	(9,330,479)
Retained profits for the year	31,531,794
Retained profits brought forward from prior year	130,936,022
Retained profits at end of year	162,467,816

2. DIVIDENDS

On 20 October, 2014 an interim dividend of 15 cents per common share was paid to shareholders. On 30 January 2015, the Board of Directors recommended a final dividend of 17 cents per common share for the shareholders approval at the Annual Meeting. This will mean a total dividend payment of 32 cents per common share for the year ended 30 November 2014. If approved, the final dividend will be paid on 8 May, 2015 to shareholders, whose name appears on the register of members on 27 April, 2015.

3. DIRECTORS

The Directors as of November 30, 2014, were as follows:-
Christian E. Mouttet, Joseph P. Esau, Angela Lee Loy, Martin de Gannes, Kurt Miller and Charles Pashley

In accordance with paragraph 4.5 of the Company s By-Law No. 1, the term of office of Mr. Kurt Miller expires at the close of the Annual Meeting to be held on 15 April, 2015. Mr. Miller offers himself for re-election as a Director for the term from the date of his election until the close of the third Annual Meeting following his election, subject always to earlier termination under paragraph 4.8.1 of the Company s By-Law No. 1.

Effective 4 June 2014, Ria Morgan resigned from the Board of Directors.

4. AUDITORS

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

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 Rule 601 of the 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 November 30, 2014

DIRECTORS

Director	Beneficial Interest	Options granted under Share Option Plan	No. of Shares held by Connected Persons
Joseph P. Esau	1,200,00	Nil	Nil
Angela Lee Loy	Nil	Nil	Nil
Christian E. Mouttet	Nil	Nil	Nil
Charles Pashley	110,000	Nil	Nil
Kurt Miller	40,000	Nil	Nil
Martin de Gannes	Nil	Nil	Nil

There are no other interests held by the Directors.

SENIOR OFFICERS

Senior Officer	Beneficial Interest	Options granted under Share Option Plan	No. of Shares held by Connected Persons
Marlon Danglade	Nil	19,378	Nil
Anthony Martins	28,119	74,877	Nil
Angela Sobrian	78,588	57,924	Nil
Simon Hardy	Nil	Nil	Nil
Navin Maharaj	Nil	Nil	Nil
Ian Currie	Nil	Nil	Nil
Lisa Fernandez	Nil	Nil	Nil

REPORT OF DIRECTORS

(CONTINUED)

SUBSTANTIAL INTEREST/LARGEST HOLDERS

In accordance with the requirements of our listing agreement with the TTSE and Rule 601 of the Rules of the TTSE, we list below those persons holding the ten (10) largest block of shares legally and beneficially in the Company as at the end of the Company s financial year November 30, 2014.

Shareholder	Legal Interest	Beneficial Interest
Victor E. Mouttet Limited	Nil	33,085,422
GNM Properties Limited	Nil	7,200,000
RBC Trust (Trinidad and Tobago)Limited	Nil	5,130,429
JMM Properties Limited	Nil	2,400,000
Republic Bank Limited	Nil	1,664,000
Guardian Life Of The Caribbean Ltd	Nil	1,535,811
Employees Profit Sharing & Share Ownership Plan	Nil	1,285,410
Joseph P. Esau	Nil	1,200,000
Pelican Investments Limited	Nil	1,000,000
First Citizens Trust Services Limited	Nil	587,952

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

No director or officer of the Company is an officer or director of any company or has a material interest in any company which is a party to a material contract or proposed material contract with the Company.

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 19th day of March 2015

CHRISTIAN E. MOUTTET   MARLON DANGLADE

AUDIT COMMITTEE REPORT

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

- Reliability and integrity of the accounting principles and practices.
- Internal audit functions.
- Risk management functions.
- Qualifications, independence and performance of the external auditors.
- The effectiveness of the system of controls and procedures.
- Compliance with legal and regulatory requirements.

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

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

The Committee met five times for the year 2014.

The Audit Committee members:

Angela Lee Loy, Chairman
Kurt A.A. Miller

REPORT ON THE CORPORATE GOVERNANCE AND NOMINATION COMMITTEE

The Corporate Governance and Nomination Committee comprises three non-executive Directors of the company.

This Committee supports the Board of Directors in matters of Corporate Governance, including Board and individual Directors evaluations, nomination of Directors, Board Committee mandates, structure and membership, code of ethics and conflicts of interest, and CEO performance evaluation.

During the year the Committee held two meetings (and two sub-committee meetings to evaluate Board and individual Directors performance), and dealt with the following matters:

- The Trinidad and Tobago Corporate Governance Code compliance was reviewed, recommended to the Board and adopted
- Mr. Martin de Gannes, a Human Resource and Industrial Relations professional, was nominated and appointed to the Human Resource and Compensation Committee
- The CEO's performance was reviewed
- Board Committee Mandates were reviewed and updated
- Individual directors' and the Board's performance were evaluated and the results shared with the Board

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

Corporate Governance and Nomination Committee members:

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

REPORT ON THE HUMAN RESOURCE AND COMPENSATION COMMITTEE

The Human Resource and Compensation Committee comprises three non-executive Directors of the company.

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

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

- Award of 2013 profit performance bonuses and share grants based on that year s audited financial statements
- Award of 2014 performance bonuses based on individual objectives
- Approval of adjustments to management and general compensation for 2015
- Review of Directors' fees recommended to the Board
- Review of executive succession planning

Human Resource and Compensation Committee members:

Joseph P. Esau, Chairman
Martin de Gannes
Christian E. Mouttet

PRESTIGE HOLDINGS LTD.

A Restaurant Management Company

2014

FINANCIAL REPORT

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 and its subsidiaries, which comprise the consolidated balance sheet as at 30 November 2014, and the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Managements 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.

