Schedule 1

FORM ECSRC – K

ANNUAL REPORT
PURSUANT TO SECTION 98(1) OF THE SECURITIES ACT, 2001

For the financial year ended December 31, 2015

Issuer Registration number

Dominica Brewery & Beverages Limited

(Exact name of reporting issuer as specified in its charter)

Commonwealth of Dominica

(Territory of incorporation)

Snug Corner, Loubiere, Commonwealth of Dominica

(Address of principal office)

REPORTING ISSUER'S:

Telephone number (including area code): 1-767-4482607

Fax number: ____________________

Email address: ____________________

(Provide information stipulated in paragraphs 1 to 14 hereunder)

Indicate whether the reporting issuer has filed all reports required to be filed by section 98 of the Securities Act, 2001 during the preceding 12 months

Yes ☑ No ☐

Indicate the number of outstanding shares of each of the reporting issuer's classes of common stock, as of the date of completion of this report.

CLASS	NUMBER
Common	208791

SIGNATURES

A Director, the Chief Executive Officer and Chief Financial Officer of the company shall sign this Annual Report on behalf of the company. By so doing each certifies that he has made diligent efforts to verify the material accuracy and completeness of the information herein contained.

The Chief Financial Officer by signing this form is hereby certifying that the financial statements submitted fairly state the company's financial position and results of operations, or receipts and disbursements, as of the dates and period(s) indicated. The Chief Financial Officer further certifies that all financial statements submitted herewith are prepared in accordance with International Accounting Standards consistently applied (except as stated in the notes thereto) and (with respect to year-end figures) including all adjustments necessary for fair presentation under the circumstances.

Name of Chief Executive Officer:

____

____
Signature

____
Date

Name of Director:

Ramon Franco
____

____
Signature

____
Date

Name of Chief Financial Officer:

Helen Bailey
____

Helen A Bailey
Signature

10/30/2017
Date

INFORMATION TO BE INCLUDED IN FORM ECSRC-K

1. Business.

Provide a description of the developments in the main line of business including accomplishments and future plans. The discussion of the development of the reporting issuer's business need only include developments since the beginning of the financial year for which this report is filed.

The company continues to brew, manufacture and merchandise beer and other beverages. There has been no change in its main line of business and no future plans to change.

2. Properties.

Provide a list of properties owned by the reporting entity, detailing the productive capacity and future prospects of the facilities. Identify properties acquired or disposed of since the beginning of the financial year for which this report is filed.

Company owns land and factory building at Snug Corner. The plant has a capacity of 35,000hl. There are no future plans to expand. No properties were disposed of.

3. Legal Proceedings.

Furnish information on any proceedings that were commenced or were terminated during the current financial year. Information should include date of commencement or termination of proceedings. Also include a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

None

4. Submission of Matters to a Vote of Security Holders.

If any matter was submitted to a vote of security holders through the solicitation of proxies or otherwise during the financial year covered by this report, furnish the following information:

(a) The date of the meeting and whether it was an annual or special meeting.

No AGM held in 2015 due to Tropical Storm Erica passing at the same time the notices were being sent to shareholders. 2014 and 2015 financial statements presented at AGM in August 2016

(b) If the meeting involved the election of directors, the name of each director elected at the meeting and the name of each other director whose term of office as a director continued after the meeting.

Ramon Franco
Albert Porter
Michael Caraballo
Norman Rolle

(c) A brief description of each other matter voted upon at the meeting and a statement of the number of votes cast for or against as well as the number of abstentions as to each such matter, including a separate tabulation with respect to each nominee for office.

None

(d) A description of the terms of any settlement between the registrant and any other participant.

None

(e) Relevant details of any matter where a decision was taken otherwise than at a meeting of such security holders.

None

5. Market for Reporting issuer's Common Equity and Related Stockholder Matters.

Furnish information regarding all equity securities of the reporting issuer sold by the reporting issuer during the period covered by the report.

None

6. Financial Statements and Selected Financial Data.

Attach Audited Financial Statements, which comprise the following:

<u>For the most recent financial year</u>

(i) Auditor's report; and
(ii) Statement of Financial Position;

<u>For the most recent financial year and for each of the two financial years preceding the date of the most recent audited Statement of Financial Position being filed</u>

(iii) Statement of Profit or Loss and other Comprehensive Income;
(iv) Statement of Cash Flows;
(v) Statement of Changes in Equity; and
(vi) Notes to the Financial Statements.

7. Disclosure about Risk Factors.

Provide a discussion of the risk factors that may have an impact on the results from operations or on the financial conditions. Avoid generalised statements. Typical risk factors include untested products, cash flow and liquidity problems, dependence on a key supplier or customer, management inexperience, nature of business, absence of a trading market (specific to the securities of the reporting issuer), etc. Indicate if any risk factors have increased or decreased in the time interval between the previous and current filing.

No major change from prior year. The company is owned by AnheuserBuschInbev, the world's largest beverage company which enables quality testing, provides cash if need be; negotiates prices for materials and trains and develops staff etc.

8. Changes in Securities and Use of Proceeds.

(a) Where the rights of the holders of any class of registered securities have been materially modified, give the title of the class of securities involved. State briefly the general effect of such modification upon the rights of holders of such securities.

N/A

(b) Where the use of proceeds of a security issue is different from that which is stated in the registration statement, provide the following:

- Offer opening date (provide explanation if different from date disclosed in the registration statement)

  ____

- Offer closing date (provide explanation if different from date disclosed in the registration statement)

  ____

- Name and address of underwriter(s)

  ____

  ____

- Amount of expenses incurred in connection with the offer ____________

- Net proceeds of the issue and a schedule of its use

  ____

  ____

- Payments to associated persons and the purpose for such payments

  ____

  ____

(c) Report any working capital restrictions and other limitations upon the payment of dividends.

