The Gleaner Company Limited

MISSION STATEMENT

The Gleaner... committed to being ***the source*** *for accurate and independent information.*

COMMITTED TO PROVIDING OUR

CUSTOMERS
with quality Products and Service delivered in a courteous, timely and efficient manner.

SHAREHOLDERS
with a profitable return on their investment.

EMPLOYEES
with a working environment that is safe, innovative, dynamic and rewarding.

COMMUNITY
with corporate citizenship that is socially active and environmentally responsible.

SUPPLIERS
with a harmonious and mutually beneficial business relationship.

INFORMATION CREDIBILITY INDEPENDENCE

The Gleaner Company Limited

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NOTICE OF ANNUAL GENERAL MEETING

The Gleaner Company Limited

7 North Street
P.O. Box 40
Kingston
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Email: petal.marshall@gleanerjm.com
Fax: (876) 922-1958

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Stockholders of The Gleaner Company Limited will be held at the registered office of the Company, 7 North Street, Kingston, Jamaica, on **Thursday, 2014 May 22 at 10:30 a.m.** for the following purposes:

1. To receive the Directors' Report, Auditors' Report and Audited Financial Statements for the year ended 2013 December 31 and to consider, and if thought fit, pass the following resolution:-

   Resolution 1

   Resolved that the Directors' Report, Auditors' Report and the Audited Financial Statements for the year ended 2013 December 31, be hereby approved and adopted.

2. To re-elect Directors who have retired from office in accordance with Article 93 of the Company's Articles of Incorporation. The Directors, namely, Mr. Christopher Roberts, Mr. Morin Seymour and Mrs. Lisa Johnston being eligible, have offered themselves for re-election and to consider, and if thought fit, pass the following resolutions:-

   Resolution 2a

   Resolved that the Directors retiring by rotation and offering themselves for re-election be re-elected en bloc.

   Resolution 2b

   Resolved that Mr. Christopher Roberts, Mr. Morin Seymour and Mrs. Lisa Johnston be re-elected Directors of the Company.

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

   Resolution 3

   Resolved that the Directors' fees agreed and payable for the year ending 2014 December 31, to all non-executive Directors of the Company be and are hereby approved.

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

Resolution 4

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

5. Special Business

To consider and, if thought fit, pass with or without modifications, the following Special Resolutions:-

Resolution 5a

Resolved that the Company's Articles of Incorporation be amended by the insertion, after Article 123, of a new article, namely, Article "123A," as follows:

123A. All dividends unclaimed for one year after having been declared, may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and if unclaimed for 12 years may be forfeited and retained by the Company.

Resolution 5b

Resolved that Article 75 of the Company's Articles of Incorporation be deleted and replaced by a new Article "75" as follows:

75. The number of the Directors shall be determined by the Company in general meeting from time to time and until so determined shall be not less than five nor more than fifteen: Provided that an honorary Chairman of the Board of Directors appointed under Article 97 shall not be deemed to be included in these numbers.

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

By Order of the Board

Shena Stubbs-Gibson
Company Secretary

April 8, 2014

Note: In accordance with Section 131 of the Companies Act, 2004, a member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him, and such proxy need not also be a member. A proxy form is included at page 97. When completed the form should be deposited with the Company Secretary at the registered office of the Company, 7 North Street, Kingston, Jamaica, not less than 48 hours before the time appointed for the meeting. The proxy form should bear stamp duty of $100.00.

The Gleaner Company Limited

DIRECTORS' PROFILES

Hon. Oliver F. Clarke

O.J., J.P., B.Sc. (Econ.) F.C.A., LL.D. (Hon.)

Chairman (since April 1979) and Managing Director (From May, 1976 – January, 2011)

He is Chairman of Jamaica National Building Society and JN General Insurance Company Limited (JNGI) and is a Board Member of Jamaica Producers Group Limited. Mr. Clarke was President of the Inter American Press Association (1997/1998) and the Private Sector Organisation of Jamaica (2002/2003). He was inducted into the Hall of Fame of the Private Sector Organisation of Jamaica and received the Americas Award 1990 from the Americas Foundation for the University of the West Indies. In 2006, he received the American Friends of Jamaica International Humanitarian Award. He is a Chartered Accountant and a Justice of the Peace.

Mr. Christopher N. Barnes

J.P., B.Sc., M.B.A.

Director - (since February, 2008) and Managing Director (since February, 2011)

Mr. Barnes was appointed Managing Director in February 2011. He is the Chairman of Independent Radio Company Limited, PALS Jamaica Limited and Media Association Jamaica Limited. He serves on the boards of Caribbean News Agency, Caribbean Media Corporation, Ocho Rios Beach Limited, Pan Jamaican Investment Trust, JN Life Insurance Company Limited, Inter American Press Association, and is the Honorary Secretary of the Private Sector Organization of Jamaica. Prior to joining the Gleaner, he spent 10 years with Montreal-based Alcan Inc. (now Rio Tinto Alcan) in various international roles including his last as Director, Strategic Initiatives for Alcan's Global Pharmaceutical Packaging Group. He is a Justice of the Peace.

Mrs. Lisa Johnston

B.A., M.A..

Director (since April, 2000)

She is the Corporate Affairs Manager at the Jamaica Producers Group Limited. She is a member of the board of the Jamaica Exporters Association and Honorary Consul of Costa Rica. She is also a member of the Jamaica Trade and Adjustment Team in the Ministry of Foreign Affairs and Foreign Trade. Mrs. Johnston was a former Galo Plaza Fellow at the Inter-American Dialogue in Washington D.C.

The Gleaner Company Limited

DIRECTORS' PROFILES

Mr. Joseph M. Matalon

C.D., B.Sc (Hons.) Econ.

Director (since October, 1987)

He is Chairman of the ICD Group Limited and its subsidiary British Caribbean Insurance Company Limited. He holds directorships on a number of other boards including Scotia Group Jamaica Limited, West Indies Home Contractors Limited, CGM Gallagher Group Limited, and Matalon Homes Limited. He is also Chairman of the Board of Governors of Hillel Academy in Kingston, Jamaica.

Mr. Matalon served as President of the Private Sector Organisation of Jamaica (PSOJ) between June 2009 and July 2012, and has also served as Chairman of the Development Bank of Jamaica since 2007. In 2010, Mr. Matalon was appointed by the Government of Jamaica to the Order of Distinction in the Rank of Commander (C.D.), in recognition of his contribution to the Public and Private Sectors, and to community service.

Hon. Douglas R. Orane

C.D., J.P., B.Sc (Hons.), M.B.A., LL.D. (Hon.)

Director (since May, 1988)

He is former Chairman and Managing Director of Grace Kennedy Limited, is currently a director of that company and a member of other Boards. He served as President of the Private Sector Organisation of Jamaica from December 1992 to December 1994 and as Vice President from December 2001 to February 2003. Mr. Orane served as an Independent Senator in the Senate from 1998 to 2002 and was appointed a member of the Privy Council in 2009. He is an Industrial Engineer and a Justice of the Peace.

Dr. Carol D. Archer

B.A, M.A., M.U.R.P., M.Phil, Ph.D.

Director (since December, 2001)

She was appointed Dean of the Faculty of the Built Environment at the University of Technology, January 2006 and Associated Professor in 2009. Prior to her appointment as Dean, she served as Head of School of Building and Land Management from July 2004 and as Programme Director for the Urban and Regional Planning Programme from February 2000 to June 2004. Dr. Archer currently serves or had served on boards including National Housing Trust Technical Subcommittee, Scotia Jamaica Building Society, University Council of Jamaica, Town & Country Planning Authority/National Resource Conservation Authority (Deputy Chair), Urban Development Corporation Subcommittee on Planning and Development, South East Regional Health Authority (Deputy Chair), National Chest Hospital (Chair), Council for the University of Technology - Jamaica, National Investment Bank of Jamaica, and Water Resources Authority.

The Gleaner Company Limited

DIRECTORS' PROFILES

Hon. John J. Issa

O.J., C.D., J.P., B.Sc., LL.D. (Hon.)

Director (February, 1975 - June, 2003) and Vice Chairman (since July, 2003)

He serves as Chairman of Super-Clubs International Limited and its subsidiaries. Mr. Issa is trustee of the Bustamante Foundation. He served as a member of the Senate (1983-1989) and as Chairman of the Jamaica Tourist Board (1984 -1989). In 1999 and 2009, Mr. Issa was awarded an Honorary Degree of Doctor of Laws (Honoris Causa) from the Northern Caribbean University and the University of the West Indies, respectively. In 2005, he received the Trail Blazer Award from the Jamaica Tourist Board and in 2007 the Lifetime Achievement Award in Travel and Tourism – Caribbean World Awards. Mr. Issa is a Justice of the Peace and Honorary Consul of Serbia.

Mr. Christopher S. Roberts

J.P., C.A.

Director (since February,1975)

He serves as a member of other Boards including Independent Radio Company Limited and JN General Insurance Company Limited (JNGI). Mr. Roberts is a former Financial Director and Deputy Managing Director of The Gleaner Company Limited. He is a Chartered Accountant and a Justice of the Peace.

Mr. H. Winston Dear

O.D., J.P, C.L.S.

Director (since April, 2004)

He retired from the Land Surveyors Firm of Dear Kindness and Partners Limited. Mr. Dear currently serves as a Director of Margartaville Limited, Margartaville Ocho Rios Limited, Doctors Cave Management Limited, Ice Rasta's Limited; is a Development Consultant for Barnett Estates Limited and a member of the St. James Parish Development Committee, the Urban Development Corporation and Montego Bay Advisory Committee. He was a Commodore of the Montego Bay Yacht Club and past Chairman of the Montego Bay Civil Centre. He also served as President of the Montego Bay Chamber of Commerce and Industry for two terms spanning over four years.

DIRECTORS' PROFILES

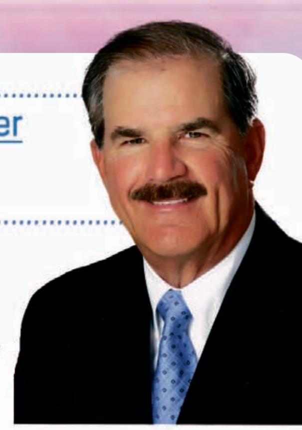
Mr. Morin M. Seymour

C.D., J.P., B.Sc., M.B.A., F.L.M.I.

Director (since April, 2000)

He is Chairman of Kingston Restoration Foundation, a director of Mona Social Services Company, UWI, Mona Campus and Past President of the Jamaica American Friendship Association and a member of other Boards, including PALS Jamaica Limited and the Excelsior Community College. He is the People's Warden of the Kingston Parish Church. In 1979 he obtained the designation of Fellow of the Life Management Institute from LOMA, USA; 1983, received a Certificate in Public Enterprise Policy for developing countries from Harvard University; 1995 designated an Eisenhower Fellow; 1999, received the Governor General's Achievement Award for Surrey, Jamaica; and in 2003, awarded the Prime Minister's Appreciation Award for Community Development and Honorary visiting Fellow Joseph C. Cornwall Centre for Metropolitan Studies at Rutgers, the State University of New Jersey. In 2004, he received the Prestigious Alumnus Award from the Graziadio School of Business and Management, Pepperdine University, California. In 2011, he received the national award Commander of the Order of Distinction (C.D.).

Mr. Earl M. Maucker



B.A.

Director (since April, 2011)

A former Editor of the Sun-Sentinel in South Florida and a veteran of the U.S. Air Force; he is a member of several professional organizations including the American Society of Newspaper Editors, the Florida Society of Newspaper Editors and the Society of Professional Journalists. He also serves on the board of directors of the Inter-American Press Association (he is a former president). Mr. Maucker was elected to the Lighthouse Point City Commission in January 2012 where he now serves as a city commissioner for a three-year term.

Professor the Hon. Gerald C. Lalor

O.J., C.D., B.Sc., M.Sc., Ph.D.

Honorary Chairman (Since December, 2005)
and Director (from March,1990 - December, 2005)

A scientist by profession, he is a former Pro-Vice Chancellor of the University of the West Indies and Principal of its Mona Campus, and is at present, Director General Emeritus and Chairman of the board of directors of the International Centre for Environmental and Nuclear Sciences. He is a Fellow of the Third World Academy of Sciences and a member of several scientific organizations. He is a Director of the Insurance Company of the West Indies Group, a founding member of the National Commission on Science and Technology and of editorial boards of several scientific journals. He has been awarded the National Medal for Science and Technology.

The Gleaner Company Limited

SENIOR MANAGERS

CHRISTOPHER BARNES
Managing Director

SHENA STUBBS-GIBSON
Company Secretary/ Senior Legal Advisor

ROBIN WILLIAMS
Manager - Online and Information Technology

GARFIELD GRANDISON
Editor-In-Chief

ANTHONY O'GILVIE
Manager - Human Resources and Administration

BURCHELL GIBSON
Circulation Manager

The Gleaner Company Limited

SENIOR MANAGERS

NEWTON JAMES
Managing Director - Independent Radio Co. Ltd.

NORDIA CRAIG
Manager - Business Development and Marketing (since Jan 1, 2014)

COLLIN BOURNE
Manager - Print, Plant and Distribution Operations

KARIN COOPER
Consultant - Business Development and Marketing (since Jan 1, 2014)

RUDOLPH SPEID
Manager - Group Finance and Procurement

MARLENE DAVIS
Manager - Media Integration (on secondment to GV Media)

CHAIRMAN'S REPORT DECEMBER 31, 2013

The Gleaner Company Ltd. has this year demonstrated resilience in the face of what continues to be very challenging times for the country. Your board believes the signing of the IMF agreement, the government's disciplined implementation of the plan, and a focus on economic growth, will ultimately lead to a better Jamaica for all. Your company will continue doing its part by pressing the important issues, highlighting the opportunities, and promoting transparency and accountability in all efforts, on behalf of all Jamaicans.

Your company's performance reflects management's continued efforts to best offset external factor driven cost increases, take advantage of opportunities to increase sales, and finally, best steer your company through the ongoing global transition of the industry. The board has this year presided over management's implementation of a significant portfolio of projects necessary for future value creation for all stakeholders.

Financial performance is closely monitored and the balance sheet of the company, largely unleveraged, remains healthy; placing the company in good stead to pursue activities necessary for future sustainability. The board is satisfied that the right team and processes are in place to achieve success with the company's strategic objectives. Your board takes its responsibility to the shareholders very seriously and will continue to represent your interests as the company moves towards a better future.

Your board applauds the amendments made in 2013 to the country's libel laws, especially the abolition of criminal defamation and reduction in the limitation period, but wishes for Jamaica a more empowered and better enabled media to tackle corruption. We encourage continued efforts of the industry to make this a reality.

This year, The Gleaner enters into its 180th anniversary; we have much to be thankful for, and are very proud of the important role we have played in recording Jamaica's rich history with the high level credibility that sets us apart from the rest. We look forward to celebrating this milestone with our stakeholders.

On behalf of the Gleaner board, I would like to thank all shareholders for the confidence placed in the directors in 2013.

Hon. Oliver Clarke, O.J., J.P., B.Sc (Econ) F.C.A., LL.D (Hon.)
Chairman

MANAGING DIRECTOR'S REPORT DECEMBER 31, 2013

Group results of $3.2B in sales and $91M of pre-tax profit, largely flat to last year, reflect the impact of consumer uncertainty from the long anticipation, and the ultimate signing of the IMF agreement. In spite of the challenging economy, The Gleaner Company Ltd. continued to forge ahead with the strength of its balance sheet, reflecting net book value of $2.6B at year end, and its plans to improve upon its current market leadership position for revenue maximization.

At The Gleaner, we feel a deep sense of responsibility, not only to report and comment on what is wrong with our country, but also to share and celebrate the stories and events which embody the ideals we strive for as a nation, that is, showing what is right with Jamaica. In 2013, your company directed greater editorial focus towards important national issues and events, allowing The Gleaner to remain the preferred choice for advertisers and readers.

Operationally, management took necessary steps to improve production and distribution efficiency in order to maximize performance of the core print business. The team also continued to research, and adopt best practices from, the global transition of the media industry to inform the company's operational strategy. The year saw management implement a portfolio of strategic projects which saw investment in a mixture of projects for short and long term financial returns for your company.

In furtherance of The Gleaner's digital strategy, your company introduced new mobile applications for Android and iOS operating systems, the take-up of which has been very encouraging and is expected to continue in 2014. The company's social media thrust also resulted in significant growth over 2012. Both of these developments confirm The Gleaner's success in providing the right content, and being present on the digital platforms which are growing in popularity, both of which, industry analysts say, are said to be rich opportunities for revenue conversion.

By the end of 2013, your company's flagship website www.jamaica-gleaner.com had amassed near 1 million unique visitors per month, with 70% of users accessing the site from outside of the country. This untapped market represents a unique opportunity for digital revenue expansion which, with an increase in subscription models introduced globally, informed your company's recent implementation of its own online subscription model. Management believes the success of this venture will greatly assist investment in improving the content your company provides to its readers.

The close to a busy year saw the relocation and integration of our two radio stations, Power 106 and Music 99, into our North Street headquarters. Revenue, content and cost efficiencies from this move, resulting from closer collaboration between print, online and now radio, have already started to accrue.

The Gleaner brand was strong and more visible in 2013 thanks to a deliberate increase in marketing and branding efforts. For the team's service delivery in 2013 The Gleaner was awarded AAAJ Media (and Print Media) of the Year for the 16th time. For journalistic excellence, Gleaner editorial staff won fourteen PAJ awards; bettering last year's result by two awards. This reflects an abundance of pride in what we do and the calibre of employees we have, not only in editorial and advertising, but across the organization, who work tirelessly to make all of our clients and stakeholders happy. We are fortunate to have a committed team behind us, and for this I wish to record, on behalf of management, sincere appreciation of all staff.

Of course, none of the above could be reported without the support of all Gleaner stakeholders and, for this, I extend sincere thanks on behalf of all management and staff. It is your support, especially through the tough times, that keeps your company focused on providing the reliable and credible information Jamaicans demand for making life changing decisions. We take this charge very seriously.

Christopher N. Barnes, J.P., B.Sc., M.B.A.
Managing Director

OVERVIEW

The following Management Discussion and Analysis (MD&A) is intended to help readers, shareholders, and customers understand The Gleaner Company Limited, its operations and present business environment. The MD&A is provided as a supplement to the Chairman and Managing Director's Report and should be read in conjunction with the financial statements and accompanying notes thereto. The overview summarises the MD&A which includes the following sections:

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS

The management of The Gleaner Company Limited is responsible for the integrity and objectivity of the information contained in the MD&A. The information presented herein was reviewed by the Group's Audit Committee and the Board of Directors. Management believes the information presented herein represents an objective review of the Group's past performance and future prospects.