Auditors Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Prestige Holdings Limited and its subsidiaries as at 30 November 2014, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers

2 February 2015
Port of Spain
Trinidad, West Indies

CONSOLIDATED BALANCE SHEET

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

	Notes	30 November 2014 $	2013 $
ASSETS			
Non-current Assets			
Property, plant and equipment	3	262,079,550	276,433,650
Intangible assets	4	72,364,952	73,967,683
Deferred income tax assets	6	–	843,699
		334,444,502	351,245,032
Current Assets			
Inventories	7	46,024,818	41,570,906
Trade and other receivables	8	23,115,953	23,422,258
Current income tax assets		6,553,466	6,506,749
Cash and cash equivalents	9	57,314,430	55,477,649
		133,008,667	126,977,562
Total Assets		467,453,169	478,222,594
EQUITY AND LIABILITIES			
Equity Attributable To Owners Of The Parent Company			
Share capital	10	22,008,825	21,739,424
Equity-settled arrangements		5,497,256	5,497,256
Other reserves	11	18,403,002	18,500,413
Other equity instrument	12	25,000,000	50,000,000
Retained earnings		162,467,816	130,936,022
		233,376,899	226,673,115
Unallocated Shares Held By ESOP	13	(2,125,098)	(4,644,286)
Total Equity		231,251,801	222,028,829
LIABILITIES			
Non-current Liabilities			
Borrowings	14	108,500,000	122,500,000
Retirement benefit obligations	15	496,085	147,849
Deferred income tax liabilities	6	6,331,401	7,124,876
		115,327,486	129,772,725
Current Liabilities			
Trade and other payables	16	100,302,836	100,682,187
Borrowings	14	14,000,000	14,542,585
Due to related parties	17	1,617,286	6,798,451
Current income tax liabilities		4,953,760	4,397,817
		120,873,882	126,421,040
Total Liabilities		236,201,368	256,193,765
Total Equity And Liabilities		467,453,169	478,222,594

The notes on pages 40 to 71 are an integral part of these consolidated financial statements.

On 30 January 2015, 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 2014 $	2013 $
Continuing Operations			
Revenue		921,801,855	902,167,244
Cost of sales	18, 19	(589,640,457)	(576,268,114)
Gross Profit		332,161,398	325,899,130
Other operating expenses	19	(191,111,239)	(191,428,938)
Administrative expenses	19	(59,039,306)	(59,782,289)
Other income		1,918,993	1,681,376
Operating Profit		83,929,846	76,369,279
Finance costs - net	20	(12,052,663)	(13,801,436)
Profit Before Income Tax		71,877,183	62,567,843
Income tax expense	21	(21,609,916)	(18,238,835)
Profit For The Year From Continuing Operations		50,267,267	44,329,008
Discontinued Operation			
Loss for the year from discontinued operation	22	–	(7,929,504)
Profit For The Year		50,267,267	36,399,504
Profit Attributable To:			
Owners of the parent company		50,267,267	38,021,835
Non-controlling interests	23	–	(1,622,331)
		50,267,267	36,399,504
Earnings Per Share From Continuing And Discontinued Operation Attributable To The Equity Holders Of The Company During The Year	24		
- **Basic Earnings/(Loss) Per Share (Exclusive Of ESOP Shares)**			
From continuing operations		81.4¢	72.4¢
From discontinued operation		–	(10.3¢)
		81.4¢	62.1¢
- **Basic Earnings/(Loss) Per Share (Inclusive Of ESOP Shares)**			
From continuing operations		80.8¢	71.5¢
From discontinued operation		–	(10.2¢)
		80.8¢	61.3¢
- **Diluted Earnings/(Loss) Per Share (Exclusive Of ESOP Shares)**			
From continuing operations		80.9¢	72.1¢
From discontinued operation		–	(10.3¢)
		80.9¢	61.8¢

The notes on pages 40 to 71 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

	Notes	Year Ended 30 November 2014 $	2013 $
Profit For The year		50,267,267	36,399,504
Other Comprehensive Income/(Loss):			
Items That Will Not Be Reclassified To Profit Or Loss			
Gain on revaluation of land	11	–	180,000
Remeasurements of post employment benefit obligations	15	(77,821)	–
		(77,821)	180,000
Items That May Be Subsequently Reclassified To Profit Or Loss			
Currency translation differences		(97,411)	(919,373)
Other Comprehensive Loss For The Year		(175,232)	(739,373)
Total Comprehensive Income For The Year		50,092,035	35,660,131
Attributable To:			
- Owners of the parent company		50,092,035	37,268,442
- Non-controlling interests	23	–	(1,608,311)
Total Comprehensive Income For The Year		50,092,035	35,660,131

The notes on pages 40 to 71 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

	Notes	Share Capital $	Equity Settled Arrangements $	Other Equity Instrument $	Other Reserves $	Retained Earnings $	Total $	Unallocated Shares Held by ESOP $	Non-controlling Interests $	Total Equity $
Balance At 1 December 2012		21,156,749	5,497,256	50,000,000	19,253,806	110,328,938	206,236,749	(4,644,286)	(1,122,998)	200,469,465
Comprehensive Income/(Loss)										
Profit/(loss) for the year		–	–	–	–	38,021,835	38,021,835	–	(1,622,331)	36,399,504
Other Comprehensive Income/(Loss)										
Revaluation surplus	11	–	–	–	180,000	–	180,000	–	–	180,000
Currency translation differences	11	–	–	–	(933,393)	–	(933,393)	–	14,020	(919,373)
Total Comprehensive Income/(Loss) For The Year		–	–	–	(753,393)	38,021,835	37,268,442	–	(1,608,311)	35,660,131
Transactions With Owners										
Proceeds from shares issued	10	582,675	–	–	–	–	582,675	–	–	582,675
Effect of disposal of subsidiary	23	–	–	–	–	(2,731,309)	(2,731,309)	–	2,731,309	–
Dividends for 2012 - Paid 12 cents per share		–	–	–	–	(7,441,295)	(7,441,295)	–	–	(7,441,295)
Dividends for 2013 - Paid 12 cents per share		–	–	–	–	(7,441,295)	(7,441,295)	–	–	(7,441,295)
Dividends to ESOP		–	–	–	–	199,148	199,148	–	–	199,148
Total Transactions With Owners		582,675	–	–	–	(17,414,751)	(16,832,076)	–	2,731,309	(14,100,767)
Balance At 30 November 2013		21,739,424	5,497,256	50,000,000	18,500,413	130,936,022	226,673,115	(4,644,286)	–	222,028,829

The notes on pages 40 to 71 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - (continued)