None

9. Defaults upon Senior Securities.

(a) If there has been any material default in the payment of principal, interest, a sinking or purchase fund instalment, or any other material default not satisfied within 30 days, with respect to any indebtedness of the reporting issuer or any of its significant subsidiaries exceeding 5 per cent of the total assets of the reporting issuer and its consolidated subsidiaries, identify the indebtedness. Indicate the nature of the default. In the case of default in the payment of principal, interest, or a sinking or purchase fund instalment, state the amount of the default and the total arrears on the date of filing this report.

None

(b) If any material arrears in the payment of dividends have occurred or if there has been any other material delinquency not satisfied within 30 days, give the title of the class and state the amount and nature of the arrears or delinquency.

None

10. Management's Discussion and Analysis of Financial Condition and Results of Operation.

Discuss the reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations during the financial year of the filing. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated.

The Management's Discussion and Analysis should disclose sufficient information to enable investors to judge:

1. The quality of earnings;
2. The likelihood that past performance is indicative of future performance; and
3. The issuer's general financial condition and outlook.

It should disclose information over and above that which is provided in the management accounts and should not be merely a description of the movements in the financial statements in narrative form or an otherwise uninformative series of technical responses. It should provide management's perspective of the company that enables investors to view the business from the vantage point of management.

The discussion should focus on aspects such as liquidity; capital resources; changes in financial condition; results of operations; material trends and uncertainties and measures taken or to be taken to address unfavourable trends; key performance indicators; and non-financial indicators.

General Discussion and Analysis of Financial Condition

Results of Operation.

- Revenues decreased by $600k due to the storm in August 2015
- Net income increased by $1m
- No liquidity problems
- Capex of $1.7m mainly for bottles and crates

Liquidity and Capital Resources

Provide a narrative explanation of the following (but not limited to):

i) The reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations.

ii) Any known trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, the issuer's liquidity increasing or decreasing in any material way. If a deficiency is identified, indicate the course of action that the reporting issuer has taken or proposes to take to remedy the deficiency.

iii) The issuer’s internal and external sources of liquidity and any material unused sources of liquid assets.

iv) Provisions contained in financial guarantees or commitments, debt or lease agreements or other arrangements that could trigger a requirement for an early payment, additional collateral support, changes in terms, acceleration of maturity, or the creation of an additional financial obligation such as adverse changes in the issuer’s financial ratios, earnings, cash flows or stock price or changes in the value of underlying, linked or indexed assets.

v) Circumstances that could impair the issuer’s ability to continue to engage in transactions that have been integral to historical operations or are financially or operationally essential or that could render that activity commercially impracticable such as the inability to maintain a specified level of earnings, earnings per share, financial ratios or collateral.

vi) Factors specific to the issuer and its markets that the issuer expects will affect its ability to raise short-term and long-term financing, guarantees of debt or other commitment to third parties, and written options on non-financial assets.

vii) The relevant maturity grouping of assets and liabilities based on the remaining period at the balance sheet date to the contractual maturity date. Commentary should provide information about effective periods and the way the risks associated with different maturity and interest profiles are managed and controlled.

viii) The issuer’s material commitments for capital expenditures as of the end of the latest fiscal period, and indicate the general purposes of such commitments and the anticipated source of funds needed to fulfil such commitments.

ix) Any known material trends, favorable or unfavorable, in the issuer’s capital resources, including any expected material changes in the mix and relative cost of capital resources, considering changes between debt, equity and any off-balance sheet financing arrangements.

Discussion of Liquidity and Capital Resources

See above

Off Balance Sheet Arrangements

Provide a narrative explanation of the following (but not limited to):

i) Disclosures concerning transactions, arrangements and other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect liquidity or the availability of, or requirements for capital resources.

ii) The extent of the issuer's reliance on off-balance sheet arrangements should be described fully and clearly where those entities provide financing, liquidity, market or credit risk support, or expose the issuer to liability that is not reflected on the face of the financial statements.

iii) Off-balance sheet arrangements such as their business purposes and activities, their economic substance, the key terms and conditions of any commitments, the initial on-going relationship with the issuer and its affiliates and the potential risk exposures resulting from its contractual or other commitments involving the off-balance sheet arrangements.

iv) The effects on the issuer's business and financial condition of the entity's termination if it has a finite life or it is reasonably likely that the issuer's arrangements with the entity may be discontinued in the foreseeable future.

None

Results of Operations

In discussing results of operations, issuers should highlight the company's products and services, facilities and future direction. There should be a discussion of operating considerations and unusual events, which have influenced results for the reporting period. Additionally, any trends or uncertainties that might materially affect operating results in the future should be discussed.

Provide a narrative explanation of the following (but not limited to):

i) Any unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from continuing operations and, in each case, the extent to which income was so affected.

ii) Significant components of revenues or expenses that should, in the company's judgment, be described in order to understand the issuer's results of operations.

iii) Known trends or uncertainties that have had or that the issuer reasonably expects will have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

iv) Known events that will cause a material change in the relationship between costs and revenues (such as price increases, costs of labour or materials), and changes in relationships should be disclosed.

v) The extent to which material increases in net sales or revenues are attributable to increases in prices or to increases in the volume or amount of goods or services being sold or to the introduction of new products or services.

vi) Matters that will have an impact on future operations and have not had an impact in the past.

vii) Matters that have had an impact on reported operations and are not expected to have an impact upon future operations

viii) Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships that have or are reasonably likely to have a current or future effect on the registrant's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

ix) Performance goals, systems and, controls, *Overview of Results of Operations*

Revenues decreased by $600k due to the storm; Net income increased by $1m due to cost cutting measures

11. Changes in and Disagreements with Auditors on Accounting and Financial Disclosure.

Describe any changes in auditors or disagreements with auditors, if any, on financial disclosure.