THE BUSINESS

Established as a company in 1897, The Gleaner Company Limited is a media company with assets valued at J$3.7B as at December 31, 2013, boasting products and services spanning newspapers, radio and suite of digital products. The group operates one business segment – media services - which includes its newspaper and online operations in Jamaica, the United Kingdom, Canada and the United States of America as well as two radio stations in Jamaica. Other projects involved in, include the publication and production of books, as well as contract printing. The company generates revenue, income and cash flow through the sale of newspapers, advertising spots in all newspapers, radio and online offerings, in addition to special projects. The Gleaner pushes editorially the issues important to Jamaica and continues to deliver information that is reliable, credible, trusted and in line with the company's code of ethics and professionalism.

The Gleaner operates in a highly competitive environment faced with strong competition from numerous media offerings. Performance is affected by a number of factors, including, but not limited to the cost to print and distribute products, consumer spending, general economic conditions, and inflation.

OUR MISSION

The Gleaner Company Limited is committed to being the source for accurate and independent information. We are committed to delivering world class service to our customers, shareholders, employees, the community in which we operate, and also to our suppliers.

FINANCIAL RESULTS OVERVIEW

The Group Financial Accounts for the twelve months ended December 31, 2013 show a profit for the year after taxation of $86M (2012: $133M).

Profit from continuing operations before taxation was approximately $91M (2012: $87M). Included in the 2013 result was interest income of $110M earned on invested funds.

REVENUE

In comparing the financial statements for the twelve-month period ended December 31, 2013, with those for the comparative period 2012, the following should be noted: -

(a) Revenue in the 2013 period decreased by approximately $6M or 0.1% to 2012.

(b) In these statements, "other operating income" of $127M includes income earned from contract printing, sale of fixed assets and foreign exchange gains.

(c) Included in profit for 2012 was a tax credit of $45M applicable for the year, due in part to changes in the corporate tax rates announced by the government during that year.

EXPENSES

The group registered creditable cost improvements in distribution (2.4%) and other operating expenses (16%), which helped to contain its overall cost to $3.4B; an increase of just under 2% inclusive of cost of sales. Administrative expenses of $685M, 12% over prior year, reflected mainly one-off expenses associated with business relocation, restructuring of employee benefits, and impairment of certain investments.

Total Expenses	**2013 $000**	**2012 $000**	**Change $000**	**% Change**
Cost of sales	1,867	1,812	55	3.0
Distribution cost	477	489	(12)	(2.4)
Administrative expenses	685	612	73	12.0
Other operating expenses	330	391	(61)	(16.0)
Pension cost	24	22	2	9.0
Total	**3,383**	**3,326**	**57**	**2.0**

EQUITY

Market capitalization of $1.3B (2012:$1.7B) is below the $2.6B book value for 2013 (2012: $2.4B). Net Book Value per share stood at $2.15 as at December 31, 2013 (2012:$1.95).
The group equity of $2.6B showed an increase in value of $200M or 8% at December 31, 2013 compared to $2.4B in 2012.

PENSION RECEIVABLE

(a) Finance income of $152M in 2013 (2012:$93M) includes $110M of income earned on pension receivable.

(b) The pension receivable amount of $1B represents surplus due to the company arising from the discontinuation of a defined-benefit pension scheme in 2010. Of the total outstanding, $29M is expected to be received in more than one year from the reporting date. (See below for movement and balance for 2013).

	Group and Company	
	2013	2012
	$'000	$'000
Balance at beginning of year	1,062	1,429
Net received during the year	(157)	(425)
Income earned during the year	111	58
Balance at end of year	**1,016**	**1,062**
Due within 1 year	987	919
Due after 1 year	29	143
	1,016	**1,062**

SHAREHOLDER RETURN

	2013	2012
Ordinary shares in issue @ 50 cents	1,211,243,827	1,211,243,827
Closing market price per share ($)	1.1	1.4
Market capitalisation ($B)	1.3	1.7
Dividend paid per share (c)	7.0	8.0
Dividend Yield (%)	6.4	5.7
Benchmark:		
Gleaner Capital Appreciation/ (Depreciation) (%)	(24)	(32)
JSE Capital Appreciation/Main Index (%)	(12.5)	(3)

DIVIDEND AND STOCK PRICE

2013

A first interim revenue distribution of 3.5 cents (2012: 5 cents) per stock unit was paid on March 22, 2013, to shareholders on record at close of business on March 4, 2013.

A second interim revenue distribution of 3.5 cents (2012: 3 cents) per stock unit was paid on March 22, 2013, to shareholders on record at the close of business on March 4, 2013.

Total dividend paid in 2013 was $84.8M compared to $96.9M in prior year. No final dividend has been recommended for 2013.

2014

Your directors proposed a first interim dividend of 4.0 cents per stock unit to be paid on March 13, 2014, to shareholders on record at close of business on February 27, 2014.

The Company's stock unit price on the Jamaica Stock Exchange at December 31, 2013 was $1.10 per share; the opening price at January 1, 2013 was $1.40 per share.

NON-CURRENT LIABILITIES

There was a decrease in non-current liabilities due mainly to the following:-

- adjustment of employee benefit obligation resulting from a change in accounting policy (IAS 19) which was applied retroactively to 2011.
- During the year, the company made an offer to its employees to settle, in cash, its obligation for post retirement health insurance. The offer was accepted by 145 employees, to whom $19M was paid.

WORKING CAPITAL

Working capital	**2013 $M**	**2012 $M**	**% Change**
Total current assets	1,726	1,943	(11)
Total current liabilities	(562)	(608)	(8)
Working capital	**1,164**	**1,335**	**(13)**

Working capital decreased by 13% due mainly to a reclassification of some securities from available for sale (current assets) to longer term instruments (non-current assets). There was also a planned reduction in newsprint inventory to facilitate the reduction in the page size of all publications on January 1, 2014.

RECONCILIATION OF TRADING PROFIT TO PROFIT FROM CONTINUING OPERATIONS

Trading profit increased from $138.4M to $142.7M during 2013; an increase of $4.3M or 3%. (See Table below):

	2013 $M	**2012* $M**
Profit from continuing operations before taxation	**91.4**	**86.9**
Loss/gain on operations of GLEIT	(18.9)	7.0
Loss/gain on Employee Benefit Obligation	(31.0)	9.5
Impairment Expenses	33.2	-
Restructuring Cost	68.0	35.0
Trading Profits	**142.7**	**138.4**

*Restated

RISK MANAGEMENT

The Board monitors the operating results for the purpose of making decisions about resource allocation and assessment of performance.

An Investment Committee meets monthly to discuss investment options, cash management and makes recommendations to the board for decision.

The Audit Committee of the board meets quarterly to review financial performance and budgets, review internal and external audit reports, assess operational risks and mitigation plans, and makes recommendations to the board for decision.

The members of the committee are:

Mr. Christopher Roberts, C.A (Chairman/Non Executive Director)
Hon. John Issa, O.J., LL.D. (Non Executive Director)
Mr. Christopher Barnes, B.Sc., M.B.A. (Executive Director)
Mrs. Lisa Johnston, B.A., M.A (Non Executive Director)
Mr. H. Winston Dear, O.D., C.L.S. (Non Executive Director)

The role and responsibilities of the Audit Committee include:

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

EDITORIAL COVERAGE

News coverage in your publications continues to be of a very high standard. Your newsroom excelled at breaking and following major stories as well as utilising the Access to Information facility to hold public offices and officials to account. During the year we established a new investigative unit that has been doing exemplary work online, on radio and in print, and the Editors' Forum series continued to have an impact addressing critical national issues.

The Gleaner's PAJ Award-Winning Team.

The excellent work of your newsroom was rewarded with 14 National Journalism Awards for news, sport, opinion, photo-journalism.

During the period under review, your newsroom embarked on a series of projects to push the Gleaner further above all competitors in the delivery of news, information, commentary and value.

We developed Food Month, a project which expanded upon the successful annual Restaurant Week event in November. Food Month was widely supported by key players in the food industry. It established couponing as a real money-saving activity for the Jamaican shopper and created a new platform for direct marketing of new products. The month was abuzz with a series of activities bringing communities together around matters of food, value and nutrition. Food Month is a model for collaboration and synchronization between our Editorial, Business Development and Marketing, Radio, Circulation and Online departments.

Your Editorial Department increased the push online. The number of videos produced and posted increased considerably. A new feature, **Corporate Coffee Mornings**, hosted by Public Affairs Editor, Barbara Ellington, was introduced, while **Erica's Edge**, a feisty commentary by Senior Reporter Erica Virtue, continues to be widely viewed by browsers. Other offerings such as **News in a Minute**; **Jamaica Now, IMF Tracker, Lifestyle Today** and the **Parliament Report** have increased their viewership.

Your award-winning Sports team of Andre Lowe and Ricardo Makyn provided first class coverage of the World Junior Championships in Brussells during the summer. Covering from all platforms, the duo excelled in providing blow-by-blow, minute-by-minute reports of the glorious Jamaican performance in Russia.

Your morning daily **Gleaner** broadsheet, your afternoon tabloid **The Star**, and your weekend product, **The Sunday Gleaner** have maintained their leadership positions among readers for the period under review. These core products continue to deliver news that is reliable, trusted and in line with our code of ethics and professionalism. All other publications also maintained their strong positions in the market.

2013 was a good year for your newsroom and we recommit to press on with the trend of delivering content of high quality and standards guided by our code of ethics and professionalism as we embark on the challenges of 2014.

Gleaner Library and Archives

The Gleaner library continues to play its roles by preserving in paper and electronic formats, a complete record of the Gleaner's publications and to provide research services in support of staff members and other interested parties. Services offered by the library include; research, sale of photographs, Gleaner frontpages, scrapbooks and copyright licensing of Gleaner's content .

The period under review saw the implementation by the Gleaner Library, of a inventory database, LibApp. This allowed for easy tracking and monitoring of physical publications in the Archives.

In keeping with one of our main objectives to improve on generating revenue, the Gleaner Library Online Store was launched. The Library Online Store contains repackaged content such as photos and Gleaner pages that can be ordered in electronic or printed formats. The Store allows for the seamless sale of photographs and newspaper pages straight from the Gleaner Archives to customers anywhere in the world. Other available products include t-shirts, mugs, mouse pads and puzzles customized with Gleaner images and pages. It is also a gallery for persons who wish to research and licence Gleaner photos and pages for re-use. Customers can access by visiting http://thegleanerstore.mycapture.com

The Gleaner Newspaper Archive Online continues to be a major research tool for many. The Online Archives is an on-line database that contains over 1.3 million historical newspaper pages from the Gleaner Newspaper dating back to 1834. Launched in 2005, the database is searchable by keyword and date, making it easy for subscribers to quickly explore historical content. Subscribers are able to gain a local perspective on historical news, to research family history or to simply read about persons and events of interest. There are currently over 1000 active subscribers. Readers can subscribe to the Gleaner Archives by visiting the website: http://gleaner.newspaperarchive.com or the Gleaner Library at 7 North Street, Kingston.

Libel Cases & Libel Reform

On November 5, 2013, the House of Representatives passed the new Defamation Act. Your company was very involved in the lobby to have the new Act passed. The **Defamation Act 2013** replaces the **Libel and Slander Act** of 1851 and **the Defamation Act** of 1961. Major achievements of the new Act are: the abolition of criminal libel, the reduction of the limitation period for actions from six years to two; an apology may no longer be deemed to be an admission of guilt and should not be considered in determining liability; the introduction of the defence of innocent dissemination; and a stipulation that damages shall be at the sole discretion of judges, not juries.

It is your company's belief that while the changes to the libel laws provide for more practical and efficient application thereof, they do not go far enough in better enabling media to tackle the corruption so prevalent in our society.

In 2013, two lawsuits were filed against the company. The company continues to conduct libel training in an effort to keep lawsuits against the company at a minimum.

BUSINESS DEVELOPMENT AND MARKETING

The Business Development and Marketing Department sought to solidify the image of The Gleaner Company as an innovative multi-media organisation committed to serving the information needs of its audience, whether in print, radio, mobile or online. This was achieved through Gleaner-owned events and many partnerships. The department this year increase the use and promotion of our online and radio platforms in our sponsorship and event executions. For its service efforts The Gleaner's Business Development and Marketing team received the AAAJ Media of the Year award for the 16th time since 1989 at the awards ceremony in 2013.

Wayne Stewart, (left) President of the AAAJ presents the Media of the Year trophy to The Gleaner's Managing Director Christopher Barnes,(2nd right) and Advertising Operations Manager, Nordia Craig (2nd left). Sharing in the moment is Cordel Green, (right) Executive Director, Broadcasting Commission.

Christopher Barnes, Managing Director of the Gleaner Company (right) presents the Top sales Representative of the Year award to Sandra Brown-Bennett at The Gleaner Sales Representatives' 2013 awards ceremony.

THE GLEANER COMPANY'S EVENTS

A number of Gleaner-organised programmes continue to add value to Jamaica's social and economic landscape. They range from education-support to sports-development and leadership promotion.

The Gleaner's Honour Awards is an annual programme that recognises individuals and organisations which have contributed significantly to improving Jamaica's quality of life.

For the 2013 awards the company focused on nominees who were innovative in their decisions and activities. Mrs. Shelly-Ann Fraser-Pryce, OD (athlete) and Ms. Tessanne Chin (artiste) were the co-recipients of the 2013 Gleaner 'Women of the Year' award. This was the first time in The Gleaner's Honour Awards history that two women were named for the top award. The name of the top award was changed from 'Man of the Year' in recognition of our top award recipients.

The format of the awards presentation reverted to three small category lunches at The Gleaner Company followed by a Gala Luncheon on January 30, 2014; adding depth to the coverage given to the awards and providing an additional celebratory opportunity for the category recipients. The functions also provided the opportunity to showcase The Gleaner's online video capabilities as edited versions of each event were posted on The Gleaner's online platform.

Gleaner Honour Awards 'Women of the Year' Shelly-Ann Fraser-Pryce (left) and Tessanne Chin (right) enjoy a fun-filled discussion with The Gleaner's Managing Director, Christopher Barnes.

Joint winners of The Gleaner Honour Awards 'Women of the Year' Tessanne Chin (2nd left) and Shelly-Ann Fraser-Pryce (2nd right) were presented with their obelisks by Prof Gerald Lalor (left), Chairman of the Selection Committee and The Gleaner's Managing Director, Christopher Barnes (right).

The nominees for The Gleaner's Honour Award for 2013 were:

ARTS & CULTURE
The Hon Dr. James 'Jimmy Cliff' Chambers, OM, LLD (Hon)

SPORTS
Mrs. Shelly-Ann Fraser-Pryce, OD

ENTERTAINMENT
Ms. Tessanne Chin

EDUCATION
Do Good Jamaica (Crayons Count)

The category winners pose with the Managing Director following the presentation function.

BUSINESS
Sagicor Life Jamaica

PUBLIC SERVICE
The Economic Programme Oversight Committee, and
The Hon. Dr. Peter Phillips, MP, PhD

VOLUNTARY SERVICE
Mustard Seed Communities

HEALTH & WELLNESS
The Hon. Dr. Fenton Ferguson, CD, DDS, FICD, MP.

SCIENCE & TECHNOLOGY
Columbus Communications Ja. Ltd.

Two Special Awards were also presented to **Knutsford Express** (Business) and **Javon Francis** (Sports).

The Gleaner's Advertisers' Appreciation Awards **–**The Gleaner recognises its outstanding clients each year through this programme. The Marketing Counselors Limited received the Top Billing Award for print products, followed by OGM Integrated Communications, and Advertising and Marketing Limited. Courts (Unicomer) Jamaica Limited received the Top Billing Performance Print (Direct Client) award and Advertising and Marketing also received the award for being the agency with the best accounting record with your Company.

Awards were also presented to the top clients of Gleaner Online, Power106 and several categories of advertising print sales.

Eileen Lewis and Adrian Robinson of the Marketing Counselors receives the top award from The Gleaner's Managing Director Christopher Barnes at The Gleaner's 2013 Advertisers' Appreciation Awards.

Courts Brand Manager Nicola Ramanand accepts the Top Billing Performance Print (Direct Client) award (Direct Client) **for Unicomer (Jamaica) Ltd.** from The Gleaner's Managing Director Christopher Barnes during The Gleaner's 2013 Advertisers' Appreciation Awards.

The Gleaner's Children's Own Spelling Bee - Started in 1958, this is one of several educational programmes conducted by The Gleaner Company which are geared towards promoting, discipline, confidence, and other social and intellectual skills among young persons. The 2013-2014 Gleaner Children's Own Spelling Bee Champion was Tajaun Gibbison of Knox College.

The top 3 spellers in the 2013-2014 Children's Own Spelling Bee competition (Tajaun Gibbison, 1st place speller (centre) , Javane Johnson – 2nd place speller (left) and Chauntee Blackwood (right) pose with The Gleaner's Managing Director, Christopher Barnes (2nd left) and its recently appointed Manager, Business Development and Marketing, Nordia Craig (2nd right).

In an attempt to engage the public even more and create linkages between our media platforms, a new digital component, the Interactive Spelling Bee, was continued for the second year. During the finals, the public was invited to log on to The Gleaner's Facebook page and accurately spell the words. Over one thousand five hundred persons participated and special prizes were awarded to the winners.

Teachers and spellers in the 2013-2014 Children's Own Spelling Bee competition.

The 2012-2013 champion, Christian Allen of Ardenne High School placed 43rd in the Scripps National Spelling Bee in Maryland in 2013.

In July 2013, three Spelling Bee Parish Champions were recognised for outscoring their counterparts from their county in the GSAT; they were - Shanae Graham (Surrey), Ashley Ricketts (Middlesex) and Joanna Turner (Cornwall). An Editor's Scholarship was also presented to Barrieanne Foster at the function.

Youthlink CSEC Examination Techniques Seminar- The Gleaner each year supplements the assistance provided to CSEC students in the form of exam techniques seminars. Lecturers for each session teach strategies that earn the best grades on the examination, giving the students the highest level of exposure and the best opportunity to succeed at the examination. Thousands of students and scores of teachers have benefited from this programme so far.

Students at a Youthlink CSEC Seminar performing one of the exercises during the lecture.