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

	Notes	Share Capital $	Equity Settled Arrangements $	Other Equity Instrument $	Other Reserves $	Retained Earnings $	Total $	Unallocated Shares Held by ESOP $	Non-controlling Interests $	Total Equity $
Balance At 1 December 2013		21,739,424	5,497,256	50,000,000	18,500,413	130,936,022	226,673,115	(4,644,286)	–	222,028,829
Comprehensive Income										
Profit for the year		–	–	–	–	50,267,267	50,267,267	–	–	50,267,267
Other Comprehensive Loss										
Remeasurement of post employment benefit obligations	15	–	–	–	–	(77,821)	(77,821)	–	–	(77,821)
Currency translation differences	11	–	–	–	(97,411)	–	(97,411)	–	–	(97,411)
Total Comprehensive Income/(Loss) For The Year		–	–	–	(97,411)	50,189,446	50,092,035	–	–	50,092,035
Transactions With Owners										
Proceeds from shares issued	10	269,401	–	–	–	–	269,401	–	–	269,401
Transfer of allocated shares		–	–	–	–	–	–	2,519,188	–	2,519,188
Convertible share option	12	–	–	(50,000,000)	–	–	(50,000,000)	–	–	(50,000,000)
Convertible share option	12	–	–	25,000,000	–	–	25,000,000	–	–	25,000,000
Dividends for 2013 - Paid 15 cents per share		–	–	–	–	(9,327,173)	(9,327,173)	–	–	(9,327,173)
Dividends for 2014 - Paid 15 cents per share		–	–	–	–	(9,330,479)	(9,330,479)	–	-	(9,330,479)
Total Transactions With Owners		269,401	–	(25,000,000)	–	(18,657,652)	(43,388,251)	2,519,188	–	(40,869,063)
Balance At 30 November 2014		22,008,825	5,497,256	25,000,000	18,403,002	162,467,816	233,376,899	(2,125,098)	–	231,251,801

The notes on pages 40 to 71 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

	Notes	Year Ended 30 November 2014 $	2013 $
Cash Flows From Operating Activities			
Cash generated from operations	27	123,627,904	113,420,765
Interest paid		(12,052,663)	(13,801,436)
Income tax paid		(21,050,465)	(18,372,579)
Net cash generated from operating activities		90,524,776	81,246,750
Cash Flows From Investing Activities			
Purchase of intangible assets	4	(81,000)	(2,333,247)
Purchase of property, plant and equipment	3	(26,711,841)	(37,642,950)
Proceeds from disposal of property, plant and equipment		1,035,681	3,580,753
Net cash used in investing activities		(25,757,160)	(36,395,444)
Cash Flows From Financing Activities			
Proceeds from borrowings		–	143,500,000
Proceeds from shares issued		269,401	582,675
Dividends paid to shareholders		(18,657,652)	(14,683,442)
Repayment of borrowings		(14,542,584)	(93,284,583)
Proceeds from other equity instrument		25,000,000	–
Repayment of related party loan		(5,000,000)	(5,000,000)
Repayment of obligation due to vendor arising from business combination		–	(45,000,000)
Repayment of other equity instrument		(50,000,000)	–
Net cash used in financing activities		(62,930,835)	(13,885,350)
Net increase in cash and cash equivalents		1,836,781	30,965,956
Cash And Cash Equivalents			
At start of year		55,477,649	24,511,693
At end of year	9	57,314,430	55,477,649

The notes on pages 40 to 71 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

1 General Information

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

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

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

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

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

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

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

2 Summary Of Significant Accounting Policies

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

2.1 Basis of preparation

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

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

2.1.1 Changes in accounting policies and disclosures

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

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 December 2013 that would be expected to have a material impact on the Group.

The following standards have been adopted by the Group for the first time for the financial year beginning 1 December 2013.

2 Summary Of Significant Accounting Policies (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policies and disclosures (continued)

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

- Amendment to IAS 1, 'Financial statement presentation' regarding other comprehensive income. The main change resulting from these amendments is a requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments).

- IAS 19, 'Employee benefits' was revised in June 2011. The changes on the Group's accounting policies has been as follows: to immediately recognise all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability/(asset). This change had no material impact on the financial statements. (See Note 15).

- Amendment to IFRS 7, 'Financial instruments: Disclosures', on asset and liability offseting. This amendment includes new disclosures to facilitate comparison between those entities that prepare IFRS financial statements to those that prepare financial statements in accordance with US GAAP.

- IFRS 10, 'Consolidated financial statements' builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.

- IFRS 11, 'Joint arrangements' focuses on the rights and obligations of the parties to the arrangement rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. A joint operator accounts for its share of the assets, liabilities, revenue and expenses. Joint ventures arise where the investors have rights to the net assets of the arrangement; joint ventures are accounted for under the equity method. Proportional consolidation of joint arrangements is no longer permitted.

- IFRS 12, 'Disclosures of interests in other entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, structured entities and other off balance sheet vehicles.

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

- Amendments to IAS 36, 'Impairment of assets', on the recoverable amount disclosures for non-financial assets. This amendment removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13. The amendment is not mandatory for the Group until 1 December 2014, however the Group has decided to early adopt the amendment as of 1 December 2013.

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

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

- IFRIC 21, Levies, sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what the obligating event is that gives rise to pay a levy and when should a liability be recognised. The Group is not currently subjected to significant levies so the impact on the Group is not material.

2 Summary Of Significant Accounting Policies (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policies and disclosures (continued)

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

- IFRS 9, Financial instruments, addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity s business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity s own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The group is yet to assess IFRS 9 s full impact. The Group will also consider the impact of the remaining phases of IFRS 9 when completed by the Board.

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

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

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

Acquisition-related costs are expensed as incurred.

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

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

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

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

2 *Summary Of Significant Accounting Policies (continued)*

2.2 Consolidation (continued)

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

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

(c) Disposal of subsidiaries

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

(d) Joint venture

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

(e) Transactions and non-controlling interests

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

2.3 Segment reporting

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

2.4 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

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

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 .

2 Summary Of Significant Accounting Policies (continued)

2.4 Foreign currency translation (continued)

(c) Group companies

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

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

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

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

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

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

2.5 Property, plant and equipment

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

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

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

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

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

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

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

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

2 Summary Of Significant Accounting Policies (continued)

2.5 Property, plant and equipment (continued)

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 Intangible assets

(a) Goodwill

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

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

(b) Franchise agreements ongoing operations

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

2.7 Impairment of non-financial assets

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

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

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

2.9 Financial assets

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

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

2 Summary Of Significant Accounting Policies (continued)

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.