None

12. Directors and Executive Officers of the Reporting Issuer. (*Complete Biographical Data Form attached in Appendix 1 and Appendix 1(a) for each director and executive officer*)

Furnish biographical information on directors and executive officers indicating the nature of their expertise.

13. Other Information.

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC – MC report provided that the material change occurred within seven days of the due date of the Form ECSRC – K report. If disclosure of such information is made under this item, it need not be repeated in a Form ECSRC – MC report which would otherwise be required to be filed with respect to such information.

None

14. List of Exhibits

List all exhibits, financial statements, and all other documents filed with this report.

Audited Financial Statements
Directors Bios:
(1) Ramon Franco
(2) Michael Caraballo
(3) Albert Porter
(4) Norman Rolle
Officers Bio:
(1) Helen Bailey

BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Albert Porter

Position: Director

Age: ___________

Mailing Address: C/o St. Vincent Brewery Limited, P.O Box 105, Campden Park, St. Vincent

ramon.franco@cnd.com.do

Telephone No.:

List jobs held during past five years (include names of employers and dates of employment).

Brewmaster/Supply Manager for Dominica and St. Vincent Breweries

Give brief description of **<u>current</u>** responsibilities

Responsible for production, engineering, quality and logistics for Dominica & St. Vincent Breweries

Education (degrees or other academic qualifications, schools attended, and dates):

Use additional sheets if necessary.

BIOGRAPHICAL DATA FORMS

EXECUTIVE OFFICERS AND OTHER KEY PERSONNEL OF THE COMPANY

Name: Helen Bailey Position: ____________________

Age: ____________

Mailing Address: C/o St. Vincent Brewery Limited P.O Box 105, Campden Park, St. Vincent

Telephone No.: 1-784-4572800

List jobs held during past five years (including names of employers and dates of employment).
Give brief description of **current** responsibilities.

Financial Controller - Antigua, Dominica & St. Vincent Breweries

Education (degrees or other academic qualifications, schools attended, and dates):

CPA & FCIS

Also a Director of the company ☐ Yes ☑ No

If retained on a part time basis, indicate amount of time to be spent dealing with company matters:

Use additional sheets if necessary.

BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Michael Caraballo

Position: Director

Age: ____________

Mailing Address: Autopista 30 de Mayo, Santo Domingo, 1086, Dominican Republic

michael.caraballo@cnd.com.do

Telephone No.:

List jobs held during past five years (include names of employers and dates of employment).

Credit and Collections Manager

Give brief description of **current** responsibilities

Responsible for credit and collections at parent company Ceveceria Nacional Dominica in Dominican Republic and its affiliated companies in Antigua, Dominica, St. Vincent, Guatemala and Cuba

Education (degrees or other academic qualifications, schools attended, and dates):

Use additional sheets if necessary.

BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Norman Rolle

Position: Director

Age: ____________

Mailing Address: C/o Valley Engineering, Roseau, Dominica

Telephone No.:

List jobs held during past five years (include names of employers and dates of employment).

CEO - Valley Engineering (supplier of petroleum products)

Give brief description of **current** responsibilities

Owns and Manages Valley Engineering

Education (degrees or other academic qualifications, schools attended, and dates):

Use additional sheets if necessary.

BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Ramon Franco

Position: Chairman

Age:

Mailing Address: Autopista 30 de Mayo, Santo Domingo, 1086, Dominican Republic

ramon.franco@cnd.com.do

Telephone No.:

List jobs held during past five years (include names of employers and dates of employment).

Legal Director at CND

Give brief description of **current** responsibilities

Responsible for legal and corporate affairs at parent company Ceveceria Nacional Dominica in Dominican Republic and its affiliated companies in Antigua, Dominica, St. Vincent, Guatemala and Cuba

Education (degrees or other academic qualifications, schools attended, and dates):

Use additional sheets if necessary.

Dominica Brewery and Beverages Limited

Financial Statements
Year Ended December 31, 2015

Contents

REGISTERED OFFICE

Snug Corner, Loubiere, Roseau
Commonwealth of Dominica

DIRECTORS

Ramon Franco
Michael Caraballo
Marcio Juliano
Albert Porter
Norman Rolle

SECRETARY

KPB Chartered Accountants

SOLICITOR

Mr. Alick C. Lawrence

BANKERS

The Bank of Nova Scotia

AUDITORS

BDO
Chartered Accountants
Sergeant-Jack Drive
Arnos Vale
St. Vincent

Tel: 784-456-2300
Fax: 784-456-2184
www.bdo.vc

Sergeant-Jack Drive
Arnos Vale
P.O. Box 35
Kingstown VC0100
St. Vincent

INDEPENDENT AUDITORS' REPORT

To the Directors of
Dominica Brewery and Beverages Limited

Report on the Financial Statements

We have audited the statement of financial position of **Dominica Brewery and Beverages Limited** as of December 31, 2015, and the related statement of changes in equity, statement of profit or loss and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-Sized Entities (IFRS for SMEs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the 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 controls. 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 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 accompanying financial statements present fairly, in all material respects, the financial position of **Dominica Brewery and Beverages Limited** as of December 31, 2015, and its financial performance and its cash flows for the year then ended in accordance with the IFRS for SMEs.

Other Matter

The financial statements of **Dominica Brewery and Beverages Limited** for the year ended December 31, 2014 were audited by another auditor who expressed an unqualified audit opinion on those statements on February 26, 2015.