The Star People's Choice Awards – This inaugural event was held on Tuesday, February 26, 2013. Thirteen awards were presented in various categories throughout the night including a Dancehall Achievement Award which was won by Rodney 'Bounty Killer' Price. The event was organised by The Gleaner Company through its Star newspaper and sponsored by Red Label Wine. The recipient of the Song of the Year Award, 'Damian Marley' (for his song 'Affairs of the Heart'), accepted his award from England via a video link. The event was also streamed live from its social media lounge and information tweeted about the show. The awards were based on a public poll conducted by The Star to select the top persons in dancehall and reggae music for 2012. This event was well received and has great promise for the future.

The Star's Dancehall Achievement Award winner, Rodney 'Bounty Killer' Price.

Local and international super-stars were in attendance at The Star Awards – Sean Paul (2nd left), I-Octane (2nd right), Bounty Killer (right) join The Gleaner's Managing Director, Christopher Barnes for a quick photo op following the function.

The Star Magnum All-Stars $1,000,000 Selectors Face-Off Competition – an eight-week competition which started on October 31, in which some of Jamaica's most notable dancehall selectors competed for the top prize of $1,000,000. Included in the programme were also celebrity clashes between popular figures such as recording artistes, comedians and politicians.

Several selectors went through the rounds which determined the $1,000,000 prize winner in The Star Magnum Selector Face-Off Competition.

PARTNERSHIPS FOR ECONOMIC AND SOCIAL DEVELOPMENT

The company's social responsibility efforts continued to extend beyond national boundaries to involve the stimulation of the Diaspora in 2013 through its support of the **Jamaica Diaspora Conference from June 16 – 19**. The Gleaner used the event to promote its overseas and online products through several displays and demonstrations within its booth. Newspapers were distributed daily to conference delegates and exhibitors, and persons were signed up for the ePaper. The Gleaner also sponsored the golf tournament associated with the conference.

Your company also continued its support of the development of Downtown Kingston through the KSAC's **'Downtown Comes Alive'** project in December which was supported by the year-long publication of 'Destination Downtown'. Included in this was a free concert in July organised by The Gleaner Company in the heart of Downtown Kingston at which thousands of patrons were in attendance.

Nordia Craig, Advertising Operations Manager at The Gleaner Company presents the award to one of the winners at the 2013 NCB Nation Builder Awards.

The Governor General's Achievement Awards, the **NCB Nation-Builder Awards**, and the **JIM Manager of the Year Award** were awards programmes sponsored by your company in 2013 to reflect its belief in promoting the importance of leadership, community development, personal and professional excellence and voluntarism.

Deika Morrison (right), Founder of Crayons Count receives her category winner's frame from Burchell Gibson, Circulation Manager.

The Gleaner's Manager, Business Development and Marketing, Karin Cooper (left) and Managing Director Christopher Barnes (right) are enjoying their visit to the Maxfield Park Learning Centre. The Gleaner's staff members visited several institutions to share time with children affected by mental disabilities and the teachers who care for them as part of their Teacher's Day 2013 activities.

Education and youth-development at all levels continue to be one of the pillars of the company's social outreach efforts. On Teachers' Day, the company's managers, officers and other marketing staff members visited several schools for special-needs children. We also continued our support for the **National Reading Competition,** which promotes reading and comprehension skills for students across the island, and the **Crayons Count** project which provides learning tools for students in basic schools across the island.

Your company continues to sponsor local football teams of Central Kingston, Allman Town, Woodford and the Cavalier Soccer Club.

The Gleaner also sponsored **Peace and Love in Society** (**PALS)** continued to work towards securing its sustainability in 2013. The organisation was able to deliver a number of programmes throughout the year.

OTHER KEY SPONSORSHIPS AND EXECUTIONS

Through its association with ***Jamaica Jazz and Blues 2013*** (one of Jamaica's largest annual entertainment events), The Gleaner hosted the Social Media Tent of the festival. This provided valuable exposure for our online capabilities which resulted in requests for the inclusion of this kind of execution in other Gleaner company arrangements throughout the year; this included the ***Miss Jamaica World*** competition and ***The Collection Moda*** Fashion showcase.

The Miss Jamaica World contestants meeting The Gleaner's GSAT Scholarship recipients.

The Miss Jamaica World contestants were exposed to the Gleaner's operations. Here, Christopher Barnes explains one aspect of press operations.

Through its sponsorship of ***Reggae Sumfest*** The Gleaner Company hosted a Gleaner/Sumfest photo booth for patrons at the three-night festival. Activities included the interactive promotion of The Gleaner's online properties; the distribution of copies of The Gleaner bought by the Sumfest organisers; and the use of musical props inside the booth and across the venue using specially-branded promotion personnel.

Hope McMillan-Canaan, Officer – Online Integration and Niche Products during her presentation to the audience at the Collection Moda Seminar.

Gleaner promoters at Sumfest pose with some of the props at Reggae Sumfest 2013.

The Gleaner went across the island as a part of its Food Month Promotion in November. Here, Damion Mitchell (left) ensures that the audience hears the instructions for one of the many games conducted at the events.

The Gleaner recognised November 2013 as '**Food Month'** which co-ordinated support for several food-related activities which occurred during the month. **The Gleaner's '30 Days …30 Deals' Coupon Promotion** (sponsored by HD Hopwood, Nestle Ltd. and Progressive Grocers) was the company's main activity throughout the month. Community promotions were conducted in Spanish Town, Harbour View, Savanna la Mar, and Portmore. This included giveaways, games, outside broadcasts and sampling from several food sponsors. Included in The Gleaner's Food Month activities was its continued sponsorship of '**Restaurant Week in association with The Gleaner.'** The event, held from November 8 – 16, continues to be a success. **The Gleaner's 'Restaurant Week Ambassadors'** provided added depth to the event as well as The Gleaner's coverage. A Gleaner branded pink 'fork' was used as additional branding of the event. Among the promotional support provided by The Gleaner was the hosting of the official Restaurant Week website and providing social media coverage.

Restaurant Week Ambassadors pose with The Gleaner's Pink Fork during The Gleaner's Ambassadors Dinner.

Patrons line-up to taste the food samples from The Gleaner's grill at the All-Jamaica Grill-Off Event in June.

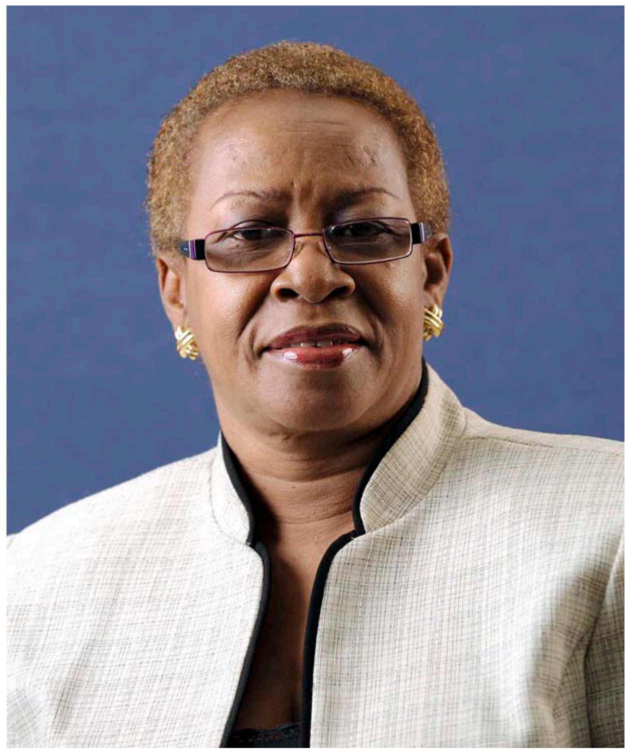
Craig Powell (left) and Kerry Bell (centre) of All-Jamaica Grill-Off pose with the winning Gleaner Grillers team members (left to right) Dionne Dacosta-Sicard, Michelle Currey, Rainford Wint, Kimberlyn Slowley, and Nordia Johns.

Other top entertainment events sponsored by the company included the hugely-popular Flames Production's **Rebel Salute**; television shows (**The Innovators, Royal Palm Estate, Dancing Dynamites**, **The Ity and Fancy Cat Show**, and **Digicel Rising Stars**); and culinary events such as the All Jamaica Grill-Off event at which The Gleaner's team won a category award.

Leadership Transition

Effective January 1, 2014, Ms. Nordia Craig, Advertising Operations Manager, was promoted to the position of Manager - Business Development and Marketing. Nordia replaced Karin Cooper who has retired after 30 years with the Company, having served in this position for 4 years and in other key management roles within the Company. The Company welcomes Nordia to her new role and expresses gratitude to Karin for her valuable contribution to the Company and is pleased to continue to benefit from her expertise as a consultant.

Ms. Nordia Craig, Manager, Business Development and Marketing



Mrs. Karin Cooper, Consultant, Business Development and Marketing

SUBSIDIARY COMPANIES

Gleaner Online Limited

Gleaner Online, which celebrated its 17th year of operation on February 16, 2014, continues to be the leading online news media network in the English-speaking Caribbean. The web properties, which include jamaica-gleaner.com, jamaica-star.com, go-jamaica.com and voice-online.co.uk, continue to command a heavy Diaspora following which accounts for more than 60% of the visits.

Terri-Karelle Reid (left), Online Brand Manager and Garfene Grandison, Assistant Lifestyle Coordinator, hosted the Gleaner Online's live streaming of the Collection Moda Fashion Showcase.

The Gleaner and Star websites commanded over 122 million and 60 million page views, respectively, in 2013, while unique visits in 2013 were 11.6 million and 3.5 million, respectively.

Social media is used to drive page views to our websites as well as encourage reader interactivity. During 2013 your company continued to increase our social media presence. At the end of the year, the number of Jamaica Gleaner Twitter followers (@jamaicagleaner) grew by 66% and Jamaica Star Twitter followers (@jamaicastar) grew by 62%. The number of Jamaica Gleaner and Jamaica Star Facebook fans grew significantly in 2013, increasing by 1,236% and 579%, respectively, during the year.

A patron at the Jamaican Jerk Festival bites into his 'Gleaner chicken leg' cut-out with other patrons and Terri-Karelle Reid (right), Brand Manager, Gleaner Online.

In 2013, a number of mobile applications (apps) were successfully launched for different platforms. In April the **Gleaner Classified App** for BlackBerry was launched and as at the end of 2013, there were over 8,500 downloads. Also in April, the **Gleaner News App** for the iPhone was launched and by the end of 2013 it had been downloaded over 16,288 times. In August, the **Gleaner News app for** Android smartphones was launched and by the end of the year had been downloaded over 25,630 times. In September, the **Gleaner News App** for the iPad was released and at the end of 2013 had over 4,395 downloads.

The native **Gleaner app for BlackBerry 10 smartphones** was also released in October 2013. The **Gleaner and Star News Apps** for BlackBerry have now been downloaded over 230,000 and 47,000 times, respectively, as at the end of 2013. These apps provide BlackBerry users with the latest news updates, breaking news alerts, weather information, among other features.

The mobile applications can be downloaded from BlackBerry World, Google Play and the iTunes Appstore.

The Gleaner **ePaper (epaper.jamaica-gleaner.com)** is the digital replica of the printed newspaper. It is an exact digital copy of your printed Gleaner, available for access on-line, every day of the week. It contains all the news, opinions and advertisements from your printed product. At the end of 2013, there were over 6,113 sign-ups and the number of paid subscriptions had increased steadily.

Firstlook (gofirstlook.com) is a news release and information site which allows companies to directly post their press releases via a self-managed portal. In 2013, over 1,095 press releases were posted and the site generated 303,000 page views.

Digjamaica.com is an information website from The Gleaner Company Ltd. that provides additional research, historical information, data, statistics and more, to help you get the most out of today's topical issues. There is a wide variety of information intended to appeal to the average Jamaican- living here or in the Diaspora - business persons, students, or anyone interested in Jamaica, regardless of nationality. The free to use information is presented in different formats to make your virtual journey interesting and engaging - text, photos, databases, static and motion charts, historical archives, slideshows, timelines and more. The site was launched in July 2012. In 2013, digjamaica received 527,255 page views.

Gleaner and Star video productions generated close to 4 million video views in 2013. We continue to offer the ability for advertisers to place their ads before and after video plays at **http://Jamaica-gleaner.com/videos/.** In 2013, a number of new video programs were launched; these included *The Gleaner Minute*, *Corporate Coffee Mornings and Erica's Edge, Lifestyle and Lifestyle Today,* among others.

Independent Radio Company Limited (IRC) – Power 106 FM and Music 99 FM

In 2013, the stations embarked on a major development project in an effort to increase integration efforts and reduce costs by relocating its studio operation and staff from Bradley Avenue to the 3rd floor of The Gleaner's Building at 7 North Street. The project also included the replacement of all studio broadcast equipment as well as an islandwide transmission upgrade. The development project with the replacement radio transmitters has impacted positively on the station's listenership.

The revenue performance of our flagship programmes *Independent Talk, Justice, Both Sides of the Story and Power Play* was tempered by the adverse economic climate in 2013. *Real Business* showed great improvement during the year and has the highest percentage of ABC1 listeners of all the talk radio shows in Jamaica.

Power106's Dervan Malcolm interviews Tessanne Chin at the finals of 'The Voice' after she was declared the winner of the competition in 2013.

Our new thrust in the market with new programmes such as *The Jamaican Diaspora Online, Young Power* and coverage of major sporting events has helped the stations to maintain similar levels of advertising to the previous year.

Power106's Dervan Malcolm (centre) is flanked by Seariann Hewling, Miss Teen Jamaica Florida (left) and Angelicka Coombs, Miss Jamaica Florida (right) during an outside broadcast at the Hot Trot Jerk 5K Run/Walk at Markham Park, Sunrise, Florida in November.

The Jamaica Diaspora Live Online is a programme geared towards profiling successful Jamaicans in the Diaspora, the identification of partnerships and investment opportunities in Jamaica and the encouragement of the Jamaican government to facilitate greater involvement of the Diaspora in all areas of Jamaican development. In 2013, the programme covered outside broadcasts in Canada, Guyana, New York, Florida, Atlanta and California. This, without a doubt has reinforced Power 106 FM's position in the market as the primary source of information in Jamaica for listeners in the Diaspora.

The launch of *Young Power* was another major highlight of 2013. The programme is an exciting magazine show specifically designed to target young adults with content that also generates a wide appeal to adults. It involves interviews and features with experts, celebrities and outstanding young persons in various spheres and disciplines.

The station also continues to be the market leader in outside broadcasts averaging forty (40) outside broadcasts per month, connecting with all major national events and community happenings across the island.

Music 99 FM has maintained its niche space for smooth music for the entire family. To drive more revenue to Music 99 FM, a new strategy was developed to include select sports content on the station. Feedback from listeners reveals that the new strategy does not affect the traditional listeners of music on Music 99 FM.

Popular Printers Limited

Popular Printers Limited is the parent company of Selectco Publications Limited and Associated Enterprise Limited.

Among the activities of the Popular Printers, is the publication, twice weekly, of Track and Pools, Jamaica's leading horse racing publication, which is also the official programme for races at Caymanas Park, the island's sole race track. Popular Printers has a licencing agreement with Caymanas Track Ltd., the promoter of horse racing, for the use of its copyright and other proprietary information.

Track and Pools is widely used by punters to track the exercise form and past performance of race horses, and thereby to help guide their betting. The book also publishes the programmes of foreign tracks, whose races are simulcast in Jamaica.

Over the past two years, the publication has been re-designed and the quality of its journalism upgraded to attract a broader cross-section of readers without alienating its core readership. This strategy appears to be meeting with success, apparent in wider reader and advertising interest in the publication.

Selectco Publications Limited

Selectco Publications Limited is the publishing arm of The Gleaner Group which may be contracted by third parties. It publishes the full complement of text books for the popular GSAT Examinations. It is also the publisher of four popular texts based on the education ministry's curriculum for Grade 6 students. These texts are widely used by students preparing for the Grade Six Achievement Test (GSAT), which helps to determine a child's readiness for, and transition to, secondary education from the primary system.

In 2009, Selectco acquired 50% of A Plus Learning Ltd., a company that promotes digital learning projects. Since then, A Plus has developed an online learning programme, with animated lessons based on the Grades 4-6 curriculum and bolstered by tests, quizzes and Selectco-published textbooks. Subscribers access the lessons at the website gsattutor.com

A Plus recently went to market with this product and is optimistic about its success, especially in the period leading to the start of the next school year as parents begin a new cycle in their children's education and preparation for the challenging GSAT exam.

Overseas Subsidiary Companies

The Gleaner Company (Canada) Inc., and The Gleaner Company U.S.A. Ltd. continued operations in a challenging environment for 2013. Products from these companies include **The Weekly Gleaner** and **The Weekly Star**. These publications continue to serve as important links to persons in the diaspora without internet access or those who prefer to read the printed product. These companies, acting as agents, also make a contribution through the sale of advertising for the daily Jamaican Gleaner and Star publications and online offerings.

The **Black Pages Directory**, published in Canada, is a 140-page resource guide created to connect businesses with the black and Caribbean community.

The operations of GV Media which include The Weekly Gleaner and Voice publications continue to provide value for the group, serving as an important link for the diaspora to Jamaica, as well as a respected voice for blacks and minorities in the UK. 2013 saw a strengthening of the importance of The Voice publication where critical editorial roles were played in key social developments and picked up by national and international media. Management remains focused on improving the financial performance of the company in what remains a challenging environment and, given the heightened profile of The Voice, seeking to capitalize on increased commercial opportunities.

Associated Companies

The Gleaner through its subsidiary company, Selectco Publications Limited, owns 33 1/3% of Jamaica Joint Venture Investment Company Limited.

Jamaica Joint Venture, through its two subsidiaries, Manhart Properties Limited and City Properties Limited, owns properties at Nos. 34 and 40 Duke Street in Kingston respectively. Both properties were fully tenanted at the close of 2013.

INVESTING IN OUR STAFF

Learning and Development

Your staff remains committed to realising the Company's vision and objectives.

The Company continues to encourage and support employee skill enhancement and professional development, facilitating high levels of performance, while providing the quality service demanded by our partners.

In 2013, three hundred and sixty-three (363) team members seized the opportunity to improve their skills and competencies by participating in in-house and external developmental courses. The training interventions focused on improving skill areas, among which were: Leadership, Telephone Techniques & Customer Service, Organisational Development, Quality Measurement (Six Sigma), Business Communication, Headline Writing, Financial Reporting Standards, Preventative Maintenance Management & Safety and Technology.

The Gleaner's multi-media team immediately after the Sigma Fun Run in February.