2.14 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 Summary Of Significant Accounting Policies (continued)

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 Provisions

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

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

2.18 Employee benefits

(a) Share-based payment

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

- including any market performance conditions (for example, an entity s share price);

- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and

- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

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

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

2 *Summary Of Significant Accounting Policies (continued)*

2.18 Employee benefits (continued)

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

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

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

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

(b) Pension obligations

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

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

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

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

Past-service costs are recognised immediately in income.

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

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

(c) Employee Share Ownership Plan (ESOP)

The Company operates an Employee Share Ownership Plan and accounts 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)

2.19 Current and deferred income tax

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

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

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

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

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

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

2.20 Revenue recognition

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

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

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

2.21 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 Compound financial instruments

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

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

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

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

2.23 Dividend distribution

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

2.24 Leases

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

2.25 Franchise fees

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

2.26 Development rights

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

2.27 Royalty expenses

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

2.28 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.

2 Summary Of Significant Accounting Policies (continued)

2.28 Financial risk management (continued)

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 2014, if the currency had weakened/strengthened by 2% against the US dollar with all other variables held constant, post-tax profits for the year would have been $413,929 (2013: $422,618) lower/higher, mainly as a result of foreign exchange losses/gains on translation of US dollar-denominated trade payables and accruals.

ii) Cash flow and fair value interest rate risk

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

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

iii) Price risk

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

b) Credit risk

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

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

c) Liquidity risk

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

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

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

2 Summary Of Significant Accounting Policies (continued)

2.28 Financial risk management (continued)

c) Liquidity risk (continued)

	6 Months Or Less $	6 To 12 Months $	1 To 5 Years $	Over 5 Years $
At 30 November 2014				
Borrowings third party	10,773,483	10,554,688	93,515,625	42,109,375
Due to related party	1,617,286	–	–	–
Trade and other payables, excluding statutory liabilities	87,190,478	–	–	–
	99,581,247	10,554,688	93,515,625	42,109,375
At 30 November 2013				
Borrowings - third party	11,646,954	10,882,813	96,796,875	58,242,188
Borrowings - related party	4,585,417	4,490,625	–	–
Due to related party	1,798,451	–	–	–
Trade and other payables, excluding statutory liabilities	86,909,628	–	–	–
	104,940,450	15,373,438	96,796,875	58,242,188

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.

	2014 $	2013 $
Total borrowings	122,500,000	142,042,585
Less: cash and cash equivalents	(57,314,430)	(55,477,649)
Net debt	65,185,570	86,564,936
Total equity	231,251,801	222,028,829
Total capital	296,437,371	308,593,765
Gearing ratio	22%	28%

2 Summary Of Significant Accounting Policies (continued)

2.29 Fair value estimation

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

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

2.30 Critical accounting estimates and judgements

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

(a) Income taxes

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

(b) Estimated impairment of goodwill and intangible assets

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

3 Property, Plant And Equipment

	Land, Building and Improvements $	Plant and Machinery $	Furniture and Vehicles $	Work in Progress $	Total $
Year Ended 30 November 2014					
Opening net book amount	168,615,094	57,067,928	49,402,784	1,347,844	276,433,650
Additions	9,958,001	8,883,237	9,179,828	(1,309,225)	26,711,841
Disposals	–	(4,146)	(707,658)	–	(711,804)
Exchange differences	(169,477)	(43,156)	(9,909)	–	(222,542)
Depreciation charge	(15,312,207)	(14,114,147)	(10,705,241)	–	(40,131,595)
Closing net book amount	163,091,411	51,789,716	47,159,804	38,619	262,079,550
At 30 November 2014					
Cost or valuation	264,361,897	215,738,280	118,834,701	38,619	598,973,497
Accumulated depreciation	(101,270,486)	(163,948,564)	(71,674,897)	–	(336,893,947)
Net book amount	163,091,411	51,789,716	47,159,804	38,619	262,079,550
Year Ended 30 November 2013					
Opening net book amount	173,583,954	63,867,222	49,705,038	–	287,156,214
Additions	14,079,881	11,471,291	10,743,934	1,347,844	37,642,950
Revaluation surplus (Note 11)	180,000	–	–	–	180,000
Other movements	(6,971)	(1,217,182)	1,224,153	–	–
Disposals co ntinuing operations	(86,655)	(175,230)	(89,835)	–	(351,720)
Disposals di scontinued operation	(4,237,030)	(734,470)	(1,452,298)	–	(6,423,798)
Exchange differences	(353,658)	(119,154)	(21,516)	–	(494,328)
Depreciation charge	(14,544,427)	(16,024,549)	(10,706,692)	–	(41,275,668)
Closing net book amount	168,615,094	57,067,928	49,402,784	1,347,844	276,433,650
At 30 November 2013					
Cost or valuation	256,151,492	208,477,636	111,641,456	1,347,844	577,618,428
Accumulated depreciation	(87,536,398)	(151,409,708)	(62,238,672)	–	(301,184,778)
Net book amount	168,615,094	57,067,928	49,402,784	1,347,844	276,433,650
At 30 November 2012					
Cost or valuation	248,522,654	203,722,274	104,195,319	–	556,440,247
Accumulated depreciation	(74,938,700)	(139,855,052)	(54,490,281)	–	(269,284,033)
Net book amount	173,583,954	63,867,222	49,705,038	–	287,156,214

Depreciation expense on continuing operations of $40,131,595 (2013: $40,838,176) is included in other operating expenses. Depreciation expense on discontinued operations of $Nil (2013: $437,492) is included in loss from discontinued operations. Included in land and buildings is freehold land which was valued by an independent valuator in 2013 on the basis of market value for existing use and amounted to $37,235,000. If land was stated on the historical cost basis, the amount would be $14,488,230. Bank borrowings are secured on fixed assets of the Group for the value of approximately $122.5 million (2013: $136.5 million).