March 12, 2016

Dominica Brewery and Beverages Limited

Statement of Financial Position
As of December 31, 2015
(in Eastern Caribbean dollars)

	Notes	2015 $	2014 $
ASSETS			
Current Assets			
Cash	9	5,570,862	3,869,859
Trade and other receivables	10	4,106,397	2,737,956
Due by affiliated companies	11	102,632	15,636
Notes receivable	12	538,535	377,045
Inventories	13	2,501,205	2,837,314
		12,819,631	9,837,810
Intangible Assets	14	440,987	440,987
Property, Plant and Equipment	15	12,361,782	13,636,917
		25,622,400	23,915,714
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Trade and other payables	16	3,251,055	2,751,787
Due to affiliated companies	17	307,812	280,579
Note payable	18	4,837,325	4,687,759
		8,396,192	7,720,125
Redeemable preference shares	19	51,500	51,500
		8,447,692	7,771,625
Shareholders' Equity			
Stated capital	20	8,392,500	8,392,500
Revaluation surplus	21	3,567,240	4,358,603
Retained earnings		5,214,968	3,392,986
		17,174,708	16,144,089
		25,622,400	23,915,714

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

APPROVED ON BEHALF OF THE BOARD:-

Michael Caraballo
Director

Albert Porter
Director

Statement of Changes in Equity
For the Year Ended December 31, 2015
(in Eastern Caribbean dollars)

	Note	Issued Capital $	Revaluation Surplus $	Retained Earnings $	Total $
Balance at December 31, 2013		8,392,500	5,141,645	609,877	14,144,022
Profit for the year		0	0	2,000,067	2,000,067
Amortization of revaluation surplus	21	0	(783,042)	783,042	0
Balance at December 31, 2014		8,392,500	4,358,603	3,392,986	16,144,089
Profit for the year		0	0	1,030,619	1,030,619
Amortization of revaluation surplus	21	0	(791,363)	791,363	0
Balance at December 31, 2015		8,392,500	3,567,240	5,214,968	17,174,708

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

Statement of Profit or Loss
For the Year Ended December 31, 2015
(in Eastern Caribbean dollars)

	Notes	2015 $	2014 $
Sales		18,405,290	19,038,063
Direct Cost	22	(7,136,405)	(7,576,968)
Gross Profit		11,268,885	11,461,095
Other Income		206,458	195,226
Operating Profit before Overheads and Other Expenditure		11,475,343	11,656,321
Overhead Expenditure			
Salaries, wages and other employee benefits	22	(3,357,389)	(3,306,982)
Operating and maintenance	22	(1,870,441)	(1,427,999)
Administrative and other expenses	22	(746,850)	(830,184)
Selling and marketing	22	(1,138,600)	(1,249,622)
		(7,113,280)	(6,814,787)
Operating Profit before Other Expenditure		4,362,063	4,841,534
Other Expenditure			
Depreciation of property, plant and equipment	22	(2,937,047)	(2,206,996)
Loss on disposal of plant and equipment	22	(5,322)	(9,404)
Bad debts expense	22	(207,675)	(229,003)
		(3,150,044)	(2,445,403)
Operating Profit for the Year before Finance Cost		1,212,019	2,396,131
Finance cost		(181,400)	(396,064)
Profit for the Year		1,030,619	2,000,067

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

Statement of Cash Flows
For the Year Ended December 31, 2015
(in Eastern Caribbean dollars)

	Notes	2015 $	2014 $
Cash Flows from Operating Activities			
Net income for the year		1,030,619	2,000,067
Adjustments for			
Depreciation	15	2,937,047	2,206,996
Provision for bad debts	22	207,675	229,003
Loss on disposal of property, plant and equipment		5,322	9,404
Finance cost		181,400	396,064
Operating Income before Working Capital Changes		4,362,063	4,841,534
Increase in trade and other receivables		(1,576,116)	(1,028,214)
(Increase) decrease in affiliated company receivables		(86,996)	2,742
Increase in affiliated company note receivable		(161,490)	(377,045)
Decrease (increase) in inventories		336,109	(305,930)
Increase in trade and other payables		499,268	1,171,323
Increase in affiliated company payables		27,233	(236,581)
Cash Generated from Operating Activities		3,400,071	4,067,829
Finance cost paid		(181,400)	(396,064)
Net Cash Generated by Operating Activities		3,218,671	3,671,765
Cash Flows from Investing Activities			
Purchases of property, plant and equipment	15	(1,667,234)	(1,900,559)
Net Cash Used in Investing Activities		(1,667,234)	(1,900,559)
Cash Flows from Financing Activities			
Redemption of preference shares		0	(880,500)
Loan repayment		0	(4,661,516)
Increase in notes payable		149,566	4,687,759
Net Cash from Generated from (Used in) Financing Activities		149,566	(854,257)
Net Increase in Cash		1,701,003	916,949
Cash – Beginning of Year		3,869,859	2,952,910
Cash – End of Year	9	5,570,862	3,869,859

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

1. Incorporation

Dominica Brewery and Beverages Limited (the "Company") is a limited liability company incorporated under the laws of the Commonwealth of Dominica, its place of domicile, on January 13, 1993, and carries the registration no. LC 073/99.

2. Parent Companies

The Company is an 89.43% (2014: 88%) owned subsidiary of International Brewing Limited, a company incorporated in St. Lucia. International Brewing Limited is a wholly owned subsidiary of Cerveceria Nacional Dominicana, S.A, a company incorporated in the Dominican Republic. Tenedora CND, a company incorporated in the Dominican Republic owns 99.64% shares of Cerveceria Nacional Dominicana, S.A. Ambev Brasil Bebidas, SA (ultimate parent company) owns 55% of Tenedora CND.

3. Principal Activities

The Company's principal activities are brewing, manufacturing and merchandising of beer and other beverages.

4. Date of Authorisation for Issue

These financial statements were authorised for issue by the Board of Directors on March 12, 2016.