The Company's partnership with The HEART Trust/NTA continues to afford school leavers the opportunity to be trained on the job. During the year we accepted seven (7) such trainees for work assignments. Students at the secondary and tertiary levels were also accommodated for work experience and internships during the year.

We continue our commitment to equip team members with the competencies and capabilities necessary for achieving the company's objectives.

Standardisation of Vacation Leave/Special Leave

During the year, an agreement was reached with all non-unionised employees regarding the standardisation of vacation leave to three (3) weeks per annum to be effective 2014. This change is geared towards greater operational efficiency, better management of leave entitlements and the greater health of employees.

Long Service Awards and Recognition of Pensioners

Gleaner long service 40-year recipient Phyllis Thomas (centre) poses with Managing Director Christopher Barnes (left) and guest speaker Michael Bernard at the company's annual Long Service Awards.

Your Company continues to appreciate and recognise employees for their service, dedication and commitment as well as acknowledges the value of the contribution of its pensioners over the years.

In 2013, for the first time, the long service awardees and pensioners were honoured together at a luncheon hosted by the Company on June 20 at the Jamaica Pegasus Hotel. This was well-received by both groups.

Of the twenty-eight (28) employees who received awards for long service, Phyllis Thomas was specially recognized for her 40 years of unbroken service to the company.

We were especially delighted to have had Audrey Goffe and twenty-nine (29) others, of the forty-nine (49) pensioners attend the luncheon. Mrs. Goffe was attending a pensioner's luncheon for the first time since she retired in 2000.

Employee Relations

Recognition is integral to maintaining good staff relations and improving the quality of work life for all team members. As such, your Company continues to make awards to the top performing employees in departments of the Company.

In addition, your Company hosted quarterly birthday celebrations, the annual staff party and regular staff meetings. Your Company also encouraged building team spirit and camaraderie by facilitating the annual staff fun day/outing and participating in charitable events such as the Sagicor Sigma Corporate Run, Jamaica Cancer Society's Relay for Life, Grace Kennedy Education Run and the UWI 5K Run.

Your Company's campaign to show respect and be kind to each other, the **smile campaign,** continues where a smile ambassador is chosen for each quarter.

The staff continued to represent the company in the major **business house sporting competitions** including, football, netball, domino and basketball. The netball team, after a long hiatus, re-entered the Business House competition and placed 5th.

LIST OF OFFICERS AND CORPORATE DATA

OFFICERS

Roland Booth	-	Deputy Online Manager
Sylyn Brown-Hamilton	-	Purchasing Officer
Samantha Burke	-	Legal Advisor
Gilbert Callaghan	-	Print & Maintenance Manager
Jennifer Campbell	-	Managing Editor
Lavern Clarke	-	Business Editor
Michelle Currey	-	Chief Accountant
Paget deFreitas	-	Editor - Overseas Business
Carol Denny	-	Internal Auditor
Mary Dick	-	Assistant Manager - Human Resource Services
Dwayne Gordon	-	Editor - Daily/Weekend Star
Hope McMillan-Canaan	-	Officer - Online Integration & Niche Product Sales
Terri-Karelle Reid	-	Online Brand Manager
Sheree Rhoden	-	Information Systems Manager
Grace Salmon	-	Credit Manager
Gareth Segree	-	Assistant Information Technology Manager
Gregory Tomlinson	-	Process Improvement Leader
Terry-Anne Wilson	-	Corporate Affairs Officer

OVERSEAS OFFICERS

Mrs. Sheila Alexander	-	Director Gleaner Co. (Can) Inc. Toronto & Gleaner Co. (USA) Ltd., New York
Mr. George Ruddock	-	Managing Director GV Media Group Limited, London

AUDITORS
KPMG
Chartered Accountants
6 Duke Street, Kingston

REGISTRAR FOR THE COMPANY
SAGICOR BANK JAMAICA LIMITED
60 Knutsford Boulevard
Kingston 5

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

ATTORNEYS
DUNNCOX
48 Duke Street
Kingston

THE BANK OF NOVA SCOTIA LIMITED
London & New York

FIVE - YEAR FINANCIAL SUMMARY
December 31, 2013

	2013 $'000	2012 $'000 (Restated)	2011 $'000 (Restated)	2010 $'000	2009 $'000
Turnover	3,188,709	3,194,665	3,178,900	3,187,725	3,274,179
Group profit/(loss) before taxation	91,458	86,885	123,973	620,535	1,822
Taxation credit/(charge)	(5,616)	46,647	(13,690)	(189,836)	158,552
Profit from discontinued operations	-	-	-	-	47,806
Minority interest	-	-	-	1,146	15,827
Profit/(loss) attributable to Gleaner Stockholders	85,842	133,532	110,283	431,845	224,007
Ordinary stockholders' funds:					
Share capital	605,622	605,622	605,622	605,622	605,622
Reserves	1,988,079	1,765,148	1,680,147	1,851,333	1,417,546
	2,593,701	2,370,770	2,285,769	2,456,955	2,023,168
Non-controlling interest	-	-	-	-	15,292
Long-term liabilities	93,534	99,001	26,529	40,534	40,105
Employee benefit obligation	66,300	118,300	118,300	120,900	96,200
Deferred tax liabilities	338,906	317,275	516,323	506,501	312,353
Total funds employed	3,092,441	2,905,346	2,946,921	3,124,890	2,487,118
Represented by:					
Long-term receivable	6,317	4,735	18,788	42,910	70,947
Other non-current assets and investments	1,922,464	1,566,031	1,327,720	1,148,701	1,812,976
Working capital	1,163,660	1,334,580	1,600,413	1,933,279	603,195
	3,092,441	2,905,346	2,946,921	3,124,890	2,487,118
Stock units in issue at year end ('000)	1,211,244	1,211,244	1,211,244	1,211,244	1,211,244
Earnings per stock unit [see note (i) below]	7.09¢	11.02¢	9.78¢	35.65¢	18.49¢
Stockholders' fund per stock unit [see note (i) below]	212.87¢	194.58¢	188.04¢	202.85¢	167.03¢
Dividends per stock unit [see note (ii) below]	7.17¢	8.34¢	28.28¢	6.95¢	5.49¢
Exchange rates ruling at the reporting date were:					
UK one Pound to J$1	173.56	152.64	134.44	133.74	143.55
US$1 to J$1	105.72	92.14	86.60	85.86	89.60
Can$1 to J$1	98.99	93.01	84.20	85.34	84.57

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

(ii) The calculation of dividends per ordinary stock unit is based on the actual dividends for each year divided by the 1,183,333,911 (2012: 1,162,652,493) stock units in issue, less stock units held by GCLEIT at December 31, 2013.

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INDEPENDENT AUDITORS' REPORT

To the Members of
THE GLEANER COMPANY LIMITED

Report on the Financial Statements

We have audited the separate financial statements of The Gleaner Company Limited ("company") and the consolidated financial statements of the company and its subsidiaries ("group"), set out on pages **40 to 94**, which comprise the group's and company's statements of financial position as at December 31, 2013, the group's and company's income statements, statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on the 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 as to whether or not 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 our judgment, including our assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control 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 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 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 financial statements give a true and fair view of the financial position of the group and the company as at December 31, 2013, and of the group's and company's financial performance, changes in equity and cash flows for the year then ended, in accordance with International Financial Reporting Standards and the Jamaican Companies Act.

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act in the manner required.

KPMG

Chartered Accountants
Kingston, Jamaica

February 28, 2014

STATEMENTS OF FINANCIAL POSITION
December 31, 2013

	NOTES	GROUP			COMPANY		
		2013	2012 *	2011 *	2013	2012 *	2011*
		$'000	$'000	$'000	$'000	$'000	$'000
Assets:							
Property, plant and equipment	5	1,248,067	906,301	907,668	1,105,164	808,472	811,993
Intangible assets	6	1,628	4,521	5,190	1,628	4,521	5,190
Long-term receivables	8	6,317	4,735	18,788	79,826	34,677	44,147
Interests in subsidiaries	9	-	-	-	44,410	44,410	44,410
Interests in associates	10	150	150	150	-	-	-
Investments	11	640,418	507,375	230,881	635,390	502,497	226,114
Pension receivable	12	29,000	143,365	178,480	29,000	143,365	178,480
Deferred tax assets	13	3,200	4,319	5,351	-	-	-
Total non-current assets		1,928,780	1,570,766	1,346,508	1,895,418	1,537,942	1,310,334
Cash and cash equivalents	14	91,623	121,964	107,189	70,035	100,920	13,075
Securities purchased under resale agreements	15	9,780	125,173	35,409	9,780	125,173	-
Trade and other receivables	16	490,638	584,219	569,055	455,443	537,501	539,474
Prepayments		37,973	31,062	34,513	37,327	30,544	33,931
Taxation recoverable		9,746	9,423	98,305	-	-	89,864
Inventories and goods-in-transit	17	99,222	152,313	123,497	75,376	127,804	103,092
Current portion of pension receivable	12	986,574	918,653	1,250,399	986,574	918,653	1,250,399
Current portion long-term receivable	8	-	-	-	805	-	-
Total current assets		1,725,556	1,942,807	2,218,367	1,635,340	1,840,595	2,029,835
Total assets		3,654,336	3,513,573	3,564,875	3,530,758	3,378,537	3,340,169
Equity:							
Share capital	18	605,622	605,622	605,622	605,622	605,622	605,622
Reserves	19	1,988,079	1,765,148	1,680,147	1,973,321	1,776,311	1,617,087
Total equity attributable to equity holders of parent		2,593,701	2,370,770	2,285,769	2,578,943	2,381,933	2,222,709
Liabilities:							
Long-term liabilities	20	93,534	99,001	26,529	93,534	99,001	26,529
Employee benefits obligation	7,40	66,300	118,300	118,300	66,300	118,300	118,300
Deferred tax liabilities	13	338,906	317,275	516,323	338,902	317,265	516,297
Total non-current liabilities		498,740	534,576	661,152	498,736	534,566	661,126
Bank overdraft	21	5,327	10,308	2,524	2,850	-	2,524
Trade and other payables	22	449,161	506,684	550,934	357,265	380,269	403,104
Taxation payable		4,867	20,025	966	3,565	20,025	-
Current portion of long-term liabilities	20	36,365	9,813	7,184	36,365	9,813	7,184
Deferred income	23	66,175	61,397	56,346	53,034	51,931	43,522
Total current liabilities		561,895	608,227	617,954	453,079	462,038	456,334
Total liabilities		1,060,635	1,142,803	1,279,106	951,815	996,604	1,117,460
Total equity and liabilities		3,654,336	3,513,573	3,564,875	3,530,758	3,378,537	3,340,169

The financial statements on pages 40 - 94 were approved for issue by the Board of Directors on February 28, 2014 and signed on its behalf by:

Chairman
Hon. O. F. Clarke, O.J

Managing Director
Christopher Barnes

*Restated (note 40)

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

INCOME STATEMENTS
December 31, 2013

	NOTES	GROUP 2013 $'000	GROUP 2012 * $'000	COMPANY 2013 $'000	COMPANY 2012 * $'000
Revenue	24	3,188,709	3,194,665	2,681,656	2,753,543
Cost of sales		(1,867,022)	(1,811,743)	(1,509,890)	(1,496,297)
Gross profit		1,321,687	1,382,922	1,171,766	1,257,246
Other operating income		127,276	155,689	163,161	162,110
		1,448,963	1,538,611	1,334,927	1,419,356
Distribution costs		(477,171)	(489,037)	(457,150)	(472,075)
Administration expenses		(684,862)	(612,030)	(564,904)	(501,470)
Other operating expenses		(329,644)	(391,006)	(377,810)	(389,745)
Pension costs		(23,588)	(22,402)	(22,700)	(21,514)
		(1,515,265)	(1,514,475)	(1,422,564)	(1,384,804)
Employee benefits obligation	7	31,000	(9,500)	31,000	(9,500)
(Loss)/profit from operations		**(35,302)**	**14,636**	**(56,637)**	**25,052**
Finance income		152,011	93,180	151,694	143,875
Finance cost		(25,251)	(20,931)	(24,649)	(18,370)
Net finance income	25	126,760	72,249	127,045	125,505
Profit from operations before taxation	26	**91,458**	**86,885**	**70,408**	**150,557**
Taxation (charge)/credit	27	(5,616)	46,647	(6,574)	47,643
Profit for the year		**85,842**	**133,532**	**63,834**	**198,200**
Dealt with in the financial statements of:					
Parent company		63,834	198,200		
Subsidiaries		22,008	(64,668)		
		85,842	133,532		
Earnings per stock unit:					
Based on stock units in issue	28	7.09¢	11.02¢		
Excluding stock units in GCLEIT		7.25¢	11.49¢		

*(Restated note 40)

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

STATEMENTS OF COMPREHENSIVE INCOME
December 31, 2013

	NOTE	GROUP		COMPANY	
		2013	2012 *	2013	2012 *
		$'000	$'000	$'000	$'000
Profit for the year		85,842	133,532	63,834	198,200
Other comprehensive income:					
Items that will never be reclassified to profit or loss:					
Surplus on revaluation of land and building		230,776	-	230,776	-
Re-measurement of employee benefit obligation		(1,300)	7,000	(1,300)	7,000
Related tax on revaluation and remeasurement	27(c)	(34,271)	38,008	(34,271)	38,008
		195,205	45,008	195,205	45,008
Items that may be reclassified to profit or loss:					
Change in fair value of available–for–sale investments		22,758	12,303	22,758	12,187
Currency translation differences an foreign subsidiaries		(13,715)	(12,720)	-	-
		9,043	(417)	22,758	12,187
Other comprehensive income for the year, net of taxation		204,248	44,591	217,963	57,195
Total comprehensive income for the year		290,090	178,123	281,797	255,395
Dealt with in the financial statements of:					
The company		281,797	255,395		
Subsidiaries		8,293	(77,272)		
		290,090	178,123		

*(Restated note 40)

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

GROUP STATEMENT OF CHANGES IN EQUITY
December 31, 2013

	Share capital $'000	Capital reserves $'000	Fair value reserves $'000	Reserve for own shares $'000	Retained profits $'000	Total equity $'000
Balances at December 31, 2011						
As previously reported	605,622	804,403	27,944	(160,108)	999,708	2,277,569
Impact of change in accounting policy (note 40)	-	-	-	-	8,200	8,200
As restated	605,622	804,403	27,944	(160,108)	1,007,908	2,285,769
Total comprehensive income for the year:						
Profit for the year:						
As previously reported	-	-	-	-	133,032	133,032
Impact of change in accounting policy (note 40)	-	-	-	-	500	500
As restated	-	-	-	-	131,532	131,532
Other comprehensive income /(expense) for the year:						
As previously reported						
Deferred tax on revaluation of land and building	-	39,758	-	-	-	39,758
Change in fair value of investments	-	-	12,303	-	-	12,303
Currency translation differences on foreign subsidiaries	-	(12,720)	-	-	-	(12,720)
Impact of change in accounting policy (note 40)	-	-	-	-	5,250	5,250
Other comprehensive income for the year, net of taxation, as restated	-	27,038	12,303	-	5,250	44,591
Total comprehensive income for the year, as restated	-	27,038	12,303	-	138,782	178,123
Transactions with owners, recorded directly in equity:						
Dividends (note 29)	-	-	-	-	(93,177)	(93,117)
Share-based payment transactions (note 30)	-	-	-	-	729	729
Own shares sold by Gleaner Company Limited Employee Investment Trust (GCLEIT)	-	-	-	(674)	-	(674)
Total contributions by and distributions to owners	-	-	-	(674)	(92,448)	(93,122)
Balances as at December 31, 2012, as restated	605,622	831,441	40,247	(160,782)	1,054,242	2,370,770
Balances as at December 31, 2012:						
As previously reported	605,622	831,441	40,247	(160,782)	1,040,292	2,356,820
Impact of change in accounting policy 2011	-	-	-	-	8,200	8,200
Impact of change in accounting policy 2012	-	-	-	-	5,750	5,750
As restated	605,622	831,441	40,247	(160,782)	1,054,242	2,370,770
Total comprehensive income for the year:						
Profit for the year	-	-	-	-	85,842	85,842
Other comprehensive income/(expense):						
Change in fair value of available-for-sale investments	-	-	22,758	-	-	22,758
Surplus on revaluation of land and building	-	230,776	-	-	-	230,776
Deferred tax on revaluation of land and building	-	(34,596)	-	-	-	(34,596)
Currency translation differences on foreign subsidiaries	-	(13,715)	-	-	-	(13,715)
Re-measurement of employee benefit obligation	-	-	-	-	(975)	(975)
Other comprehensive income for the year, net of taxation	-	182,465	22,758	-	(975)	204,248
Total comprehensive income for the year	-	**182,465**	**22,758**	-	**84,867**	**290,090**
Transactions with owners, recorded directly in equity:						
Dividends (note 29)	-	-	-	-	(83,906)	(83,906)
Own shares sold by Gleaner Company Limited Employee Investment Trust (GCLEIT)	-	-	-	16,747	-	16,747
Total contributions by and distributions to owners	-	-	-	16,747	(83,906)	(67,159)
Balances at December 31, 2013	605,622	1,013,906	63,005	(144,035)	1,055,203	2,593,701

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

COMPANY STATEMENT OF CHANGES IN EQUITY
December 31, 2013

	Share capital $'000	Capital reserves $'000	Fair value reserves $'000	Retained profits $'000	Total equity $'000
Balance at December 31, 2011					
As previously reported	605,622	559,924	26,691	1,022,272	2,214,509
Impact of change in accounting policy (note 40)	-	-	-	8,200	8,200
As restated	-	-	-	1,030,472	2,222,709
Total comprehensive income for the year					
Profit for the year:					
As previously reported	-	-	-	197,700	197,700
Impact of change in accounting policy (note 40)	-	-	-	500	500
As restated	-	-	-	198,200	198,200
Other comprehensive income:					
As previously reported:					
Change in fair value of investments	-	-	12,187	-	12,187
Change in deferred tax on revaluation surplus	-	39,758	-	-	39,758
Impact of change in accounting policy (note 40)	-	-	-	5,250	5,250
Other comprehensive income for the year, net of taxation, as restated	-	39,758	12,187	5,250	57,195
Total comprehensive income for the year, as restated	-	39,758	12,187	203,450	255,395
Transactions with owners, recorded directly in equity					
Dividends (note 29)	-	-	-	(96,900)	(96,900)
Share-based payment transactions (note 30)	-	-	-	729	729
Total contributions by and distributions to owners of the company	-	-	-	(96,171)	(96,171)
Balances as at December 31, 2012, as restated	605,622	599,682	38,878	1,137,751	2,381,933
Balances at December 31, 2012:					
As previously reported	605,622	599,682	38,878	1,123,801	2,367,983
Impact of change in accounting policy 2011	-	-	-	8,200	8,200
Impact of change in accounting policy 2012	-	-	-	5,750	5,750
As restated (note 40)	605,622	599,682	38,878	1,137,751	2,381,933
Total comprehensive income for the year					
Profit for the year	-	-	-	63,834	63,834
Other comprehensive income					
Change in fair value of investments	-	-	22,758	-	22,758
Re-measurement of employee benefit obligation, net of tax	-	-	-	(975)	(975)
Surplus on revaluation of land and building	-	196,180	-	-	196,180
Other comprehensive income, net of taxation	-	196,180	22,758	(975)	217,963
Total comprehensive income for the year	-	**196,180**	**22,758**	**62,859**	**281,797**
Transactions with owners, recorded directly in equity					
Dividends (note 29)	-	-	-	(84,787)	(84,787)
Balances at December 31, 2013	605,622	795,862	61,636	1,115,823	2,578,943