3 Property, Plant And Equipment (continued)

3.1 Fair value of land

An independent valuation of the Group s land is performed by valuers at least once every five years to determine the fair value of the land. The last valuation performed was as at 30 November 2013. The revaluation surplus was credited to other comprehensive income and is shown in other reserves in shareholders equity (note 11). The following table analyses the non-financial assets carried at fair value, by valuation method. The different levels have been defined as follows:

Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

	Fair value measurements as at 30 November 2013 using		
	Quoted prices In active markets for identical assets (level 1)	**Significant other observable inputs (level 2)**	**Significant unobservable inputs (level 3)**
Recurring fair value measurements			
Land	–	37,235,000	–

There were no transfers between levels 1 and 2 during the year.

Level 2 fair values of land have been derived using the Investment Method which is based on the annual rental of the property or comparable rentals with reasonable and practical adjustments, less annual expenses then capitalised with comparable yield to arrive at market value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

4 Intangible Assets

	Goodwill $	Development Rights $	Other Deferred Costs $	Total $
Year Ended 30 November 2014				
Opening net book amount	24,791,308	–	49,176,375	73,967,683
Additions	–	–	81,000	81,000
Exchange differences	–	–	(2,726)	(2,726)
Amortisation charge	–	–	(1,681,005)	(1,681,005)
Closing Net Book Amount	24,791,308	–	47,573,644	72,364,952
At 30 November 2014				
Cost	25,427,536	6,301,813	68,162,177	99,891,526
Accumulated amortisation and impairment	(636,228)	(6,301,813)	(20,588,533)	(27,526,574)
Net Book Amount	24,791,308	–	47,573,644	72,364,952
Year Ended 30 November 2013				
Opening net book amount	24,791,308	271,002	49,341,160	74,403,470
Additions	–	–	2,333,247	2,333,247
Exchange differences	–	–	(12,924)	(12,924)
Amortisation charge	–	(271,002)	(2,485,108)	(2,756,110)
Closing net book amount	24,791,308	–	49,176,375	73,967,683
At 30 November 2013				
Cost	25,427,536	6,301,813	68,081,177	99,810,526
Accumulated amortisation and impairment	(636,228)	(6,301,813)	(18,904,802)	(25,842,843)
Net Book Amount	24,791,308	–	49,176,375	73,967,683
At 30 November 2012				
Cost	25,427,536	6,301,813	65,760,854	97,490,203
Accumulated amortisation and impairment	(636,228)	(6,030,811)	(16,419,694)	(23,086,733)
Net Book Amount	24,791,308	271,002	49,341,160	74,403,470

Amortisation charge on continuing operations of $1,681,005 (2013: $2,258,533) is included in other operating expenses. Amortisation charge on discontinued operation of Nil (2013: $497,577) is included in loss from discontinued operation.

4 *Intangible Assets (continued)*

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

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

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

Impairment tests for goodwill and intangible assets

	2014 $	2013 $
Weekenders Trinidad Limited	6,157,578	6,157,578

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

The key assumptions used for value-in-use calculations in 2014 are as follows:

	Gross Margin %	Growth Rate %	Discount Rate %
2014	43	4	17
2013	43	4	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.

The accumulated amortisation and impairment of $636,228 relates to Weekenders Trinidad Limited.

Subway business	2014 $	2013 $
Goodwill	18,633,730	18,633,730
Intangible assets fra nchise agreements	40,800,000	40,800,000
Assets acquired	59,433,730	59,433,730

Subway business

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

The key assumptions used for value-in-use calculations in 2014 are as follows:

	Gross Margin %	Growth Rate %	Discount Rate %
2014	34	4	13.1
2013	36	5	12.8

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.

5(a) Financial Instruments By Category

	Loans And Receivables	
	2014	2013
	$	$
Assets as per balance sheet		
Trade and other receivables, excluding prepayments	13,771,660	15,582,377
Cash and cash equivalents (excluding bank overdrafts)	57,314,430	55,477,649
Total	71,086,090	71,060,026

	Other Financial Liabilities At Amortised Cost	
	2014	2013
	$	$
Liabilities as per balance sheet		
Borrowings t hird party	122,500,000	137,042,585
Borrowings re lated party	–	5,000,000
Trade and other payables, excluding statutory liabilities	87,190,478	86,909,628
Due to related party	1,617,286	1,798,451
Total	211,307,764	230,750,664

5(b) Credit Quality Of Financial Assets

The credit quality of financial assets that are fully performing can be assessed by reference to the Group s internal aged receivable analysis; customers with aging of 0 9 0 days are not considered past due or impaired.

	2014	2013
	$	$
Trade receivables		
Group 1 Cus tomers (0 6 0 days)	3,192,229	2,298,324
Group 2 Cus tomers (61 9 0 days)	186,402	175,475
	3,378,631	2,473,799
Other receivables		
Group 1 No n-trade customers (0 6 0 days)	865,964	2,957,657
Group 2 No n-trade customers (61 9 0 days)	38,320	854,695
	904,284	3,812,352
	4,282,915	6,286,151

6 Deferred Income Tax

	2014 $	2013 $
Opening amount	6,281,177	6,769,456
Charge/(credit) to consolidated income statement (Note 21)	32,598	(630,707)
Exchange differences	17,626	142,428
Closing amount	6,331,401	6,281,177

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

	2013 $	(Credit)/Charge To Income Statement $	Foreign Currency Translation $	2014 $
Deferred income tax liabilities				
Accelerated tax depreciation	7,124,876	(793,475)	–	6,331,401
Deferred income tax assets				
Tax losses	(843,699)	826,073	17,626	–
	6,281,177	32,598	17,626	6,331,401

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

Tax losses of approximately $3.6million (2013: $2.3 million) have not been recognised for purposes of deferred taxation because of the uncertain future timing of their recoverability.

7 Inventories

	2014 $	2013 $
Food supplies and packaging materials	36,825,372	33,286,613
Consumable stores	9,199,446	8,284,293
	46,024,818	41,570,906

The cost of inventories recognised as expense and included in cost of sales amounted to $389,507,603 (2013: $375,852,099). The write-down of inventories recognised as expense and included in administrative expenses amounted to $663,211 (2013: $471,779).

8 Trade And Other Receivables

	2014 $	2013 $
Trade receivables	3,831,138	2,989,923
Less: provision for impairment of trade receivables	(368,251)	(379,908)
	3,462,887	2,610,015
Prepayments	9,344,293	7,839,881
Other receivables	10,308,773	12,972,362
	23,115,953	23,422,258

As of 30 November 2014, trade receivables of $3,378,631 (2013: $2,473,799) were fully performing.