5. Basis of Preparation

The financial statements of Dominica Brewery and Beverages Limited have been prepared in accordance with the 'International Financial Reporting Standard for Small and Medium-sized Entities' (IFRS for SMEs). They have been prepared under the historical cost convention.

The preparation of financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in note 7.

Transition to the IFRS for SMEs

The company's financial statements for the year ended December 31, 2015, are its first annual statements prepared under accounting policies that comply with the IFRS for SMEs. Dominica Brewery and Beverages Limited transition date is January 1, 2014. The company prepared its opening IFRS for SMEs statement of financial position at that date.

The company's transition from full IFRS to the IFRS for SME's had no effect on its retained earnings at January 1, 2014 and December 31, 2014 or on the company's profits for the year ended December 31, 2014 and its statement of cash flows for the year then ended, as the company elected not to apply any optimal exemption from full retrospective application.

6. Summary of Accounting Policies

Cash

Cash include cash on hand and deposits held at call with banks.

Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'provision for bad debts' in the statement of profit or loss and other comprehensive income.

6. Summary of Accounting Policies (Cont'd)

Financial Assets

(a) Classification

The Company 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 and re-evaluates this designation at every reporting date.

(b) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and where management has no intention of trading. They are included in current assets, except for maturities greater than 12 months after the reporting date, in which case, these are classified as non-current assets. The Company's loans and receivables comprise cash in banks, trade and other receivables, due from parent and due from fellow subsidiaries.

(c) Initial Recognition, Derecognition and Subsequent Measurement

Regular way purchases and sales of financial assets are recognised on trade-date - the date on which the Company commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition. Financial assets are derecognised when the rights to receive cash flows from the asset have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

(d) Impairment

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Individually significant financial assets are tested for impairment if there are indicators of impairment. Impairment loss is recognised in the statement of comprehensive income and the carrying amount of the asset is reduced through the use of allowance.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a moving average basis. The cost of finished goods and work-in-process comprises raw materials, direct labour, other direct costs and related production overheads on the basis of normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

Property, Plant and Equipment

Land and buildings comprise mainly of manufacturing facilities, warehouse and office. Land, buildings and plant and machinery are stated at the most recent valuation less subsequent depreciation for buildings. Independent professional valuers perform valuations every five years. Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each reporting date.

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 company and the cost of the item can be reliably measured. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they were incurred.

Land is not depreciated. No depreciation is also provided on capital work-in-progress until the assets involved have been completed and are put into use. Depreciation on other assets is calculated using the straight line method to allocate their cost or revaluation less residual values over their estimated useful lives as follows:

Buildings	-	3% - 15%
Plant and machinery	-	3% - 20%
Motor vehicles	-	20%
Furniture and equipment	-	10% - 50%
Returnable packaging	-	20% - 33 ½%

6. Summary of Accounting Policies (Cont'd)

Property, Plant and Equipment

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.

A gain or loss on disposal of an asset is determined by comparing proceeds with carrying amount. The gain or loss on disposal is included in the statement of profit or loss and other comprehensive income. When re-valued assets are sold, the amounts included in revaluation surplus are transferred to retained earnings.

Impairment of Non-Financial Assets

Assets which have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets which 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, which represents the amount by which the asset's carrying amount exceeds its recoverable amount, is recognised in the statement of other comprehensive income. The recoverable amount is the greater of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separate identifiable cash flows (cash-generating units).

Trade and Other Payables

Trade payables are obligations to pay for either goods or services that have been acquired in the ordinary course of business from suppliers. Other payables are recognised in the period in which the related money, goods or services are received or when a legally enforceable claim against the Company is established. Those are recognised initially at fair value and subsequently measured at amortised cost using effective interest. Trade and other payables are classified as current liabilities if payment is due within one year or less. Otherwise, they are presented as non-current liabilities, at their present value.

Customer Deposits/Refunds

Certain products of the Company are sold in returnable containers in specified markets. The cost of returnable containers in circulation is included in property, plant and equipment. Customer deposits on returnable bottles and crates are initially recorded in accounts payable and accrued liabilities at their repurchase obligation. Each reporting date, the obligation for customers' refundable deposits is assessed by management and any difference between the carrying amounts on the assessed amount is recognised in direct costs in the statement of comprehensive income.

Related Party Relationships and Transactions

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Transactions between related parties are accounted for at arms' length prices or on terms similar to those offered to non-related entities in an economically comparable market.

Income Taxes

(a) Current Tax

The current income tax expense is calculated on the basis of tax laws enacted or substantively enacted at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which the applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred Tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the 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.

The principal temporary timing differences arise from depreciation on property, plant and equipment.

Share Capital

Ordinary shares are classified as equity.

6. Summary of Accounting Policies (Cont'd)

Treasury Shares

Own equity instruments which are reacquired (treasury shares) are deducted from equity. No gain or loss is recognized in profit or loss on the repurchase, sale, issue or cancellation of the Company's own equity instruments.

Revenue and Expense Recognition

Revenue comprises the fair value of the consideration, net of discounts, received or receivable for the sale of goods in the ordinary course of the Company's activities.

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

(a) Sales of Goods

Revenue is recognized when the significant risks and rewards or ownership of the goods have passed to the buyer.

(b) Interest Income

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

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Foreign Currency Translation

(a) Functional and Presentation Currency

Items in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Eastern Caribbean dollars, which is the Company's functional and 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 statement of comprehensive income.

Operating Lease

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease

Subsequent events

Post year-end events that provide additional information about the Company's position at the balance sheet date (adjusting events) are reflected in the Company's financial statements. Post year-end events that are not adjusting events are disclosed when material to the financial statements, if any.

Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

7. Financial Risk Management

Financial Risk Factors

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

Risk management is carried out by the Company under policies approved by the Board of Directors. The Company identifies, evaluates and hedges financial risks in accordance with guidelines established by its Board of Directors.