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

STATEMENTS OF CASH FLOWS December 31, 2013

	NOTES	Group 2013 $'000	Group 2012 * $'000	Company 2013 $'000	Company 2012 * $'000
Cash flows from operating activities					
Profit for the year		85,842	133,532	63,834	198,200
Adjustments to reconcile profit to net cash provided by operating activities:					
Depreciation	5(a),(b)	94,694	82,222	82,467	68,542
Amortisation	6(b)	2,893	2,893	2,893	2,893
Income tax	27(a)	17,137	113,361	19,208	113,381
Deferred taxation, net	27(a)	(11,521)	(160,008)	(12,634)	(161,024)
Employees benefits obligation		(31,000)	7,000	(31,000)	7,000
Loss/(gain) on disposal of property, plant and equipment		(473)	(2,954)	42	(2,986)
Equity settled share-based payment transaction		-	729	-	729
Interest income	25	(145,206)	(87,659)	(144,889)	(87,066)
Interest expense	25	25,251	20,931	24,649	18,370
Translation adjustment		(15,086)	(1,489)	-	-
Impairment loss on investments		13,423	-	13,423	-
Impairment loss on property, plant and equipment		369	-	-	-
		36,323	108,558	17,993	158,039
Tax paid		(32,618)	(5,420)	(35,668)	(3,493)
Interest paid		(25,251)	(20,931)	(24,649)	(18,370)
Trade and other receivables		102,627	(22,548)	87,883	(8,458)
Prepayments		(6,911)	3,452	(6,781)	3,386
Inventories and goods-in-transit		53,091	(28,816)	52,428	(24,711)
Securities purchased under agreements for resale		112,172	(89,764)	115,393	(125,173)
Trade and other payables		(57,519)	(44,250)	3,548	(22,834)
Deferred income		4,778	5,051	1,103	8,409
Employee benefits obligation payments		(22,300)	-	(22,300)	-
Pension receivable		54,328	223,166	54,328	223,166
Net cash provided by operating activities		218,720	128,498	243,278	189,961
Cash flows from investing activities					
Interest received		131,494	227,086	131,177	226,414
Additions to property, plant and equipment	5(a),(b)	(217,051)	(79,480)	(160,744)	(65,102)
Proceeds from sale of property, plant and equipment		12,841	3,068	12,319	3,068
Investments, net		(106,961)	(262,256)	(123,558)	(261,589)
Long-term receivable		(1,582)	10,375	(45,953)	21,640
Acquisition of intangible asset	6	-	(2,224)	-	(2,224)
Net cash used by investing activities		(181,259)	(103,431)	(186,759)	(77,793)
Cash flows from financing activities					
Long-term liabilities		21,085	75,101	(5,467)	75,101
Dividends paid		(83,906)	(93,177)	(84,787)	(96,900)
Net cash used by financing activities		(62,821)	(18,076)	(90,254)	(21,799)
Net (decrease)/increase in cash and cash equivalents		(25,360)	6,991	(33,735)	90,369
Cash and cash equivalents at beginning of the year		111,656	104,665	100,920	10,551
Cash and cash equivalents at end of the year		86,296	111,656	67,185	100,920
Comprised of:					
Cash and bank balances		91,623	121,964	70,035	100,920
Bank overdraft		(5,327)	(10,308)	(2,850)	-
		86,296	111,656	67,185	100,920

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

1. Identification

The Gleaner Company Limited ("company" or "parent company") is incorporated under the laws of, and is domiciled in, Jamaica. The principal activities of the company and its subsidiaries [collectively referred to as the "group" [note 3(a)(ii)] are the publication of newspapers in print and digital media and radio broadcasting. Its registered office is located at 7 North Street, Kingston.

The company, established in 1897, is the holding company of the following subsidiary companies:

		2013	2012
(a)	Popular Printers Limited and its wholly-owned subsidiaries; DiGJamaica.com (formerly Creek Investments Limited) Selectco Publications Limited Associated Enterprise Limited Selectco Publications Limited owns 33 1/3% of the shares in Jamaica Joint Venture Investment Company Limited, and 50% of the shares in A Plus Learning Limited	100%	100%
(b)	Independent Radio Company Limited	100%	100%
(c)	GV Media Group Limited	100%	100%
(d)	The Gleaner Company (Canada) Inc. and its wholly-owned subsidiary: The Gleaner Company (USA) Limited	100%	100%

All these companies are incorporated under the laws of Jamaica with the exception of GV Media Group Limited, The Gleaner Company (Canada) Inc. and The Gleaner Company (USA) Limited, which are incorporated in the United Kingdom, Canada and the United States of America, respectively. The parent company's stock units are quoted on the Jamaica Stock Exchange.

The results of A Plus Learning Limited a software development company, are not considered material to these financial statements and have not been consolidated.

2. Statement of compliance and basis of preparation

(a) Statement of compliance:

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and comply with the provisions of the Jamaican Companies Act.

(b) Basis of measurement:

The financial statements are prepared on the historical cost basis, except for buildings [note 5(c)] and available-for-sale investments (note 11), which are measured at fair value and employee benefit obligation which is measured as the present value of the defined-benefit obligation as explained in note 3(d).

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

(c) Functional and presentation currency:

The financial statements are presented in Jamaica dollars, which is the company's functional currency.

(d) Use of estimates and judgements:

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

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

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

(i) Post-retirement benefits:

The amounts recognised in the statement of financial position and income statement for post-retirement benefits are determined actuarially using several assumptions. The primary assumptions used in determining the amounts recognised include the discount rate used to determine the present value of estimated future cash flows required to settle the post-retirement obligations and the expected rate of increase in medical costs for post-retirement medical benefits.

The discount rate is determined based on the estimate of yield on long-term government securities that have maturity dates approximating the terms of the group's obligation; in the absence of such instruments in Jamaica, it has been necessary to estimate the rate by extrapolating from the longest-tenor security on the market. The estimate of expected rate of increase in medical costs is determined based on inflationary factors. Any changes in these assumptions will impact the amounts recorded in the financial statements for these obligations.

(ii) Allowance for impairment losses on receivables:

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

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

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

Certain new, revised and amended standards and interpretations came into effect during the current financial year. The group has adopted the following new standards and amendments to standards, including any consequential amendments to other standards, applicable to its operations, with a date of initial application of January 1, 2013. The nature and effects of the changes are as follows:

(i) IFRS 10 *Consolidated Financial Statements (2011)*

IFRS 10 introduces a new control model that focuses on whether the group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. The group has reassessed the control conclusion in respect of its investees as at January 1, 2013. This has however, not resulted in any changes to the control conclusions previously determined.

(ii) IFRS 11 *Joint Arrangements*

Under IFRS 11, the group has classified its interest in joint arrangements as either joint operations (if the group has rights to the assets, and obligations for the liabilities, relating to an arrangement) or joint ventures (if the group has rights only to the net assets of an arrangement). When making this assessment, the group considered the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. Previously, the structure of the arrangement was the sole focus of classification. The group has re-evaluated its involvement in its joint arrangements and has determined that no reclassification is required. The group continues to apply the equity method and there has been no impact on the recognised assets, liabilities and comprehensive income of the group.

(iii) IFRS 12 *Disclosure of Interests in Other Entities*

As a result of IFRS 12, the group expanded its disclosures about its interest in subsidiaries and equity-accounted investees (see Note 10).

(iv) IFRS 13 *Fair Value Measurement*

IFRS 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other IFRSs. It unifies the definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It replaces and expands the disclosure requirements about fair value measurements in other IFRSs, including IFRS 7. Consequently, the group has included additional disclosures in this regard [see Note 32(d)].

In accordance with the transitional provisions of IFRS 13, the group applied the new fair value measurement guidance prospectively and has not provided any comparative information for new disclosures. Notwithstanding the above, the change had no significant impact on the measurements of the group’s assets and liabilities.

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

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

(v) IAS 19, *Employee Benefits*

As a result of the adoption of IAS 19, *Employee Benefits (2011)*, the group has changed its accounting policy with respect to the basis for determining the income or expense related to its post-employment defined benefit plans.

As a result of the change, the group now determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability at the beginning of the annual period. Net interest also takes into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Actuarial gains and losses are now recognised immediately in other comprehensive income. Previously, the Group recognised actuarial gains and losses using the corridor method, which required that any cumulative unrecognised gains or losses exceeding 10% of the present value of the benefit obligation were recognised in profit or loss over the expected average remaining working lives of the employees affected.

The change in policy is applied retrospectively (see note 40).

(vi) Presentation of Items of Other Comprehensive Income (Amendments to IAS 1)

As a result of the amendments to IAS 1, items of other comprehensive income (OCI) that may be reclassified to profit or loss in the future are presented separately from those that will never be reclassified to profit or loss. Also, the title of the statement has changed from statement of comprehensive income to statement of profit or loss and other comprehensive income.

(f) New standards, and interpretations of and amendments to existing standards that are not yet effective:

At the date of authorisation of the financial statements, certain new, revised and amended standards and interpretations, have been issued which are not yet effective and which the group has not early-adopted. The group has assessed the relevance of all such new standards, amendments and interpretations with respect to its operations and has determined that the following may be relevant to its operations and has concluded as follows:

- *IFRS 9, Financial Instruments (2010).* The revised IFRS supersedes the previous version of IFRS 9 issued in 2009 and is effective for accounting periods beginning on or after January 1, 2017 (previously January 1, 2015). The standard retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortised cost and fair value. The revised standard includes guidance on classification and measurement of financial liabilities designated as fair value through profit or loss and incorporates certain existing requirements of IAS 39 *Financial Instruments: Recognition and Measurement* on the recognition and de-recognition of financial assets and financial liabilities. The group is assessing the impact that the standard will have on its 2017 financial statements.

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

(f) New standards, and interpretations of and amendments to existing standards that are not yet effective:

- Amendments to IAS 36 Impairment of Assets: *Recoverable Amount Disclosures for Non-financial Assets*, which is effective for accounting periods beginning on or after January 1, 2014, reverse the unintended requirement in IFRS 13 *Fair Value Measurement*, to disclose the recoverable amount of every cash-generating unit to which significant goodwill or indefinite-lived intangible assets have been allocated. The amendment requires the recoverable amount to be disclosed only when an impairment loss has been recognised or reversed.

  The group is assessing the impact that this standard may have on its 2014 financial statements.

- Amendments to IAS 39, *Financial Instruments: Novation of Derivatives and Continuation of Hedge Accounting,* which is effective for accounting periods beginning on or after January 1, 2014, adds a limited exception to IAS 39, to provide relief from discontinuing an existing hedging relationship when a novation that was not contemplated in the original hedging documentation meets specific criteria.

  The group is assessing the impact that this standard may have on it 2014 financial statements.

- Amendments to IFRS 10 *Consolidated Financial Statements*, IFRS 12 *Disclosure of interest in Other Entities* and IAS 27 *Consolidated* and *Separate Financial Statements* is effective for accounting periods beginning on or after January 1, 2014. The amendment defines an investment entity and requires a parent that is an investment entity to measure its investments in particular subsidiaries at fair value through profit or loss, instead of consolidating those subsidiaries in its consolidated and separate financial statements. In addition, the amendments introduce new disclosure requirement related to investment entities in IFRS 12 *Disclosure of Interests in Other Entities and IAS 27 Separate financial Statements.*

  The group is assessing the impact that this standard may have on it 2014 financial statements.

3. Significant accounting policies

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

(a) Basis of consolidation:

(i) Business combinations

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

The group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus

3. Significant accounting policies (continued)

(a) Basis of consolidation (continued):

(i) Business combinations (continued)

The group measures goodwill at the acquisition date as (continued):

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

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

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss.

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

Any contingent consideration payable is measured at fair value at the acquisition date.

(ii) Subsidiaries

The consolidated financial statements comprise the financial results of the company and its subsidiaries, including The Gleaner Company Limited Employee Investment Trust, a structured entity, prepared to December 31, 2013. The principal operating subsidiaries are listed in note (1) and are referred to as "subsidiaries" or "subsidiary". The company and its subsidiaries are collectively referred to as the "group". The results of associated companies are also included to the extent explained in note 3(a) (iv).

(iii) Loss of control

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

(iv) Associated companies

Associated companies are those entities in which the group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the group holds between 20% and 50% of the voting power of the entity. Investment in Jamaica Joint Venture Company Limited is shown at cost. The company has not adopted the equity method of accounting for this investments as the directors of the company do not consider that they exercise significant influence over the financial or operating policies of Jamaica Joint Venture Investment Company Limited and its subsidiaries (see note 10).

3. Significant accounting policies (continued)

(a) Basis of consolidation (continued):

(v) Transactions eliminated on consolidation

Inter-company balances and transactions, and any unrealised gains arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

(b) Property, plant and equipment:

(i) Owned assets:

Items of property, plant and equipment are stated at cost, or valuation, less accumulated depreciation and impairment losses [see note 3(n)]. Cost includes expenditures that are directly attributable to the acquisition of the assets.

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

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

The fair value of building is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction; as determined by a professional appraiser.

(ii) Leased assets:

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

(iii) Depreciation:

Property, plant and equipment, with the exception of freehold land on which no depreciation is provided, are depreciated on both the straight-line and reducing-balance bases at annual rates estimated to write down the assets to their residual values over their expected useful lives. The depreciation rates are as follows:

Buildings [see note 5(c)]	-	2½% and 5%
Machinery & equipment	-	10%, 12½%, 20% and 25%
Fixtures and fittings	-	10% and 20%
Motor vehicles & computer equipment	-	20% and 25%
Press	-	5%
Typesetting equipment	-	33%
Leased assets	-	over the period of the leases

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

3. Significant accounting policies (continued)

(c) Intangible asset:

Intangible asset which represents computer software, is deemed to have a finite useful life of three years and is measured at cost, less accumulated amortisation and accumulated impairment losses, if any.

(d) Employee benefits:

Employee benefits, comprising other post-employment benefit obligation, included in the financial statements are actuarially determined by a qualified independent actuary, appointed by management. The appointed actuary's report outlines the scope of the valuation and the actuary's opinion. The actuarial valuations are conducted in accordance with IAS 19, and the financial statements reflect the group's and the company's post-employment benefit asset or obligation as computed by the actuary. In carrying out their audit, the auditors rely on the work of the actuary and the actuary's report.

(i) Pension and other post-retirement obligations:

The group operates a defined-contribution pension scheme (see note 7); the assets of which are held separately from those of the group. The defined-benefit scheme was discontinued as of July 15, 2010 (see note 12).

(a) Post retirement obligations:

The group's and company's net obligation in respect of the post-retirement benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in current and prior periods; that benefit is discounted to determine the present value, and the fair value of any scheme assets is deducted.

The discount rate is the yield at the reporting date on long-term government instruments that have maturity dates approximating the terms of the group's obligations. The calculation is performed by a qualified actuary using the Projected Unit Credit Method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in other comprehensive income. The group determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses post-retirement obligations is recognised in profit or loss.

When the benefits of a plan are changed or when the plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

3. **Significant accounting policies (continued)**

(d) Employee benefits (continued):

(i) Pension and other post retirement obligations (continued):

(b) Defined contribution schemes:

Obligations for contributions to defined-contribution plans are recognised as an expense in profit or loss as incurred.

(ii) Share-based payment transactions:

The grant-date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of the awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no "true-up" for differences between expected and actual outcomes.

(iii) Termination benefits:

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan, without possibility of withdrawal, or provision of termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than twelve months after the reporting date are discounted to present value.

(iv) Profit-sharing and bonus plans:

A liability for employee benefits in the form of profit-sharing and bonus plans is recognised in other provisions when there is no realistic alternative but to settle the liability and at least one of the following conditions is met:

- there is a formal plan and the amounts to be paid are determined before the time of issuing the financial statements; or
- past practice has created a valid expectation by employees that they will receive a bonus/profit-sharing and the amount can be determined before the time of issuing the financial statements.

Liabilities for profit-sharing and bonus plans are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

3. **Significant accounting policies (continued)**

(e) Financial instruments:

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

(i) Classification of investments:

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

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

(ii) Measurement:

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

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

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

[i] Government of Jamaica securities which are not traded in an active market, securities purchased under resale agreements and interest-bearing deposits are stated at historical or amortised cost, less impairment losses.

[ii] Government of Jamaica and corporate securities traded in an active market and equity securities are classified as available-for-sale and measured at fair value.

[iii] Securities purchased under resale agreements:

Reverse repurchase agreements ("Reverse repo") are short-term transactions whereby securities are bought with simultaneous agreements for reselling the securities on a specified date and at a specified price. Reverse repos are accounted for as short-term collateralised lending, and are carried at amortised cost.

The difference between the purchase and resale considerations is recognised on the accrual basis over the period of the agreements, using the effective yield method, and is included in interest income.

[iv] Investment in subsidiaries:

Investment in subsidiaries, for the company, is stated at cost, less impairment losses.

3. Significant accounting policies (continued)

(e) Financial instruments (continued):

(iii) Gains and losses on subsequent measurement:

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

(iv) Derecognition:

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

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

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

(f) Cash and cash equivalents:

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

(g) Trade and other receivables:

These are stated at amortised cost, less impairment losses.

(h) Taxation:

(i) Income tax:

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

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

(ii) Deferred tax:

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the reporting date.

A deferred tax asset in respect of tax losses carried forward is recognised only to the extent that it is probable that future taxable profits will be available against which the losses can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3. Significant accounting policies (continued)

(i) Inventories:

Inventories are stated at the lower of cost, determined principally on the average cost or first-in first-out (FIFO) basis and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses.