As of 30 November 2014, trade receivables of $84,256 (2013: $136,216) 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 2014, trade receivables of $368,251 (2013: $379,908) were impaired and provided for.

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

	2014 $	2013 $
At 1 December	379,908	411,915
Unused amounts reversed	(11,657)	(32,007)
At 30 November	368,251	379,908

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

	2014 $	2013 $
TT dollar	22,829,685	23,180,685
Other currencies	286,268	241,573
	23,115,953	23,422,258

9 Cash And Cash Equivalents

	2014 $	2013 $
Cash at bank and on hand	57,314,430	55,477,649

10 Share Capital

	Common Shares No. of Shares	$
Balance at 30 November 2012	62,010,792	21,156,749
Proceeds from shares issued	143,419	582,675
Balance at 30 November 2013	62,154,211	21,739,424
Balance at 30 November 2013	62,154,211	21,739,424
Proceeds from shares issued	48,982	269,401
Balance at 30 November 2014	62,203,193	22,008,825

Authorised share capital

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

Share option plan for directors and management

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

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

	Number of Options		
	2014	2013	Movement
Total share options allocated to the Plan	5,000,000	5,000,000	–
Total share options cancelled	2,389,380	2,344,759	44,621
Total share options granted	(5,192,920)	(5,192,920)	–
Remaining shares allocated to the Plan in respect of Options not yet granted	2,196,460	2,151,839	44,621

No share options were granted during the year (2013: Nil).

Share option plan for directors and management	Number of Options	
	2014	2013
Total share options granted at 1 December	413,246	538,292
Exercised during the year	(130,818)	–
Cancelled during the year	(44,621)	(125,046)
Total share options granted not yet exercised at 30 November	237,807	413,246

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

		Number of Options	
Expiry date	**Option price**	**2014**	**2013**
2014	5.50	–	169,146
2015	5.75	237,807	244,100
		237,807	413,246

11 Other Reserves

	Land Revaluation $	Currency Translation $	Total $
Balance at 1 December 2012	22,566,770	(3,312,964)	19,253,806
Revaluation	180,000	–	180,000
Currency translation differences	–	(933,393)	(933,393)
Balance at 30 November 2013	22,746,770	(4,246,357)	18,500,413
Balance at 1 December 2013	22,746,770	(4,246,357)	18,500,413
Currency translation differences	–	(97,411)	(97,411)
Balance at 30 November 2014	22,746,770	(4,343,768)	18,403,002

12 Other Equity Instrument

	2014 $	2013 $
Convertible share option	25,000,000	50,000,000
Balance at 1 December	50,000,000	50,000,000
Repayments during the year	(50,000,000)	–
Reissues during the year	25,000,000	–
Balance at 30 November	25,000,000	50,000,000

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

In November 2014, the Company fully repaid the existing convertible share option and reissued three new convertible instruments totalling $25 million. These instruments bear interest at 5% per annum and are payable at the option of the Company.

13 Unallocated Shares Held By ESOP

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

For the year ended 30 November 2014, there were no contributions to the Plan (2013: nil).

Unallocated shares held by the ESOP are as follows:

	Ordinary Shares #	$
Balance at 30 November 2013	829,783	4,644,286
Shares allocated during the year	(436,554)	(2,519,188)
Balance at 30 November 2014	393,229	2,125,098

14 Borrowings Thi rd Party

	2014 $	2013 $
Non-current		
Bank borrowings	108,500,000	122,500,000
Current		
Bank borrowings	14,000,000	14,542,585
Total borrowings	122,500,000	137,042,585

There was no exposure of the Group s borrowings to interest rate changes and the contractual re-pricing dates at the end of the reporting period.

	Carrying Amount		Fair Value	
	2014 $	2013 $	2014 $	2013 $
Bank borrowings	108,500,000	122,500,000	83,928,464	92,167,966

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant. The fair values are based on cash flows discounted using a rate based on the borrowing rate of 6.25% (2013: 6.25% to 8%).

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

	2014 $	2013 $
Trinidad and Tobago dollar	122,500,000	136,500,000
Barbados dollar	–	542,585
	122,500,000	137,042,585

Parent Company:

Loan 1 F ixed Rate Bond 2023 - $140 Million

This loan bears interest at a fixed rate of 6.25% per annum. Interest is payable quarterly. Principal is repayable by 40 quarterly equal instalments of $3.5m which commenced on 3 September 2013.

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

Subsidiary Company:

Loan 2 - $5.1 Million

This loan was repaid during the year.

The group has the following undrawn borrowing facilities:

	2014 $	2013 $
Floating rate:		
Expiring within one year	34,500,000	34,500,000

These facilities are subject to review at various dates during 2015.

15 Retirement Benefit Obligations

Retirement benefit obligation for liability in the consolidated balance sheet:

	2014 $	2013 $
Pension benefits	496,085	147,849
Income statement charge (Note 28)		
Pension benefits	589,828	646,281

The amounts recognised in the consolidated balance sheet are determined as follows:

	2014 $	2013 $
Present value of funded obligations	5,767,290	4,922,386
Fair value of plan assets	(5,271,205)	(4,431,397)
Deficit of funded plan	496,085	490,989
Unrecognised actuarial losses	–	(343,140)
Liability in the consolidated balance sheet	496,085	147,849

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

	2014 $	2013 $
Net liability acquired in a business combination	4,922,386	5,386,492
Interest cost	256,344	251,753
Current service cost	777,622	834,481
Benefits payable	(6,928)	(163,428)
Loss from change in financial assumptions	359,388	–
Experience gains	(541,522)	–
Actuarial gain on obligation	–	(282,705)
Other movements	–	(1,104,207)
Present value of obligation at end of year	5,767,290	4,922,386

The movement in the fair value of plan assets over the year is as follows:

	2014 $	2013 $
Assets acquired in a business combination	4,431,397	4,368,296
Interest income	215,800	195,244
Return on plan assets, excluding amounts included in interest income	(104,313)	–
Total contributions	735,249	817,506
Benefits payable	(6,928)	(163,428)
Actuarial gain on plan assets	–	4,240
Other movements	–	(790,461)
Fair value of plan assets at end of year	5,271,205	4,431,397

The amounts recognised in the consolidated income statement are as follows:

	2014 $	2013 $
Current service cost	549,284	580,597
Net interest on net defined benefit liability	40,544	56,509
Net actuarial loss recognised	–	9,175
Total included in employee benefit expense (Note 28)	589,828	646,281

Remeasurements recognised in OCI:

	2014 $	2013 $
Actuarial gain on obligation	(182,134)	–
Return on plan assets excluding interest income	104,313	–
	(77,821)	–

The actual return on plan assets was $111,487 (2013: $199,484).