(a) Market Risk

(i) Foreign Exchange Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company is subject to foreign currency risk to the extent that it trades in currencies other than Eastern Caribbean currency. Management monitors its exposure to foreign currency fluctuations and employs appropriate strategies to mitigate any potential losses.

At year-end, the Company's significant currency risk exposure in other currencies other than its functional currency, relate to the Barbados dollar, the United States dollar. However, as the Eastern Caribbean dollar is fixed to these currencies, management does not believe that significant foreign exchange risk exists as at December 31, 2014.

(ii) Cash Flow and Fair Value Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company is not exposed to cash flow interest rate risk, as the Company does not have financial instruments with variable rates. The Company is not exposed to fair value interest rate risk, as the Company does not carry available for sale or fair value through profit or loss investments.

(iii) Price Risk

The Company is not exposed to commodity price risk.

(b) Credit Risk

Credit risk refers to risk that counterparty will cause a financial loss for the Company by failing to discharge an obligation. The amount of the Company's maximum exposure to credit risk is indicated by the carrying amount of its financial assets.

The Company's exposure to credit risk is dependent on the degree of failure of its counterparties, including its customers, bankers and other debtors, to honour their obligations. The Company sells product mainly in the Commonwealth of Dominica. The Company performs ongoing credit evaluations of customers and generally does not require collateral. Provisions are made for credit losses. The Company's credit risk is spread primarily over private sector customers.

Maximum exposure to credit risk:

	Maximum Exposure	
	2015 $	2014 $
Cash	5,570,862	3,857,359
Due by affiliated company	102,632	15,636
Note receivable	538,535	377,045
Trade and other receivables	4,106,397	2,737,956
Total credit risk exposure	10,318,426	6,987,996

(c) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its payment obligations when they fall due under normal and stress circumstances. The Company monitors its liquidity risk by considering the maturity of both its financial assets and projected cash flows from operations. Where possible, the Company utilizes available credit facilities such as loans, overdrafts and other financing options.

In order to manage liquidity risks, management seeks to maintain levels of cash in each operating currency, which are sufficient to meet reasonable expectations of its short-term obligations. While the Company is exposed to liquidity risk at December 31, 2014, the parent company is in a position to secure funding to the Company should the need arise.

7. Financial Risk Management (Cont'd)

Financial Risk Factors (Cont'd)

(c) Liquidity risk (Cont'd)

The table below analyses the Company's financial liabilities into relevant contractual maturity groupings as of reporting date. The amounts which are contractually due within 12 months are carried at their nominal value less applicable discounts:

	2015 $	2014 $
Amounts Due within One Year of Reporting:		
Trade and other payables	3,251,055	2,751,787
Due to affiliated companies	307,812	280,579
Note payable	4,837,325	4,687,759
	8,396,192	7,720,125

Capital Risk Management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value, and comply with the capital requirements set by regulators where relevant.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return of capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended December 31, 2015.

Fair Value Estimation of Financial Assets and Liabilities

Fair value amounts represent estimates 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 value if one exists.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The carrying value of the Company's financial assets and liabilities approximate their fair values due to the short-term maturity of these items.

Fair Value Measurement of Non-Financial Assets

The fair value of the Company's main property assets is estimated based on appraisals performed by independent, professionally-qualified property valuers. The significant inputs and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the board of directors at each reporting date. The Company's property, plant and equipment are grouped under Level 3. See Note 15.

Collateral

The Company has no pledged collateral.

8. Critical Judgements in Applying the Entity's Accounting Policies

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and based on historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The items which may have the most effect on the Company's financial statements are set out below:

(a) Allowance for Impairment of Receivables

The allowance for impairment of receivables is based on the Company's assessment of the collectibility of payments from customers. This assessment requires judgment regarding the outcome of disputes and the ability of each of the customer to pay the amounts owed to the Company. The Company tests annually whether accounts receivable balances have suffered any impairment in accordance with the Company's accounting policy. In determining whether an impairment loss should be recorded in the statement of profit or loss, management makes judgments as to whether there is any observable data indicating that there is a measurable decrease in estimated future cash flows that can be identified with an individual customer. Management uses estimates based on historical loss experience as well as payment patterns subsequent to the year end.

(b) Repurchase Obligation

As of reporting date, the Company recognised liabilities totalling $717,739 (2014: $595,884) as a provision, based on management's best estimate based on past experiences, for deposit liabilities on crates and returnable bottles. Where the final outcome is different from the amounts that were initially recorded, such differences will impact the statement of profit or loss in the period in which such determination is made.

(c) Valuation of Property, Plant and Equipment

The Company utilises professional valuers to determine the fair value of its properties. Valuations are determined through the application of a variety of different valuation methods, which are all sensitive to the underlying assumptions chosen.

(d) Estimated Useful Lives of Property, Plant and Equipment

The useful life of each of the Company's property, plant and equipment is estimated based on the period over which the asset is expected to be available for use. Such estimation is based on a collective assessment of industry practice, internal technical evaluation and experience with similar assets. The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, or other limits on the use of the asset. It is impossible, however, that future results of operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above. A reduction in the estimated useful life of any property, plant and equipment would increase the recorded depreciation expense and decrease non-current assets.

9. Cash

	2015	2014
Cash on hand	14,500	12,500
Cash at banks	5,556,362	3,857,359
	5,570,862	3,869,859

Cash at banks earn no interest.