(j) Trade and other payables and provisions:

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

(k) Finance leases:

Leases, the terms under which the Fund transfers substantially all the risks and rewards of ownership to a third party, are classified as finance leases. They are measured at fair value which is determined as the present value of the expected future cash flows from the leases. Income from these leases is recognised over the term of the lease on the straight-line basis.

(l) Revenue recognition:

(i) Revenue from the sale of goods and services is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised, if there are significant uncertainties regarding recovery of the consideration due, material associated costs or the possible return of goods.

(ii) Subscription revenue is recognised over the life of the subscription. Revenue received in advance is deferred to match the revenue with the future costs associated with honouring the subscription.

(iii) Interest income:

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

(iv) Dividend income:

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

(m) Expenses:

(i) Finance costs:

Finance costs comprise material bank charges, interest payments on finance leases and bank loans, and are recognised in profit or loss using the effective interest rate method.

3. Significant accounting policies (continued)

(m) Expenses (continued):

(ii) Lease payments:

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

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

(n) Foreign currencies:

Foreign currency balances outstanding at the reporting date are translated at the rates of exchange ruling on that date [US$1 = J$105.72 (2012: J$92.14); £1= J$173.56 (2012: J$152.64); Can$1 = J$98.99 (2012: J$93.01)]. Transactions in foreign currencies are converted at the rates of exchange ruling at the dates of those transactions.

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

The reporting currencies of the foreign subsidiaries (see note 1) are also the currencies in which their economic decisions are formulated. For the purpose of the financial statements, revenues, expenses, gains and losses have been translated at the average rates of exchange for the year; assets and liabilities have been translated at exchange rates ruling at the reporting date.

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

(i) Financial assets:

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

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

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

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

3. Significant accounting policies (continued)

(n) Foreign currencies (continued):

(i) Financial assets (continued):

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

(ii) Non-financial assets:

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

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

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

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

(o) Segment reporting:

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the group's other components. Each operating segment's operating results are reviewed regularly by the group's Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4. Roles of the actuary and auditors

The actuary has been appointed by the Board of Directors pursuant to the requirements of IAS 19. With respect to the preparation of financial statements, the actuary is required to carry out an actuarial valuation of management's estimate of the company's medical post-retirement obligations and report thereon to the shareholders. The valuation is made in accordance with accepted actuarial practice. The actuary, in his verification of the management information provided by the company used in the valuation, also makes use of the work of the external auditors. The actuary's report outlines the scope of his work and opinion.

The external auditors have been appointed by the shareholders pursuant to the Act to conduct an independent and objective audit of the financial statements of the group and the company and in accordance with International Standards on Auditing, and report thereon to the shareholders. In carrying out their audit, the auditors also make use of the work of the actuary and his report on the group's and the company's actuarially determined policy liabilities. The auditors' report outlines the scope of their audit and their opinion.

5. Property, plant and equipment

(a) Group

	Freehold land and buildings	Machinery and equipment	Fixtures and fittings	Motor vehicles and computer equipment	Press	Typesetting equipment	Leased assets	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost or valuation								
Balances at December 31, 2011	792,073	240,448	91,324	329,637	203,532	4,890	47,045	1,708,949
Additions	935	37,049	887	18,816	7,379	-	14,414	79,480
Disposals	-	(1,219)	-	(2,609)	-	-	(7,444)	(11,272)
Translation adjustments	2,997	2,426	(29,493)	-	-	-	-	(24,070)
Balances at December 31, 2012	796,005	278,704	62,718	345,844	210,911	4,890	54,015	1,753,087
Additions	112,334	83,175	638	15,630	-	-	5,274	217,051
Disposals	(8,600)	(35,478)	(4,762)	(24,138)	-	-	(10,936)	(83,914)
Impairment	-	(24,569)	-	-	-	-	-	(24,569)
Revaluation	157,134	-	-	-	-	-	-	157,134
Translation adjustments	2,413	3,050	1,524	-	-	-	2,582	9,569
Balances at December 31, 2013	1,059,286	304,882	60,118	337,336	210,911	4,890	50,935	2,028,358
At cost	80,057	304,882	60,118	337,336	210,911	4,890	50,935	1,049,129
At valuation	979,229	-	-	-	-	-	-	979,229
	1,059,286	304,882	60,118	337,336	210,911	4,890	50,935	2,028,358
Depreciation								
Balances at December 31, 2011	71,651	203,099	76,093	312,307	130,558	4,890	2,683	801,281
Charge for the year	27,746	15,963	5,877	11,441	10,546	-	10,649	82,222
Eliminated on disposals	-	(1,156)	-	(2,578)	-	-	(7,424)	(11,158)
Translation adjustments	1,848	2,271	(29,678)	-	-	-	-	(25,559)
Balances at December 31, 2012	101,245	220,177	52,292	321,170	141,104	4,890	5,908	846,786
Revaluation adjustment	(73,641)	-	-	-	-	-	-	(73,641)
Charge for the year	36,128	16,465	2,747	19,214	10,546	-	9,594	94,694
Eliminated on disposals	(1,290)	(35,140)	(4,754)	(24,066)	-	-	(6,296)	(71,546)
Impairment	-	(24,200)	-	-	-	-	-	(24,200)
Translation adjustments	1,529	2,578	1,587	-	-	-	2,504	8,198
Balances at December 31, 2013	63,971	179,880	51,872	316,318	151,650	4,890	11,710	780,291
Carrying amounts								
December 31, 2013	995,315	125,002	8,246	21,018	59,261	-	39,225	1,248,067
December 31, 2012	694,760	58,527	10,426	24,674	69,807	-	48,107	906,301
December 31, 2011	720,422	37,349	15,231	17,330	72,974	-	44,362	907,668

5 Property, plant and equipment (continued)

(b) Company

	Freehold land and buildings	Machinery and equipment	Fixtures and fittings	Motor vehicles and computer equipment	Press	Typesetting equipment	Leased assets	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost or valuation								
Balances at December 31, 2011	706,497	116,217	43,671	244,781	203,531	4,890	46,274	1,365,861
Additions	935	29,132	543	12,699	7,379	-	14,414	65,102
Disposals	-	(1,219)	-	(2,608)	-	-	(7,444)	(11,271)
Balances at December 31, 2012	707,432	144,130	44,214	254,872	210,910	4,890	53,244	1,419,692
Additions	112,334	29,198	256	13,682	-	-	5,274	160,744
Disposals	(8,600)	(15,145)	(22)	(24,138)	-	-	(10,936)	(58,841)
Revaluation	157,134	-	-	-	-	-	-	157,134
Balances at December 31, 2013	968,300	158,183	44,448	244,416	210,910	4,890	47,582	1,678,729
At cost	71,822	158,183	44,448	244,416	210,910	4,890	47,582	782,251
At valuation	896,478	-	-	-	-	-	-	896,478
	968,300	158,183	44,448	244,416	210,910	4,890	47,582	1,678,729
Depreciation								
Balances at December 31, 2011	49,370	102,311	32,704	232,123	130,558	4,890	1,912	553,868
Charge for the year	25,562	7,896	4,905	8,984	10,546	-	10,649	68,542
Eliminated on disposals	-	(1,157)	-	(2,608)	-	-	(7,425)	(11,190)
Balances at December 31, 2012	74,932	109,050	37,609	238,499	141,104	4,890	5,136	611,220
Charge for the year	34,190	9,827	1,759	16,629	10,546	-	9,516	82,467
Revaluation	(73,641)	-	-	-	-	-	-	(73,641)
Eliminated on disposals	(1,290)	(14,807)	(22)	(24,066)	-	-	(6,296)	(46,481)
Balances at December 31, 2013	34,191	104,070	39,346	231,062	151,650	4,890	8,356	573,565
Carrying amounts								
December 31, 2013	934,109	54,113	5,102	13,354	59,260	-	39,226	1,105,164
December 31, 2012	632,500	35,080	6,605	16,373	69,806	-	48,108	808,472
December 31, 2011	657,127	13,906	10,967	12,658	72,973	-	44,362	811,993

(c) Freehold land and buildings:

In 2013, the company's land and building at 7 North Street were revalued at $630M and Harbour Street at $12M; land and buildings at East Street and Newport West at a total of $119.5M; land at John's Lane at $10M and land and building at 9 King Street and 6 Bradley Avenue at $194.8M on a fair market value basis by Property Consultants Limited, Real Estate Brokers and Appraisers of Kingston, Jamaica. The surplus arising on revaluation, inclusive of depreciation no longer required, has been included in capital reserves (see note 19). The cost of these properties was $71M.

5 Property, plant and equipment (continued)

(c) Freehold land and buildings (cont'd):

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

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

6. Intangible asset

	Group and Company $'000
Cost:	
Balance at December 31, 2011	14,996
Additions	2,224
Balance at December 31, 2013 and 2012	17,220
Amortisation:	
Balance at December 31, 2011	9,806
Amortisation	2,893
Balance at December 31, 2012	12,699
Amortisation	2,893
Balance at December 31, 2013	15,592
Carrying amounts:	
December 31, 2013	1,628
December 31, 2012	4,521
December 31, 2011	5,190

7. Employee benefits

On May 1, 2010, the parent company established a defined-contribution pension scheme for employees who satisfied certain minimum service requirements. The scheme is administered by JN Fund Managers Limited. A subsidiary company also operates a defined-contribution pension scheme for its employees who satisfy certain minimum service requirements. Contributions by the group and the company during the year amounted to $25,295 thousand (2012: $23,261 thousand) and $22,700 thousand (2012: $20,814 thousand), respectively.

The parent company operates a post-retirement benefit scheme which covers health insurance. The plan exposes the group to longevity risk and interest rate risk.

During the year, the company made an offer to its employees to settle, in cash, its obligation for post employment health insurance. The offer was accepted by 145 employees to whom $19.4M was paid.

Post-retirement medical benefits:

(i) Obligation recognised in the statements of financial position:

	Group and Company	
	2013 $'000	2012 $'000 (Restated)
Present value of obligation	66,300	118,300

7. Employee benefits (continued)

(ii) Movement in net defined benefits liability:

The following table shows a reconciliation from the opening balance to the closing balances for the defined benefit liability and its components.

	Defined benefit obligation	
	2013	**2012**
	$'000	**$'000**
Balance as at January 1	118,300	118,300
Included in profit or loss:		
Current service cost	4,900	5,400
Gain on curtailment/settlement	(47,600)	(7,400)
Interest on obligation	11,700	11,500
	(31,000)	9,500
Included in other comprehensive income:		
Re-measurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Experience adjustment	1,300	(7,000)
Other:		
Other payments by the employer	(19,400)	-
Benefits paid	(2,900)	(2,500)
	(22,300)	(2,500)
Balance at December 31	66,300	118,300

(iii) Principal actuarial assumptions at the reporting date (expressed as weighted averages)

	2013	2012
	$'000	$'000
	%	%
Discount rate	9.5	10.5
Future health cost increases	7.5	9.5

At the December 31, 2013, the weighted average duration of the defined benefit obligation was 11.2 years (2012: 19.9 years).

7. Employee benefits (continued)

(iv) Sensitivity analysis on projected benefit obligation:

The calculation of the projected benefit obligation is sensitive to the assumptions used. The table below summarizes how the projected benefit obligation measured at the end of the reporting period would have increased/(decreased) as a result of a change in the respective assumptions by one percentage point. In preparing the analyses for each assumption, all others were held constant. The economic assumptions are somewhat linked as they are all related to inflation. Hence, for example, a 1% reduction in the long-term discount rate, would cause some reduction in the medical trend rate.

	2013		2012	
	$'000	$'000	$'000	$'000
	1 % increase	1 % decrease	1 % increase	1 % decrease
Discount rate	59,900	74,100	98,900	143,300
Future medical costs	74,100	59,900	143,300	98,900

(v) As mortality continues to improve, estimates of life expectancy are expected to increase. An increase of one year in life expectancy will increase the employee benefit obligation to approximately $70,300,000 while a decrease of one year in life expectancy will result in a decrease in the employee benefit obligation to approximately $62,600,000.

8. Long-term receivables

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Due from Independent Radio Company Limited [see (i) below]	-	-	52,616	-
Due from Independent Radio Company Limited [see (ii) below]	-	-	28,015	34,677
Due from Sangsters Book Store Limited [see (iii) below]	-	14,023	-	14,023
Other long-term receivable	6,317	4,735	-	-
	6,317	18,758	80,631	48,700
Less current portion [see other receivables (note 16)]	-	(14,023)	(805)	(14,023)
	6,317	4,735	79,826	34,677

(i) The balance represents amount receivable from a finance lease of certain property of the company to a related party.

8. Long-term receivables

	Company 2013 $'000	Company 2012 $'000
Gross investment in finance leases, receivable:		
Less than one year	4,463	-
Between two and five years	17,850	-
More than five years	89,250	-
	111,563	-
Less unearned income	(58,947)	-
Net investment in finance lease	52,616	-
The net investment in finance lease receivable comprises:		
Current portion	805	-
Non-current portion	51,811	-
	52,616	-

(ii) The loan is unsecured and is repayable over 10 years and bears interest at 10% per annum.

(iii) This represented the balance on a loan due from a former subsidiary, which was settled during the year.

9. Interests in subsidiaries

	Company 2013 $'000	Company 2012 $'000
Shares at cost, less impairment losses:		
Popular Printers Limited	426	426
GV Media Group Limited	1	1
The Gleaner Company (Canada) Inc.	687	687
Independent Radio Company Limited	43,296	43,296
	44,410	44,410

10. Interests in associates

	Group 2013 $'000	Group 2012 $'000
Jamaica Joint Venture Investment Co. Ltd [see note 3(a)(iv)].	150	150

The group owns a 33⅓% interest in Jamaica Joint Venture Investment Company Limited.

The latest available audited financial information for the company is for the year ended December 31, 2012 and is summarised below:

10. Interests in associates (continued)

	2012 $'000
Non- current assets	17,202
Current assets	52,309
Non current liabilities	(1,746)
Current liabilities	(8,367)
Net assets	59,398
Revenue	60,123
Profit for the period	5,169

11. Investments

	Group		Company	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Available-for-sale financial assets:				
Quoted equities	94,946	71,376	94,946	71,376
Unquoted equities	22,820	22,820	22,820	22,820
Government of Jamaica securities	112,959	150,642	112,959	150,642
Corporate bonds	85,693	-	85,693	-
Royal Bank of Scotland PLC 9.50% investment note	39,647	33,468	39,647	33,468
Lloyds TSB PLC – 10.179% investment note	47,997	42,122	47,997	42,122
Bank of Scotland PLC 6.75% investment note	160,016	129,689	160,016	129,689
Loans and receivables:				
Certificate of deposits	62,900	51,000	62,900	51,000
Debenture	13,440	6,258	8,412	1,380
	640,418	507,375	635,390	502,497

The certificates of deposit have been pledged as collateral for certain borrowing facilities (see notes 20 and 21).

12. Pension receivable

The amount represents surplus due to the company arising from the discontinuation of the defined-benefit pension scheme (see note 7). Of the total outstanding, $29,000 thousand is expected to be received after more than one year from the reporting date.

	Group and Company	
	2013 $'000	2012 $'000
Balance at beginning of year	1,062,018	1,428,879
Net received during the year	(157,097)	(424,994)
Income earned during the year	110,653	58,133
Balance at end of year	1,015,574	1,062,018
Due within 1 year	986,574	918,653
Due after 1 year	29,000	143,365
	1,015,574	1,062,018

Assets held by the pension fund to honour the receivable include Government of Jamaica securities, equities and real estate.

13. Deferred taxation

Deferred taxation is attributable to the following:

(a) **Group:**

	Assets 2013 $'000	Assets 2012 $'000	Liabilities 2013 $'000	Liabilities 2012 $'000	Net 2013 $'000	Net 2012 $'000
Inventories	-	-	(9)	(17)	(9)	(17)
Property, plant and equipment	780	781	(127,647)	(99,337)	(126,867)	(98,556)
Intangible asset	-	-	(407)	(1,130)	(407)	(1,130)
Trade and other receivables	(5)	(5)	6,483	(2,272)	6,478	(2,277)
Trade and other payables	1,299	1,299	11,242	11,557	12,541	12,856
Employee benefit obligation	-	-	16,900	29,575	16,900	29,575
Pension receivable	-	-	(253,893)	(265,505)	(253,893)	(265,505)
Tax losses	1,126	2,244	-	-	1,126	2,244
Other	-	-	8,425	9,854	8,425	9,854
Net assets/(liabilities)	3,200	4,319	(338,906)	(317,275)	(335,706)	(312,956)

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

	2013 $'000	2012 $'000
Deferred tax liability in company	(338,902)	(317,265)
Deferred tax liability in subsidiaries	(4)	(10)
	(338,906)	(317,275)
Deferred tax asset in certain subsidiaries	3,200	4,319
Net deferred tax liabilities	(335,706)	(312,956)

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

	2013			
	Balance at January 1 $'000	Recognised in profit/loss $'000	Recognised in equity $'000	Balance at December 31 $'000
Inventories	(17)	8	-	(9)
Property, plant and equipment	(98,556)	6,285	(34,596)	(126,867)
Intangible asset	(1,130)	723	-	(407)
Employee benefit obligation	29,575	(13,000)	325	16,900
Pension receivables	(265,505)	11,612	-	(253,893)
Trade and other receivables	(2,277)	8,755	-	6,478
Trade and other payables	12,856	(315)	-	12,541
Tax losses	2,244	(1,118)	-	1,126
Other	9,854	(1,429)	-	8,425
	(312,956)	11,521	(34,271)	(335,706)

13. **Deferred taxation (continued)**

Deferred taxation is attributable to the following (continued):

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

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

	2012			
	Balance at January 1 $'000	Recognised in profit/loss $'000	Recognised in other comprehensive income $'000	Balance at December 31 $'000
Inventories	(2,148)	2,131	-	(17)
Property, plant and equipment	(138,857)	543	39,758	(98,556)
Intangible asset	(1,730)	600	-	(1,130)
Employee benefit obligation	39,433	(8,108)	(1,750)	29,575
Pension receivables	(476,293)	210,788	-	(265,505)
Trade and other receivables	(3,606)	1,329	-	(2,277)
Trade and other payables	17,351	(4,495)	-	12,856
Tax losses	43,640	(41,396)	-	2,244
Other	11,238	(1,384)	-	9,854
	(510,972)	160,008	38,008	(312,956)

(b) **Company:**

	2013 $'000	2012 $'000
Inventories	(9)	(17)
Property, plant and equipment	(127,647)	(99,337)
Intangible asset	(407)	(1,130)
Employee benefit obligation	16,900	29,575
Pension receivables	(253,893)	(265,505)
Trade and other receivables	6,487	(2,262)
Trade and other payables	11,242	11,557
Other	8,425	9,854
Net liabilities	(338,902)	(317,265)

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

	2013			
	Balance at January 1 $'000	Recognised in profit/loss $'000	Recognised in other comprehensive income $'000	Balance at December 31 $'000
Inventories	(17)	8	-	(9)
Property, plant and equipment	(99,337)	6,286	(34,596)	(127,647)
Intangible asset	(1,130)	723	-	(407)
Employee benefit obligation	29,575	(13,000)	325	16,900
Pension receivable	(265,505)	11,612	-	(253,893)
Trade and other receivables	(2,262)	8,749	-	6,487
Trade and other payables	11,557	(315)	-	11,242
Other	9,854	(1,429)	-	8,425
	(317,265)	12,634	(34,271)	(338,902)

13. Deferred taxation (continued)

Deferred taxation is attributable to the following (continued):

(b) Company (continued):

	2012			
	Balance at January 1	Recognised in profit/loss	Recognised in other comprehensive income	Balance at December 31
	$'000	$'000	$'000	$'000
Inventories	(2,148)	2,131	-	(17)
Property, plant and equipment	(140,721)	1,626	39,758	(99,337)
Intangible asset	(1,730)	600	-	(1,130)
Employee benefit obligation	39,433	(8,108)	(1,750)	29,575
Pension receivable	(476,293)	210,788	-	(265,505)
Trade and other receivables	(3,532)	1,270	-	(2,262)
Trade and other payables	16,196	(4,639)	-	11,557
Tax losses	41,260	(41,260)	-	-
Other	11,238	(1,384)	-	9,854
	(516,297)	161,024	38,008	(317,265)

14. Cash and cash equivalents

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Bank and cash balances	91,623	101,010	70,035	79,966
Call deposit	-	20,954	-	20,954
	91,623	121,964	70,035	100,920

15. Securities purchased under resale agreements

The group purchases Government and corporate securities and agrees to resell them on specified dates and at specified prices ('resale agreements' or 'reverse repos'). The group, on paying cash to the counterparty, sometimes takes possession of the underlying securities, although title is not formally transferred, unless that counterparty fails to repurchase the securities on the date specified or to honour other conditions.