15 Retirement Benefit Obligations (continued)

	2014 Per Annum	2013 Per Annum
The principal actuarial assumptions were as follows:		
Discount rate at end of year	4%	4.5%
Expected return on plan assets	4%	4.5%
Future salary increases	3%	3.5%

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

	Change In Assumption	Impact On Overall Liability
Discount rate	Increase by 0.5%	Decrease by 13.3%
Discount rate	Decrease by 0.5%	Increase by 15.7%
Salary growth rate	Increase by 0.5%	Increase by 8.3%
Salary growth rate	Decrease by 0.5%	Decrease by 7.5%

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

Expected contributions to the plan for the year ending 30 November 2015 amount to $751,424 (2014: $735,249).

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

16 Trade And Other Payables

	2014 $	2013 $
Trade payables	64,438,962	68,022,299
Accrued expenses	18,296,512	19,167,634
Payroll related taxes and other benefits	17,567,362	13,492,254
	100,302,836	100,682,187

17 Related Party Balances And Transactions

a) Due to related parties

	2014	2013
Current		
Due to affiliated company	1,617,286	1,798,451
Due to ultimate parent company - borrowings	–	5,000,000
	1,617,286	6,798,451

The Parent company conducted the following transactions with its related parties:

	2014	2013
Purchase of foods and related supplies	18,818,434	17,935,401
Repayment of ultimate parent company loan	5,000,000	5,000,000
Net repayment of convertible share option (see Note 12)	25,000,000	–
Interest charged by ultimate parent company	4,076,042	4,454,167
Lease of properties	1,322,195	1,312,023
b) Directors fees	435,050	340,200

c) Key management compensation

	2014	2013
Salaries and other short-term benefits	7,408,649	6,840,745

18 Cost Of Sales

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

19 Expenses By Nature Continuing Operations

	2014 $	2013 $
The following items have been charged/(credited) in arriving at the operating profit:		
Cost of inventories (Note 7)	389,507,603	375,852,099
Employee benefit expense (Note 28)	133,047,842	136,472,413
Other expenses	67,118,200	68,728,500
Royalties	57,944,901	56,902,323
Operating lease expenses	47,232,453	45,370,272
Depreciation and amortisation	41,812,600	43,096,709
Advertising costs	37,545,381	36,850,878
Utilities	22,540,835	22,409,504
Repairs and maintenance on property, plant and equipment	22,319,374	21,639,778
Security	16,971,848	18,918,819
Insurance	4,500,052	4,327,586
Foreign exchange (gains)/losses	(426,209)	139,493
Profit on disposal of property, plant and equipment	(323,878)	(3,229,033)
Cost of sales, other operating and administrative expenses	839,791,002	827,479,341

20 Finance Costs Net

Bank borrowings - interest expense	7,984,375	7,676,902
Borrowing prepayment fees	–	1,683,677
Interest on ultimate parent company loan	4,076,042	4,454,167
Interest income on short-term bank deposits	(7,754)	(13,310)
	12,052,663	13,801,436

21 Taxation

Current tax	20,649,071	17,953,352
Deferred tax charge/(credit) (Note 6)	32,598	(630,707)
Green fund levy	928,247	916,190
	21,609,916	18,238,835

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	71,877,183	54,638,339
Tax calculated at 25%	17,969,296	13,659,585
Permanent differences	737,837	304,441
Expenses not deductible for tax purposes	447,076	989,055
Green fund levy	928,247	916,190
Prior year under provision	528,793	8,218
Tax losses not recognised	172,594	333,433
Previously recognised deferred tax asset on losses being reversed	826,073	–
Tax effect of loss from discontinued operation	–	2,027,913
	21,609,916	18,238,835

The Group has accumulated tax losses of approximately $3.6 million (2013: $3.1 million) available for set off against future chargeable profits.

22 Discontinued Operation

	2014 $	2013 $
Prestige Restaurant Limited - Barbados	–	(7,929,504)
Expenses not deductible for tax purposes	–	(7,929,504)

Expenses By Nature - Discontinued Operation

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

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

	2013 $
Revenue	7,886,721
Cost of sales	(6,494,622)
Gross profit	1,392,099
Other operating and administrative expenses	(2,753,733)
Other income	33,716
Operating loss	(1,327,918)
Finance costs	(177,788)
Loss on disposal of property, plant and equipment	(6,423,798)
Loss for the year from discontinued operation	(7,929,504)

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

Cost of inventories recognised as expenses	2,842,192
Loss on disposal of property, plant and equipment	6,423,798
Employee benefit expense	3,560,685
Other expenses	(715,167)
Other lease expenses	835,316
Depreciation and amortisation	935,069
Utilities	1,008,509
Royalties	332,029
Advertising cost	46,646
Repairs and maintenance on property, plant and equipment	129,368
Security	79,839
Foreign exchange gain	(6,693)
Insurance	200,562
	15,672,153

23 Non-Controlling Interests

	2014 $	2013 $
At beginning of year	–	(1,122,998)
Share of losses	–	(1,622,331)
Exchange differences	–	14,020
Effect of disposal of subsidiary	–	2,731,309
At end of year	–	–

24 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.

	2014	2013
Profit attributable to owners of the Parent Company	50,267,267	44,329,008
Loss from discontinued operation attributable to the owners of the Parent Company	–	(6,307,173)
	50,267,267	38,021,835
Weighted average number of common shares in issue during the year exclusive of ESOP shares	61,782,208	61,204,912
Weighted average number of common shares in issue during the year inclusive of ESOP shares	62,175,437	62,034,695
Basic earnings/(loss) per share (exclusive of ESOP shares)		
From continuing operations	81.4¢	72.4¢
From discontinued operation	–	(10.3¢)
	81.4¢	62.1¢
Basic earnings/(loss) per share (inclusive of ESOP shares)		
From continuing operations	80.8¢	71.5¢
From discontinued operation	–	(10.2¢)
	80.8¢	61.3¢

(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 2014.