10. Trade and Other Receivables

	2015 $	2014 $
Trade receivables	4,208,846	2,641,576
Allowance for impairment of trade receivables	(657,962)	(422,962)
Trade receivables – net	3,550,884	2,218,614
Other receivables	541,038	507,505
Prepayments	14,475	11,837
	4,106,397	2,737,956

10. Trade and Other Receivables (Cont'd)

As at reporting date, trade receivables having a nominal value of $657,962 (2014: $422,962) were impaired and fully provided for. Movements in the allowance for impairment of receivables are as follows:

	2015 $	2014 $
As at beginning of year	422,962	340,618
Allowance for bad debts for the year	235,000	240,395
Write-offs	0	(158,051)
At end of year	657,962	422,962

The aging analysis of trade receivables is as follows: -

	2015 $	2014 $
Neither past due nor impaired	1,489,794	1,076,736
Greater than 0 days but less than 15 days	531,585	553,642
Greater than 15 days but less than 60 days	970,358	391,903
Greater than 60 days	1,217,109	619,295
	4,208,846	2,641,576

The trade and other receivables are denominated in the following currencies: -

	2015 $	2014 $
Eastern Caribbean currency	2,523,851	1,925,877
United States currency	1,582,546	812,079
	4,106,397	2,737,956

Trade and other receivables are distributed over the following geographical regions: -

	2015 $	2014 $
Commonwealth of Dominica	2,416,519	1,754,593
Other Caricom countries	107,332	171,284
Other	1,582,546	812,079
	4,106,397	2,737,956

11. Due by Affiliated Companies

	2015 $	2014 $
Cerveceria Nacional Dominicana	62,228	0
St. Vincent Brewery Limited	40,404	15,636
	102,632	15,636

The amounts due by affiliated companies are unsecured, non-interest bearing and collectible within 30 days. The amounts due by affiliated companies are denominated in Eastern Caribbean currency.

12. Notes Receivable

	2015 $	2014 $
International Brewing Limited note, bears interest at LIBOR plus 3%, payable quarterly with maturity of August 31, 2016	493,410	369,165
Interest receivable thereon	45,125	7,880
	538,535	377,045

The note receivable from parent company, is unsecured and is denominated in Eastern Caribbean currency.

13. Inventories

	2015 $	2014 $
Raw materials and consumables	1,062,720	1,214,576
Spares	1,098,727	916,238
Finished goods	485,643	390,943
Work-in-progress	110,450	99,772
Goods in transit	199,177	222,202
	2,956,717	2,843,731
Less: allowance for obsolescence	(455,512)	(6,417)
	2,501,205	2,837,314

14. Intangible Assets

	2015 $	2014 $
At purchase price	784,597	784,597
Less: allowance for impairment	(343,610)	(343,610)
	440,987	440,987

Intangible asset which represents goodwill in an acquired business interest, Emeral Corporation Ltd, is carried at cost less any assessed impairment in value. Each reporting date, the intangible asset is assessed for any impairment in value.

15. Property, Plant and Equipment

	Land and Building $	Plant and Machinery $	Furniture and Equipment $	Motor Vehicles $	Construction -in- Progress $	Total $
At January 1, 2014						
Cost or valuation	5,094,551	9,533,417	3,352,340	1,032,427	0	19,012,735
Accumulated depreciation	(415,399)	(2,941,666)	(1,102,900)	(600,012)	0	(5,059,977)
Net Book Amount	4,679,152	6,591,751	2,249,440	432,415	0	13,952,758
Year Ended December 31, 2014						
Opening net book amount	4,679,152	6,591,751	2,249,440	432,415	0	13,952,758
Additions	0	71,957	1,443,021	159,566	226,015	1,900,559
Disposals	0	0	(9,404)	0	0	(9,404)
Depreciation	(147,128)	(1,038,538)	(865,448)	(155,882)	0	(2,206,996)
Closing Net Book Amount	4,532,024	5,625,170	2,817,609	436,099	226,015	13,636,917
At December 31, 2014						
Cost or valuation	5,094,551	9,605,374	4,770,506	1,191,993	226,015	20,888,439
Accumulated depreciation	(562,527)	(3,980,204)	(1,952,897)	(755,894)	0	(7,251,522)
Net Book Amount	4,532,024	5,625,170	2,817,609	436,099	226,015	13,636,917
Year Ended December 31, 2015						
Opening net book amount	4,532,024	5,625,170	2,817,609	436,099	226,015	13,636,917
Additions/Reclassification	62,924	143,835	1,684,262	0	(223,787)	1,667,234
Disposals	0	0	(5,322)	0	0	(5,322)
Depreciation	(147,652)	(1,055,981)	(1,550,939)	(182,475)	0	(2,937,047)
Closing Net Book Amount	4,447,296	4,713,024	2,945,610	253,624	2,228	12,361,782
At December 31, 2015						
Cost or valuation	5,157,475	9,749,209	6,423,872	1,191,993	2,228	22,524,777
Accumulated	(710,179)	(5,036,185)	(3,478,262)	(938,369)	0	(10,162,995)
Net Book Amount	4,447,296	4,713,024	2,945,610	253,624	2,228	12,361,782

The property, plant and equipment were re-valued on January 31, 2011 on an open market basis by Organizacion Levin S.A., Argentina branch (see Note 21).

If the re-valued property, plant and equipment were stated on the historical cost basis, the amounts would be as follows: -

	Land and Building $	Plant and Machinery $	Furniture and Equipment $	Motor Vehicles $	Construction -in- Progress $	Total $
Cost	4,020,062	3,025,908	5,170,079	881,254	2,228	13,099,531
Accumulated depreciation	(440,138)	(1,137,357)	(1,952,897)	(514,611)	0	(4,045,003)
At December 31, 2015	3,579,924	1,888,551	3,217,182	366,643	2,228	9,054,528

16. Trade and Other Payables

	2015 $	2014 $
Trade payables	1,122,371	495,290
Accrued expenses	851,673	896,201
Repurchase obligation	717,739	595,884
Other payables	559,272	764,412
	3,251,055	2,751,787

The carrying amounts of the Company's trade and other payables are denominated in the following currencies: -

	2015 $	2014 $
Eastern Caribbean currency	2,117,068	1,945,834
United States currency	1,042,838	759,917
Barbados currency	79,210	0
Euro currency	11,939	46,036
	3,251,055	2,751,787

17. Due to Affiliated Companies

	2015 $	2014 $
St. Vincent Brewery Limited	54,213	91,653
Cerveceria Nacional Dominicana	253,599	188,926
	307,812	280,579

The amounts due to affiliated companies are unsecured, non-interest bearing and payable within 30 days. The amounts due to affiliated companies are denominated in Eastern Caribbean currency and United States currency respectively.