Under resale agreements, the securities that the group obtains as collateral may themselves be sold under repurchase agreements.

Assigned collateral with a fair value of $10,416 thousand (2012: $126,426 thousand) for the group, and $10,416 thousand (2012:$ 126,426 thousand) for the company was held for securities purchased under agreements for resale.

16. Trade and other receivables

	Group 2013 $'000	Group 2012 $'000	Company 2013 $'000	Company 2012 $'000
Trade and other receivables due from related parties	-	-	218,726	262,247
Other trade receivables (see (i) below)	506,366	516,505	423,594	435,193
Other receivables	93,920	150,144	48,706	34,477
Current portion of long term receivables (see note 8)	-	14,023	805	14,023
	600,286	680,672	691,831	745,940
Less: allowance for doubtful debts	(109,648)	(96,453)	(236,388)	(208,439)
	490,638	584,219	455,443	537,501

	Group 2013 $'000	Group 2012 $'000	Company 2013 $'000	Company 2012 $'000
Allowance for doubtful debts is made in respect of the following:				
Trade receivables due from related parties [see (ii) below]	-	-	154,600	140,156
Other trade receivables [see (iii) below]	98,794	94,871	70,934	68,283
Other receivables [see (iv) below]	10,854	1,582	10,854	-
	109,648	96,453	236,388	208,439

(i) The ageing of other trade receivables at the reporting date was:

Group	Gross 2013 $'000	Impairment 2013 $'000	Gross 2012 $'000	Impairment 2012 $'000
Not past due	202,608	-	187,600	-
Past due 0 – 30 days	147,143	5,006	159,127	-
Past due 31 – 60 days	49,367	6,155	61,620	12,903
Past due 61 – 120 days	15,276	4,013	32,920	15,879
More than one year	91,972	83,620	75,238	66,089
	506,366	98,794	516,505	94,871

Company	Gross 2013 $'000	Impairment 2013 $'000	Gross 2012 $'000	Impairment 2012 $'000
Not past due	182,770	-	171,841	-
Past due 0 – 30 days	109,552	5,006	127,727	-
Past due 31 – 60 days	46,082	5,440	53,676	12,903
Past due 61 – 120 days	13,350	2,087	25,392	12,063
More than one year	71,840	58,401	56,557	43,317
	423,594	70,934	435,193	68,283

16. Trade and other receivables (continued)

(ii) The movement in the allowance for impairment in respect of receivables due from related parties is as follows:

	Company	
	2013	2012
	$'000	$'000
Balance as at beginning of the year	140,156	126,088
Amounts written-off, net of recoveries	14,444	14,068
Balance as at end of the year	154,600	140,156

(iii) The movement in the allowance for impairment in respect of other trade receivables during the year:

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Balance as at beginning of the year	94,871	73,121	68,283	73,121
Impairment loss recognised	9,722	31,421	2,651	4,833
Amounts written-off	(5,799)	(9,671)	-	(9,671)
Balance as at end of the year	98,794	94,871	70,934	68,283

(iv) The movement in the allowance for impairment in respect of other receivable during the year:

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Balance as at beginning of the year	1,582	9,793	-	9,793
Impairment loss recognised	10,854	1,582	10,854	-
Amounts written-off	(1,582)	(9,793)	-	(9,793)
Balance as at end of the year	10,854	1,582	10,854	-

17. Inventories and goods-in-transit

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Newsprint	44,868	97,987	44,868	97,987
Books, stationery and general supplies	24,845	25,703	999	1,194
Goods-in-transit	13,057	3,308	13,057	3,308
Consumable stores	16,452	25,315	16,452	25,315
	99,222	152,313	75,376	127,804

Inventories are stated net of a provision for obsolescence of $31 thousand (2012: $67 thousand) for the group and company.

18. Share capital and share premium

	Group and Company	
	2013	2012
	$'000	$'000
Share capital issued and fully paid:		
1,211,243,827 stock units of no par value	605,622	605,622

At December 31, 2013, the authorised share capital comprised 1,216,000,000 ordinary stock units (2012: 1,216,000,000). All issued stock units are fully paid. The holders of ordinary stock units are entitled to receive dividends as declared from time to time and are entitled to one vote per stock unit at meetings of the company. Share premium is retained in accordance with the provisions of Section 39(7) of the Jamaican Companies Act (note 19).

19. Reserves

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000 (Restated)	$'000	$'000 (Restated)
Capital				
Realised:				
Share premium (note 18)	4,353	4,353	4,353	4,353
Other	5,830	5,830	-	-
Gain on sale of loan	24,608	24,608	1,334	1,334
Gain on disposal of property, plant and equipment	18,352	13,725	4,627	-
	53,143	48,516	10,314	5,687
Unrealised:				
Revaluation of land and buildings [(note 5(c)]	1,019,090	792,941	939,419	713,270
Deferred taxation on revalued land and buildings	(158,204)	(123,608)	(153,871)	(119,275)
Reserve arising from consolidation of of subsidiaries (net of goodwill) and debt	93,496	93,496	-	-
Exchange difference on translation of overseas subsidiaries	6,381	20,096	-	-
	960,763	782,925	785,548	593,995
Total capital reserves	1,013,906	831,441	795,862	599,682
Reserve for own shares (i)	(144,035)	(160,782)	-	-
Fair value reserve (ii)	63,005	40,247	61,636	38,878
Revenue				
Retained profits	1,055,203	1,054,242	1,115,823	1,137,751
	1,988,079	1,765,148	1,973,321	1,776,311

(i) Reserve for own shares is included in the financial statements by consolidation of The Gleaner Company Limited Employee Investment Trust (GCLEIT) as it is regarded as a special purpose entity and is required to be consolidated under SIC-12. The reserve comprises the cost of the company's shares held by the group through the GCLEIT. At December 31, 2013, GCLEIT held 27,909,916 (2012: 48,681,334) of the company's shares (note 28).

19. Reserves (continued)

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

20. Long-term liabilities

	Group		Company	
	2013	**2012**	**2013**	**2012**
	$'000	**$'000**	**$'000**	**$'000**
Bank loan 1- 6.5% [see (a) below]	30,000	30,000	30,000	30,000
Bank loan 2- 7% [see (a) below]	30,000	30,000	30,000	30,000
Bank loan 3- 8% [see (a) below]	31,000	9,400	31,000	9,400
Finance lease obligations [see (b) below]	38,899	39,414	38,899	39,414
	129,899	108,814	129,899	108,814
Less: current portion	(36,365)	(9,813)	(36,365)	(9,813)
	93,534	99,001	93,534	99,001

(a) The loans are repayable over 5 years with total monthly instalments of $1,540,167. The loan is secured by a mortgage on land and buildings and a term deposit of $26 million (see note 11). Loan repayment will commence in January 2014 after a 12 month grace period.

(b) Finance lease obligations:

	Group		Company	
	2013	**2012**	**2013**	**2012**
	$'000	**$'000**	**$'000**	**$'000**
Due from the reporting date as follows:				
Within one year	22,100	15,091	22,100	15,091
Within two to five years	24,459	36,149	24,459	36,149
Total future minimum lease payments	46,559	51,240	46,559	51,240
Less: future interest charges	(7,660)	(11,826)	(7,660)	(11,826)
Present value of minimum lease payments	38,889	39,414	38,899	39,414

21. Bank overdraft

The bank overdraft, when utilised, is secured by a deposit of $23 million (see note 11).

22. Trade and other payables

	Group		Company	
	2013	**2012**	**2013**	**2012**
	$'000	**$'000**	**$'000**	**$'000**
Trade payables	137,634	195,566	101,102	115,953
Other payables	311,527	311,118	256,163	264,316
	449,161	506,684	357,265	380,269

23. Deferred income

This represents subscription revenue received in advance.

24. Revenue

Revenue represents sales before commission payable but excluding returns, as follows:

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Rendering of services	2,076,452	2,094,992	1,728,304	1,755,084
Sale of goods	1,090,072	1,060,561	949,213	992,885
Other	22,185	39,112	4,139	5,574
	3,188,709	3,194,665	2,681,656	2,753,543

25. Net finance income

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Interest income on loans	1,466	4,362	1,466	4,362
Interest income on available-for-sale financial assets	32,051	23,526	32,051	23,526
Interest income on bank deposits	718	1,044	718	1,044
Interest income on other investments	110,970	58,727	110,653	58,134
Dividend income on available-for-sale financial assets	6,806	5,521	6,806	56,809
Finance income	152,011	93,180	151,694	143,875
Finance costs	(25,251)	(20,931)	(24,649)	(18,370)
	126,760	72,249	127,045	125,505

26. Profit from operations before taxation

Profit from operations before taxation is stated after charging:

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Directors' emoluments:				
Fees	5,243	4,225	4,628	3,804
Management remuneration (included in staff costs)	60,116	57,175	38,240	38,698
Staff costs (note 36)	1,160,057	1,118,814	996,911	967,394
Auditors' remuneration	11,617	8,948	7,535	6,850
Depreciation	94,686	82,222	82,467	68,542
Amortisation	2,893	2,893	2,893	2,893

27. Taxation

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

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
(i) Current tax expense:				
Income tax at 28.75% (2012:33⅓%)	17,137	113,361	19,208	113,381
(i) Deferred tax expense:				
Origination and reversal of timing difference [note 13 (ii)]	(11,521)	(201,404)	(12,634)	(202,284)
Taxation losses utilised	-	41,396	-	41,260
Total taxation charge/(credit) recognised	5,616	(46,647)	6,574	(47,643)

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

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Profit from continuing operations before taxation	91,458	86,885	70,408	150,557
Income tax at 28.75% (33⅓%)	26,294	29,195	20,242	50,186
Difference between depreciation and tax capital allowance	(158)	2,956	(158)	3,372
Finance lease payments	(1,435)	(4,804)	(1,435)	(4,804)
Other	(19,085)	(23,082)	(12,075)	(31,949)
Effect of change in deferred tax rate	-	(50,912)	-	(64,448)
Actual taxation charge/(credit)	5,616	(46,647)	6,574	(47,643)

(c) Taxation recognised in other comprehensive income:

	Group and Company					
	2013			2012		
	Before tax $'000	Tax benefit $'000	Net of tax $'000	Before tax $'000	Tax expense/ (benefit) $'000	Net of tax $'000
Deferred tax on revaluation surplus	-	34,596	34,596	-	39,758	39,758
Deferred tax employee benefit obligation	-	(325)	(325)	-	(1,750)	(1,750)
	-	34,271	34,271	-	38,008	38,008

27. Taxation (continued)

(d) Taxation losses:

As at December 31, 2013, the group has taxation losses, subject to agreement by the Commissioner General of Tax Administration Jamaica of approximately $71,793,000 (2012: $23,257,000) available for relief against future taxable profits. As of January 1, 2014, tax losses may be carried forward indefinitely; however, the amount that can be utilised in any one year is restricted to 50% of the current year's taxable profits. A deferred tax asset of $13,794,000 (2012: $4,688,000) in respect of taxation losses of certain companies has not been recognised by the group, as management considers its realisation within the foreseeable future to be uncertain.

28. Earnings per stock unit

The calculation of earnings per stock unit is arrived at by dividing profit after taxation attributable to stockholders of the company of $85,842 thousand (2012: $133,532 thousand) by 1,211,243,827 being the number of stock units in issue at December 31, 2013 (2012 1,211,243,827) as well as by 1,183,333,911 (2012: 1,162,562,493), being stock units less those held by the GCLEIT [see note (19)].

29. Dividends paid (gross)

An interim revenue distribution of 3.5 cents (2012: 5 cents) per stock unit was paid on March 22, 2013, to shareholders on record at close of business on March 4, 2013.

A second interim revenue distribution of 3.5 cents (2012: 3 cents) per stock unit was paid on March 22, 2013, to shareholders on record at the close of business on March 4, 2013.

	Group	
	2013 $'000	2012 $'000
Gleaner's first interim paid in respect of 2013: 3.5¢ (2012: 5.0¢) per stock unit - gross	42,394	60,563
Gleaner's second interim paid in respect of 2013: 3.5¢ (2012: 3.0¢) per stock unit - gross	42,393	36,337
	84,787	96,900
Dividends paid to GCLEIT	(881)	(3,723)
	83,906	93,177

	Company	
	2013 $'000	2012 $'000
Ordinary dividends:		
First interim paid in respect of 2013: 3.5¢ (2012: 5.0¢) per stock unit – gross	42,394	60,563
Second interim paid in respect of 2013: 3.5¢ (2012: 3.0¢) per stock unit – gross	42,393	36,337
	84,787	96,900

30. Share-based payment arrangement

A share option scheme is operated by the company. Share options are granted to management and employees of the company with more than three years of service. Options are granted at the market price of the shares on the date of the grant and are exercisable at that price. Options are exercisable beginning one month from the date of grant and have a contractual option payment term of up to three years.

The number and weighted average exercise prices of share options are as follows:

	2013		2012	
	Weighted average exercise price	No. of options	Weighted average exercise price	No. of options
Outstanding at beginning of the year	1.19	11,110,000	1.19	11,110,000
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at end of the year	1.19	11,110,000	1.19	11,110,000

The grant-date fair value of the share-based payment plan was measured based on the Black-Scholes formula. Expected volatility is estimated by considering historic average share price volatility. The inputs used in the measurement of the fair values at grant date were as follows:

	2013			2012		
	Staff	Executive and senior staff		Staff	Executive and senior staff	
	Single tranche	Tranche 1	Tranche 2	Single tranche	Tranche 1	Tranche 2
Fair value at grant date	0.71	0.41	0.58	0.71	0.41	0.58
Share price at grant date	1.31	1.31	1.31	1.31	1.31	1.31
Exercise price	1.19	1.19	1.19	1.19	1.19	1.19
Expected volatility	0.69	0.69	0.69	0.69	0.69	0.69
Option life (expected weighted average life)	2.85	0.80	1.80	2.85	0.80	1.80
Risk-free interest rate	9.91%	9.91%	9.91%	9.91%	9.91%	9.91%

The expense recognised in profit or loss in respect of share-based payment awards as at December 31, 2013 amounted to $Nil thousand (2012: $729 thousand).

31. Segment reporting

The group has one reportable segment which is media service. This includes the print and electronic media businesses. The identification of business segments, is based on the group's management and internal reporting structure. Segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets and revenue. Other includes management services, publication of books and those that do not meet any of the quantitative thresholds for determining reportable segments in 2013 or 2012.

Performance is measured on segment profit before taxation as included in the internal management reports that are reviewed by the Board of Directors. Segment profit before taxation is used to measure performance as management believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

31. Segment reporting (continued)

(a) Business segments:

	Media service		Other		Total	
	2013	2012	2013	2012	2013	2012
	$'000	$'000	$'000	$'000	$'000	$'000
External revenues	3,152,395	3,158,958	36,314	35,707	3,188,709	3,194,665
Segment profit/(loss) before taxation	112,204	108,867	(20,746)	(21,982)	91,458	86,885
Finance income	151,694	92,749	317	431	152,011	93,180
Finance costs	(25,224)	(20,918)	(28)	(13)	(25,251)	(20,931)
Depreciation and amortisation	97,585	85,113	2	2	97,587	85,115
Reportable segment assets	3,564,943	3,426,557	89,394	87,016	3,654,337	3,513,573
Reportable segment liabilities	997,170	1,095,615	63,465	47,188	1,060,635	1,142,803
Capital expenditure	217,051	81,704	-	-	217,051	81,704

(b) Geographical segments:

	Jamaica		Overseas*		Total	
	2013	2012	2013	2012	2013	2012
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue from external customers	2,890,646	2,956,539	298,063	238,126	3,188,709	3,194,665
Non current segment assets	1,913,604	1,555,429	15,176	15,337	1,928,780	1,570,766

* Includes operations in United States of America, Canada and United Kingdom.

32. Financial risk management

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

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

The Board of Directors has overall responsibility for the establishment and oversight of the group's risk management framework. The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities. The group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

32. Financial risk management

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

(a) Credit risk

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

Trade and other receivables

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the group's customer base, including the default risk of the industry and country, in which customers operate, has less of an influence on credit risk.