	2014	2013
Profit attributable to owners of the parent company	50,267,267	44,329,008
Loss from discontinued operation attributable to the owners of the parent company	–	(6,307,173)
	50,267,267	38,021,835
Weighted average number of common shares in issue for diluted earnings per share	62,150,833	61,468,195
Diluted earnings/(loss) per share (exclusive of ESOP shares)		
From continuing operations	80.9¢	72.1¢
From discontinued operation	–	(10.3¢)
	80.9¢	61.8¢

25 Segment Information G eographical Segment

The Group is principally engaged in the restaurant industry (casual, quick service and dessert), operating the worldwide KFC, Pizza Hut, Subway and TGI Fridays™ 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, Jamaica and Barbados (discontinued operation in 2013). The Executive Committee and the Board assess the performance of the operating segments based on a measure of revenue and profit before taxation.

Trinidad and Tobago is the home country of the Parent Company which is also the main operating Company. The Parent Company s principal subsidiaries operate in Jamaica and Barbados (discontinued operation in 2013). All companies operate in the restaurant sector.

The segment results for the year ended 30 November 2014 are as follows:

	Trinidad $	Others $	Group $
Total segment revenue	910,150,155	11,651,700	921,801,855
Operating profit/(loss)	84,620,221	(690,375)	83,929,846
Finance costs - net	(12,052,663)	–	(12,052,663)
Profit/(loss) before taxation	72,567,558	(690,375)	71,877,183
Taxation	(20,814,837)	(795,079)	(21,609,916)
Profit/(loss) for the year	51,752,721	(1,485,454)	50,267,267

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

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

25 Segment Information G eographical Segment (Continued)

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

	Year Ended 30 November 2014		
	Trinidad	Others	Group
	$	$	$
Depreciation	39,714,900	416,695	40,131,595
Amortisation	1,645,690	35,315	1,681,005

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

The segment assets and liabilities at 30 November 2014 and capital expenditure for the year then ended are as follows:

	Trinidad	Others	Group
	$	$	$
Assets	462,934,402	4,518,767	467,453,169
Liabilities	234,474,022	1,727,346	236,201,368
Capital expenditure	26,576,384	135,457	26,711,841

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

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

26 Dividends

On 30 January 2015, the Board of Directors of Prestige Holdings Limited recommended a final dividend subject to Shareholders approval at the Annual Meeting of 17 cents, bringing the total dividends for the financial year ended 30 November 2014 to 32 cents (2013: 27 cents).

27 Cash Generated From Operations

	2014 $	2013 $
Profit before taxation, after discontinued operation	71,877,183	54,638,339
Adjustments for:		
Depreciation and amortisation	41,812,600	44,031,778
Finance costs (net)	12,052,663	13,801,436
Decrease in unallocated shares held in ESOP	2,519,188	–
Increase in retirement benefit obligations	270,415	73,986
Foreign exchange differences	127,856	(269,694)
Profit on disposal of property, plant and equipment	(323,878)	(3,229,033)
Loss on disposal of property, plant and equipment from discontinued operation	–	6,423,798
Changes in current assets and current liabilities:		
(Increase)/decrease in inventories	(4,453,912)	1,353,373
Decrease/(increase) in trade and other receivables	306,305	(2,548,430)
Decrease in trade and other payables	(379,351)	(1,074,890)
(Decrease)/increase in due to related parties	(181,165)	220,102
	123,627,904	113,420,765

28 Employee Benefit Expense

Wages and salaries	116,578,948	120,571,911
Payroll related taxes and other benefits	15,314,793	14,646,828
Pension costs de fined contribution plan	564,273	607,393
Pension costs de fined benefit plan (Note 15)	589,828	646,281
	133,047,842	136,472,413

29 Commitments And Contingencies

Capital commitments

Capital commitments for the Group amounted to approximately $5.1million at 30 November 2014 (2013: $1.7 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	45,514,417	41,869,996
Rentals due between two to five years	91,053,809	100,225,228
Rentals due in more than five years	39,249,223	47,318,689
	175,817,449	189,413,913

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

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)

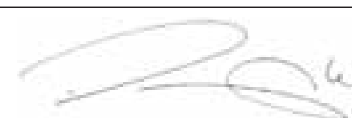
2. ***Particulars of meeting:***
   The Annual Meeting of shareholders of the Company to be held at No. 22 London Street, Port of Spain on Wednesday 15 April, 2015 at 10.00 a.m.

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 directors 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 shareholders 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
March 19, 2015	Marlon Danglade 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 15 April 2015 at 10.00 a.m.

I/We . . ..
(Block Letters)

of . .. .
(Block Letters)

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

. of

. ...

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

....

(Signature(s) of Shareholder(s))

Dated the .... day of .... 2015.

(Please indicate with an X in the spaces overleaf 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

(CONTINUED)

Resolution No.	Ordinary Business	For	Against
1	The Audited Financial Statements of the Company and its subsidiaries for the year ended November 30, 2014 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 seventeen (17) cents per common share for the year ended 30 November 2014 be and the same is hereby declared, and that such dividend be paid on 8 May 2015 to shareholders whose names appear on the register of members on 27 April 2015.		
3	Mr. Kurt Miller 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	Messrs. PricewaterhouseCoopers be and are hereby re-appointed as the Auditors of the Company to hold office until the close of the next Annual Meeting.		

NOTES

NOTES

LONG SERVICE AWARDEES 2014

PHL extends sincere thanks to all our dedicated employees for their commitment and years of tireless and passionate service.

35 YEARS OF SERVICE

30 YEARS OF SERVICE

25 YEARS OF SERVICE

20 YEARS OF SERVICE

15 YEARS OF SERVICE

LONG SERVICE AWARDEES 2014

15 YEARS OF SERVICE

10 YEARS OF SERVICE

PRESTIGE HOLDINGS LTD.
A Restaurant Management Company

http://www.phl-tt.com/