18. Note Payable

	2015 $	2014 $
Note payable, bearing interest at LIBOR plus 3%, payable quarterly with maturity of November 2016	4,661,516	4,661,516
Interest receivable thereon	175,809	26,243
	4,837,325	4,687,759

On November 14, 2014, Cerveceria Nacional Dominicana provided a short-term loan facility to the company in the amount of US$1,715,749 to repay a loan from the Bank of Nova Scotia. The note payable is unsecured and denominated in United States currency.

19. Redeemable Preference Shares

	2015		2014	
	Number of Shares	Par Value $	Number of Shares	Par Value $
Issued and Fully Paid at January 1				
6% redeemable non-voting preference shares	1,195	51,500	10,000	932,000
Shares redeemed	0	0	(8,805)	(880,500)
Issued and fully paid at December 31	1,195	51,500	1,195	51,500

The Company is authorized to issue 20,000 redeemable non-voting preference shares without par value. As of reporting date the Company has 9,485 (2014: 9,485) treasury preference shares.

20. Stated Capital

	2015 $	2014 $
Authorised	Unlimited	Unlimited
Issued and Fully Paid		
208,791 common shares of no par value	8,392,500	8,392,500

As of December 31, 2015, the Company had 6,075 (2014: 6,075) ordinary treasury shares.

21. Revaluation Surplus

	Land and Building $	Plant And Machinery $	Motor Vehicle $	Total $
At December 31, 2013				
Revaluation reserve	1,074,489	6,179,893	310,739	7,565,121
Accumulated amortization	(122,388)	(2,842,848)	(241,282)	(3,206,518)
At December 31, 2014	952,101	3,337,045	69,457	4,358,603
At December 31, 2014				
Revaluation reserve	1,074,489	6,179,893	310,739	7,565,121
Accumulated amortization	(153,930)	(3,555,100)	(288,851)	(3,997,881)
At December 31, 2015	920,559	2,624,793	21,888	3,567,240

The amortization for 2015 amounts to $791,363 (2014: $783,042).

The property, plant and equipment were re-valued on January 31, 2011, on an open market basis by Organizacion Levin S.A., Argentina branch (see Note 15). The revaluation reserve, on depreciable assets, is amortized to retained earnings over the life of the property, plant and equipment. The revaluation reserve on land will be transferred to retained earnings when the land is sold.

22. Expenses by Nature

	2015 $	2014 $
Cost of goods sold	7,136,405	7,576,968
Salaries, wages and related party employee benefits (Note 23)	3,357,389	3,306,982
Depreciation (Note 15)	2,937,047	2,206,996
Office, administrative and other expenses	1,935,453	1,996,851
Selling and marketing	1,138,600	1,249,622
Provision for bad debts	207,675	229,003
Provision for spares obsolescence	455,512	0
Security	160,600	157,360
Legal and professional fees	58,877	92,594
Insurance	12,171	20,782
Total Direct Cost, Overhead and Other Expenditures	17,399,729	16,837,158

23. Employee Benefit Expenses

	2015 $	2014 $
Salaries and wages	2,633,798	2,837,733
Other benefits	723,591	469,248
	3,357,389	3,306,981

24. Taxation

The cabinet Decision No. 729 dated August 20, 22, 24, and 28, 2007, the Company was granted the following concessions under the Fiscal Incentives Act, Chapter 84:51 of the Laws of the Commonwealth of Dominica:

a) Exemption from the payment of import duty on all machinery, equipment and spare parts, including office equipment for fifteen (15) years;

b) Exemption from the payment of income tax on profits of the operations for fifteen (15) years; and

c) Waiver of withholding tax on interest payable on foreign loans for a period of fifteen (15) years.

On March 25, 2015, under the Fiscal Incentives Act, Chapter 84:51, the Company was granted the following concession:

a) Exemption from payment of import duty on raw and packaging materials for a period of ten (10) years.

On July 29, 2015, under the Fiscal Incentives Act, Chapter 84:51, the Company was granted the following concession:

a) Exemption from payment on import duty on laboratory equipment and cleaning supplies for a period of five (5) years

25. Related Party Transactions

In the normal course of business, the company purchase goods and services and less goods to related parties on an arms length basis. The following summarises company transactions with its related parties:

	2015 $	2014 $
Sales		
St. Vincent Brewery Limited	0	145,178

	2015 $	2014 $
Purchases and Services		
Cerveceria Nacional Dominicana, C.S.A.	317,621	252,020
Antigua Brewery Limited	0	7,252
St. Vincent Brewery Limited	702,376	1,203,298
	1,019,997	1,462,570

	2015 $	2014 $
Key Management Compensation		
Salaries and wages	289,438	322,072
Other benefits	23,554	21,270
	312,992	343,342

26. Capital Commitments and Contingencies

Capital Commitments

As of reporting date, the Board of Directors approved capital expenditure amounting to $2.3 million (2014: $2.1 million).

27. Comparative Figures

Where necessary, certain comparative figures have been reclassified to conform to changes in presentation in the current year. In particular, the comparative figures have been adjusted or extended to reflect the requirements of the IFRS for SMEs.