A credit policy has been established under which each new customer is assessed individually for creditworthiness before the group's standard payment and delivery terms and conditions are offered. The group's assessment includes review of the customer's financial strength, history with the company if any, payment habits to existing suppliers and bank references. Credit limits are established for each customer and require the authorisation by approved personnel. Customers that fail to meet the group's benchmark creditworthiness may transact with the group only on a prepayment or cash basis.

More than 98% of the group's customers have been transacting with the group for over four years, and losses have occurred infrequently. In monitoring customer credit risk, customers are grouped according to the ageing of their debt. Trade and other receivables relate mainly to the group's media service customers.

The group does not require collateral in respect of trade and other receivables. A deposit is, however, taken in respect of certain trade receivables.

The group establishes an allowance for impairment that represents its estimate of specific losses in respect of trade and other receivables. The group's allowances for impairment of trade receivables are based on the extent of default, including its ageing profile and other external factors indicating inability to collect.

Based on customer default rates, the group believes that no impairment allowance is necessary in respect of trade receivables not past due or past due to 60 days for circulation receivables and 180 days for advertising receivables. 95% of the balance relates to customers that have a good track record with the group.

The allowance accounts in respect of accounts receivables are used to record impairment losses, unless the group is satisfied that no recovery of the amount owing is possible. At that point, the amounts considered irrecoverable are written off the financial asset directly (see note 16).

32. Financial risk management (continued)

(a) Credit risk (continued)

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

The group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that are licensed under the Financial Institutions Act and Financial Services Commission. The group's investment portfolio consists of Government of Jamaica instruments. The group holds collateral for securities purchased under resale agreements.

Management does not expect any counterparty to fail to meet its obligations.

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

	Group		Company	
	Carrying amount		Carrying amount	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Domestic	384,761	398,547	352,661	366,910
Overseas	22,810	23,087	-	-
	407,571	421,634	352,661	366,910

There has been no change to the group's exposure to credit risk or the manner in which it measures or manages this risk.

(b) Liquidity risk

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

Typically, the group ensures that it has sufficient cash on demand and marketable securities to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the group maintains an overdraft facility of J$23 million.

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

32. Financial risk management (continued)

(b) Liquidity risk (continued)

	Group 2013					
	Carrying amount $'000	Contractual cash flows $'000	1 yr or less $'000	1-2 yrs $'000	2-5 yrs $'000	More than 5 yrs $'000
Long - term liabilities	129,899	132,357	33,437	24,730	74,190	-
Trade and other payables	449,161	449,161	449,161	-	-	-
Bank overdraft	5,327	5,327	5,327	-	-	-
	584,387	586,845	487,925	24,730	74,190	-

	Group 2012					
	Carrying amount $'000	Contractual cash flows $'000	1 yr or less $'000	1-2 yrs $'000	2-5 yrs $'000	More than 5 yrs $'000
Long - term liabilities	108,814	149,643	19,893	41,196	69,872	18,682
Trade and other payables	506,684	506,684	506,684	-	-	-
Bank overdraft	10,308	10,308	10,308	-	-	-
	625,806	666,635	536,885	41,196	69,872	18,682

	Company 2013				
	Carrying amount $'000	Contractual cash flows $'000	1 yr or less $'000	1-2 yrs $'000	2-5 yrs $'000
Long - term liabilities	129,899	132,357	33,437	24,730	74,190
Trade and other payables	357,264	357,264	357,264	-	-
Bank overdraft	2,850	2,850	2,850	-	-
	490,013	492,471	393,551	24,730	74,190

	Company 2012					
	Carrying amount $'000	Contractual cash flows $'000	1 yr or less $'000	1-2 yrs $'000	2-5 yrs $'000	More than 5 yrs $'000
Long - term liabilities	108,814	149,643	19,893	41,196	69,872	18,682
Trade and other payables	380,269	380,269	380,269	-	-	-
	489,083	529,912	400,162	41,196	69,872	18,682

There has been no change to the group's exposure to liquidity risk or the manner in which it measures or manages this risk.

32. Financial risk management (continued)

(c) Market risk

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

(i) Currency risk

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

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

The group's investments in overseas subsidiaries are not hedged, as those currency positions are considered to be long-term in nature.

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

	Group					
	2013			2012		
	USD ('000)	GBP ('000)	CAD ('000)	USD ('000)	GBP ('000)	CAD ('000)
Investments	4,005	-	-	3,631	-	-
Trade and other receivables	-	108	109	-	140	112
Securities purchased under resale agreements	89	-	-	1,357	-	-
Trade payables	(906)	(167)	(94)	(1,233)	(151)	(78)
Cash and cash equivalents	574	9	153	35	5	174
Net exposure	3,762	(50)	168	3,790	(6)	208

(i) Currency risk

	Company					
	2013			2012		
	USD ('000)	GBP ('000)	CAD ('000)	USD ('000)	GBP ('000)	CAD ('000)
Investments	4,005	-	-	3,631	-	-
Trade payables	(906)	(1)	-	(1,233)	(1)	-
Securities purchased under resale agreements	89	-	-	1,357	-	-
Cash and cash equivalents	574	1	-	35	4	-
Net exposure	3,762	-	-	3,790	3	-

32. Financial risk management (continued)

(c) Market risk (continued)

Sensitivity analysis

A strengthening/weakening of the Jamaica dollar against the following currencies at December 31 would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2012.

Group 2013

Currency	% weakening	Increase effect on equity $'000	Increase effect on profit/loss $'000	% strengthening	Decrease effect on equity $'000	Decrease effect on profit/loss $'000
USD	15	1,925	57,126	1	(128)	(3,808)
GBP	15	-	1,293	1	-	(86)
CAD	15	-	2,501	1	-	(167)

Group 2012

Currency	% weakening	Increase effect on equity $'000	Increase effect on profit/loss $'000	% strengthening	Decrease effect on equity $'000	Decrease effect on profit/loss $'000
USD	10	-	34,915	1	-	3,491
GBP	10	-	(89)	1	-	(9)
CAD	10	-	1,901	1	-	(190)

Company 2013

Currency	% weakening	Increase/(Decrease) effect on equity $'000	Increase/(Decrease) effect on profit/loss $'000	% strengthening	Increase/(Decrease) effect on equity $'000	Increase/(Decrease) effect on profit/loss $'000
USD	15	1,925	57,125	1	(128)	(3,808)
GBP	15	-	-	1	-	-

Company 2012

Currency	% weakening	Increase effect on equity $'000	Increase effect on profit/loss $'000	% strengthening	Decrease effect on equity $'000	Decrease effect on profit/loss $'000
USD	10	-	34,915	1	-	3,491
GBP	10	-	41	1	-	(4)

32. Financial risk management (continued)

(c) Market risk (continued)

(ii) Interest rate risk

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

Profile

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

	Group		Company	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Fixed rate instruments				
Financial assets	446,312	420,944	552,942	455,621
Financial liabilities	(129,899)	(108,814)	(129,899)	(108,814)
	316,413	312,130	423,043	346,807

Fair value sensitivity analysis for fixed rate instruments

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

An increase of 200 or decrease of 50 (2012: An increase of 250 or decrease of 50) basis points in interest rates at the reporting date would have increased equity by $18,343 thousand or decrease by $8,839 thousand (2012: increase of $30,818 thousand or a decrease of $5,979 thousand). This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2012.

Equity price risk

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

Sensitivity analysis – equity price risk

Most of the group's equity investments are listed on the Jamaica Stock Exchange and other foreign stock exchanges. A 10% (2012: 10%) increase or decline in the JSE All Jamaica Composite index at the reporting date would have increased/decreased equity by $9,495 thousand (2012: $7,138thousand).

There would be no impact on profit or loss at the reporting date as there were no investments designated as fair value through profit or loss.

32. Financial risk management (continued)

(d) Fair values

Fair value amounts represent estimates of the arm's length consideration that would be currently agreed upon between knowledge willing parties who are under no compulsion to act and is evidenced by a quoted market price, if one exists.

Fair values versus carrying amounts

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

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

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

The interest rates used to determine fair values at the reporting date were as follows:

	2013	2012
	%	%
Royal Bank of Scotland investment note	6.75	6.75
Bank of Scotland investment note	3.42	5.51
Lloyds TSB investment note	4.91	4.88
Government of Jamaica instrument	7.11	7.49

Basis for determining fair values

Available-for-sale financial assets include Government of Jamaica instrument, quoted equities and unquoted equities. Quoted equities are valued using the quoted market bid prices listed on the Jamaica Stock Exchange and other foreign stock exchanges at the reporting date.

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

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined 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 (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

32. Financial risk management (continued)

(d) Fair values (continued)

Accounting classifications and fair values

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

Group

		2013							
		Carrying amount				Fair value			
	Note	Loan and receivables $'000	Available for-sale $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets measured at fair value:									
Investment securities	11	-	541,258	-	541,258	94,946	446,312	-	541,258
Financial assets not measured at fair value:									
Investments	11	76,340	22,820	-	99,160				
Pension receivable		1,015,574	-	-	1,015,574				
Cash and cash equivalents		91,623	-	-	91,623				
Securities purchased under resale agreements		9,780	-	-	9,780				
Trade and other receivable		490,638	-	-	490,638				
		1,683,955	22,820	-	1,706,775				
Financial liabilities not measured at fair value:									
Long term liabilities		-	-	129,899	129,899				
Bank overdraft		-	-	5,327	5,327				
Trade and other payables		-	-	449,161	449,161				
		-	-	584,387	584,387				

32. Financial risk management (continued)

(d) Fair values (continued)

Accounting classifications and fair values (continued)

Group (continued)

		2012							
		Carrying amount				Fair value			
	Note	Loan and receivables $'000	Available -for-sale $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets measured at fair value:									
Investment securities	11	-	427,297	-	427,297	71,376	355,921	-	427,297
Financial assets not measured at fair value:									
Investment securities	11	57,258	22,820	-	80,078				
Pension receivable		1,062,018	-	-	1,062,018				
Cash and cash equivalents		121,964	-	-	121,964				
Securities purchased under resale agreements		125,173	-	-	125,173				
Trade and other receivable		584,219	-	-	584,219				
		1,950,632	22,820	-	1,973,452				
Financial liabilities not measured at fair value:									
Long term liabilities		-	-	108,814	108,814				
Bank overdraft		-	-	10,308	10,308				
Trade and other payables		-	-	506,684	506,684				
		-	-	625,806	625,806				

32. Financial risk management (continued)

(d) Fair values (continued)

Accounting classifications and fair values (continued)

Company

		2013							
		Carrying amount				Fair value			
	Note	Loan and receivables $'000	available for-sale $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets measured at fair value:									
Investment securities	11	-	541,258	-	541,258	94,946	446,312	-	541,258
Financial assets not measured at fair value:									
Investment securities	11	71,312	22,820	-	94,132				
Pension receivable		1,015,574	-	-	1,015,574				
Cash and cash equivalents		70,035	-	-	70,035				
Securities purchased under resale agreements		9,780	-	-	9,780				
Trade and other receivable		455,443	-	-	455,443				
		1,622,144	22,820	-	1,644,964				
Financial liabilities not measured at fair value:									
Long term liabilities		-	-	129,899	129,899				
Bank overdraft		-	-	2,850	2,850				
Trade and other payables		-	-	357,265	357,265				
		-	-	490,014	490,014				

32. Financial risk management (continued)

(d) Fair values (continued)

Accounting classifications and fair values (continued)

Company

		2012							
		Carrying amount				Fair value			
	Notes	Loan and receivables	available for-sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets measured at fair value:									
Investment securities	11	-	427,297	-	427,297	71,376	355,921	-	427,297
Financial assets not measured at fair value:									
Investment securities		52,380	22,820	-	75,200				
Pension receivable		1,062,018	-	-	1,062,018				
Cash and cash equivalents		100,920	-	-	100,920				
Securities purchased under resale agreements		125,173	-	-	125,173				
Trade and other receivable		537,501	-	-	537,501				
		1,877,992	22,820	-	1,880,812				
Financial liabilities not measured at fair value:									
Long term liabilities		-	-	108,814	108,814				
Trade and other payables		-	-	380,269	380,269				
		-	-	489,083	489,083				

32. Financial risk management (continued)

(e) Capital management

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

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

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

33. Related parties

(a) Identity of related party

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

(b) Transactions with key management personnel

In addition to salaries, the group provides non-cash benefits to directors and executive officers, and contributes to a post-employment defined contribution plan on their behalf, in accordance with the terms of the plan. Executive officers also participate in the group's share option programme [see note 3(d)(ii)].

The key management personnel compensations are as follows:

	Group		Company	
	2013	**2012**	**2013**	**2012**
	$'000	**$'000**	**$'000**	**$'000**
Short-term employee benefits	239,999	208,520	205,123	190,044
Post- employment benefits	7,935	11,500	7,935	11,500
	247,934	220,020	213,058	201,544

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

	Group		Company	
	2013	**2012**	**2013**	**2012**
	$'000	**$'000**	**$'000**	**$'000**
Long-term receivable	-	-	80,630	34,677
Trade and other receivables:				
Subsidiaries	56,756	-	210,286	262,247
Associated companies	1,436	81,394	1,436	-
Key management personnel	-	-	-	-
Trade and other payables:				
Subsidiaries	-	-	2,356	9,289
Associates	-	-	689	-

33. Related parties (continued)

(d) The income statements include the following income earned from, and expenses incurred in, transactions with subsidiaries:

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Revenue:				
Subsidiaries	-	-	6,653	26,711
Other operating income:				
Subsidiaries	-	-	61,398	37,564
Key management personnel	1,729	1,190	1,729	1,190
Cost of sales:				
Subsidiaries	-	-	7,446	7,671
Administration expenses:				
Subsidiaries	-	-	18,985	38,164
Other operating expense subsidiary	-	-	75,367	-
Finance income:				
Subsidiaries	-	-	-	51,288

34. Lease commitments

Unexpired lease commitments at December 31 will expire as follows:

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Within one year	22,100	15,091	22,100	15,091
Subsequent years	24,668	36,340	24,668	36,340
	46,768	51,431	46,768	51,431

35. Authorised capital expenditure

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Capital expenditure authorised and contracted for	12,849	11,229	12,849	11,229

36 Staff costs

	Group		Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Salaries and wages	779,442	772,903	634,226	637,385
Statutory contributions	81,633	75,399	71,095	65,835
Other staff costs	268,195	234,929	260,803	228,591
Redundancy costs	30,787	35,583	30,787	35,583
	1,160,057	1,118,814	996,911	967,394

37. Libel cases

Provisions made in the financial statements as at December 31, 2013, are considered adequate to cover all reasonable and probable judgements and costs for libel actions against the group and company.

38. Contingent liabilities

(i) There are contingent liabilities of $Nil (2012: $2M) in respect of guarantees issued on behalf of the group and the company.

(ii) The company has given an undertaking to its subsidiaries to provide financial support required to meet their future operations and obligations.

39. Intentionally left blank.

40. Change in accounting policy

The change in accounting policy detailed in note 2(e) was applied retrospectively. The effects of the adjustments are detailed below:

(a) Statement of financial position:

	Employee benefits obligation	Deferred tax assets	Reserves	Retained profits
	$'000	$'000	$'000	$'000
Balance at December 31, 2011 as previously reported	130,600	512,197	1,608,887	1,022,272
Impact of re-measurement of employee benefits obligation	(12,300)	4,100	(8,200)	(8,200)
Balance at December 31, 2011, as restated	118,300	516,297	1,617,087	1,030,472
Balance at December 31, 2012 as previously reported	136,900	312,615	1,762,361	1,123,801
Impact of re-measurement of employee benefits obligation	(18,600)	4,650	13,950	13,950
Balance at December 31, 2012, as restated	118,300	317,265	1,776,311	1,137,751

(b) Effect on profit or loss for the year ended December 31, 2012:

	$'000
Pension costs	700
Deferred tax	(1,200)
Increase in profit for the year	500

40. Change in accounting policy (continued)

(c) Effect on statement of comprehensive income for year ended December 31, 2012:

Actuarial loss recognised in other comprehensive income	7,000
Deferred tax on actuarial loss	(1,750)
	5,250
Increase in profit for the year	500
Increase in total comprehensive income	5,750

(d) Other than restatement of comparatives there was no effect on the statement of cash flows for the year ended December 31, 2012.

(e) Effect on earnings per share as at December 31, 2012

	2012
Earnings per ordinary stock unit as previously stated	10.98¢
Earnings per ordinary stock, restated	11.02¢

DECLARATION OF NUMBER OF STOCK UNITS OWNED BY DIRECTORS, OFFICERS & CONNECTED PERSONS

NAME	PERSONAL SHAREHOLDING	SHAREHOLDING OF CONNECTED PERSONS
Oliver F. Clarke	65,317,720	368,739,880
Gerald C. Lalor	76,958	-
John J. Issa	-	23,374,832
Christopher S. Roberts	4,934,412	-
Joseph M. Matalon	23,572,020	68,669,862
H. Winston R. Dear	-	-
Earl Maucker	-	-
Carol D. Archer	58,320	-
Douglas R. Orane	823,381	230,172
Morin M. Seymour	20,000	-
Lisa G. Johnston	3,732	-
Christopher Barnes	4,807,000	-
Collin R. Bourne	312,465	-
Marlene Davis	202,609	-
Garfield Grandison	75,652	-
Burchell Gibson	500,000	-
Newton James	501,700	-
L. Anthony O'Gilvie	3,381,031	-
Karin E. Daley-Cooper	2,001,700	-
Rudolph A. Speid	1,901,700	-
Shena Stubbs-Gibson	420,000	-
Robin Williams	-	-

LIST OF 10 LARGEST BLOCKS OF STOCK UNITS AS AT DECEMBER 31, 2013

1.	Financial and Advisory Services Limited	368,739,880
2.	Pan Caribbean Financial Services A/C 1388842	108,385,283
3.	Kaytak Investments Limited	68,669,862
4.	Oliver F. Clarke	65,317,720
5.	Jamaica National Building Society	46,425,529
6.	Medsalco Limited	34,191,867
7.	National Insurance Fund	30,883,010
8.	Sagicor PIF Equity Fund	30,470,202
9.	JN Fund Managers Limited – Investment MGRS	30,000,000
10.	Gleaner Co. Ltd. Employee Investment Trust	29,494,257

FORM OF PROXY

I/We..

of

....

in the parish

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

....

....of...

or failing him...

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on the **22nd** day of **May, 2014 at 10:30 a.m.** and at any adjournment thereof.

Signature(s)..

Signed this .... day of.....................................2014

NOTES:

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

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

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

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

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

NOTES