United Foods Company (PSC)

UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS

30 SEPTEMBER 2013

ERNST & YOUNG

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REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF UNITED FOODS COMPANY (PSC)

Introduction

We have reviewed the accompanying interim condensed financial statements of United Foods Company (PSC) (the "Company") as at 30 September 2013, comprising the interim statement of financial position as at 30 September 2013 and the related interim statements of income and comprehensive income for the three month and nine month periods then ended, and the interim statements of changes in equity and cash flows for the nine month period then ended and explanatory information. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young

Signed by
Ashraf Abu-Sharkh
Partner
Registration No. 690
11 November 2013
Dubai, United Arab Emirates

INTERIM STATEMENT OF INCOME

For the period ended 30 September 2013 (Unaudited)

	Note	*Nine months ended*		*Three months ended*	
		30 September 2013 AED	*30 September 2012 AED*	***30 September 2013 AED***	*30 September 2012 AED*
Sales		**283,998,387**	294,433,819	**84,076,463**	92,497,822
Cost of sales		**(247,447,495)**	(264,964,206)	**(76,038,859)**	(83,429,976)
GROSS PROFIT		**36,550,892**	29,469,613	**8,037,604**	9,067,846
Selling and distribution expenses		**(13,862,045)**	(9,932,416)	**(5,027,831)**	(3,969,698)
General and administrative expenses		**(10,501,606)**	(7,997,255)	**(3,222,549)**	(2,815,754)
Finance expense		**(797,597)**	(819,386)	**(239,609)**	(342,800)
Other income		**1,706,423**	3,233,325	**673,885**	460,878
PROFIT FOR THE PERIOD		**13,096,067**	13,953,881	**221,500**	2,400,472
Earnings per share in AED	12	**0.48**	0.51	**0.01**	0.09

The attached notes 1 to 19 form part of these interim condensed financial statements.

INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 September 2013 (Unaudited)

		Nine months ended		Three months ended	
	Note	***30 September 2013***	*30 September 2012*	***30 September 2013***	*30 September 2012*
Profit for the period		**13,096,067**	13,953,881	**221,500**	2,400,472
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Change in fair value of available-for-sale investments	5	**260,750**	46,212	**85,643**	21,121
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**260,750**	46,212	**85,643**	21,121
Total comprehensive income for the period		**13,356,817**	14,000,093	**307,143**	2,421,593

INTERIM STATEMENT OF FINANCIAL POSITION
As at 30 September 2013

	Notes	2013 AED (Unaudited)	31 December 2012 AED (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	4	**58,312,004**	60,770,203
Available-for-sale investments	5	**524,295**	263,545
		58,836,299	61,033,748
Current assets			
Inventories	6	**76,046,815**	92,623,599
Trade and other receivables	7	**79,929,026**	54,452,578
Due from a related party	13	**62,048**	103,437
Bank balances and cash	8	**6,824,863**	1,917,480
		162,862,752	149,097,094
Assets classified as held for sale	9	**-**	281,000
TOTAL ASSETS		**221,699,051**	210,411,842
EQUITY AND LIABILITIES			
Equity			
Share capital	11	**27,500,000**	25,000,000
Statutory reserve		**12,500,000**	12,500,000
Regular reserve		**12,500,000**	12,500,000
General reserve		**65,314,980**	65,314,980
Fair value reserve		**247,602**	(13,148)
Retained earnings		**58,160,063**	47,563,996
Total equity		**176,222,645**	162,865,828
Non-current liabilities			
Employees' end of service benefits		**3,396,482**	2,873,538
Current liabilities			
Trade and other payables	10	**18,453,786**	30,790,050
Due to a related party	13	**4,138,476**	6,880,479
Bank overdrafts	8	**-**	5,001,947
Trust receipts payable		**19,487,662**	2,000,000
		42,079,924	44,672,476
Total liabilities		**45,476,406**	47,546,014
TOTAL EQUITY AND LIABILITIES		**221,699,051**	210,411,842

Ali Bin Humaid Al Owais
Chairman
11 November 2013

Mohamed Abdel Aziz Ali Abdalla Al Owais
Executive Vice Chairman
11 November 2013

The attached notes 1 to 19 form part of these interim condensed financial statements.

INTERIM STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2013 (Unaudited)

2013:	*Share capital AED*	*Statutory reserve AED*	*Regular reserve AED*	*General reserve AED*	*Fair value reserve AED*	*Retained earnings AED*	*Total AED*
Balance as of 1 January 2013	25,000,000	12,500,000	12,500,000	65,314,980	(13,148)	47,563,996	162,865,828
Profit for the period	-	-	-	-	-	13,096,067	13,096,067
Change in fair value of available-for-sale investments	-	-	-	-	260,750		260,750
Total comprehensive income for the period	-	-	-	-	260,750	13,096,067	13,356,817
Bonus shares issued (Note 11)	2,500,000	-	-	-	-	(2,500,000)	-
Balance as of 30 September 2013	**27,500,000**	**12,500,000**	**12,500,000**	**65,314,980**	**247,602**	**58,160,063**	**176,222,645**

The attached notes 1 to 19 form part of these interim condensed financial statements.

INTERIM STATEMENT OF CHANGES IN EQUITY
For the period ended 30 September 2013 (Unaudited)

2012:	*Share capital AED*	*Statutory reserve AED*	*Regular reserve AED*	*General reserve AED*	*Fair value reserve AED*	*Retained earnings AED*	*Total AED*
Balance as of 1 January 2012	25,000,000	12,500,000	12,500,000	65,314,980	(59,616)	33,406,069	148,661,433
Profit for the period	-	-	-	-	-	13,953,881	13,953,881
Change in fair value of available-for-sale investments	-	-	-	-	46,212	-	46,212
Total comprehensive income for the period	-	-	-	-	46,212	13,953,881	14,000,093
Balance as of 30 September 2012	25,000,000	12,500,000	12,500,000	65,314,980	(13,404)	47,359,950	162,661,526

The attached notes 1 to 19 form part of these interim condensed financial statements.

INTERIM STATEMENT OF CASH FLOWS
For the period ended 30 September 2013 (Unaudited)

	Notes	*Nine months ended* 30 September 2013 AED	30 September 2012 AED
OPERATING ACTIVITIES			
Profit for the period		**13,096,067**	13,953,881
Adjustments for:			
Depreciation		**6,556,897**	6,834,935
(Profit) / loss on disposal of property, plant and equipment		**(87,600)**	-
Assets written off		**4,200**	14,640
Finance expense		**797,597**	819,386
Provision for employees' end of service benefits		**840,126**	451,904
		21,207,287	22,074,746
Working capital changes:			
Inventories		**16,576,784**	35,977,572
Trade and other receivables		**(25,476,448)**	(14,401,836)
Trade and other payables		**(12,336,264)**	(20,801,135)
Due from a related party		**41,389**	3,473,325
Due to a related party		**(2,742,003)**	594,928
		(2,729,255)	26,917,600
Employees' end of service benefits paid		**(317,183)**	(192,140)
Net cash (used in) / from operating activities		**(3,046,438)**	26,725,460
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	4	**(4,145,149)**	(1,890,170)
Proceeds from disposal of property, plant and equipment		**129,852**	-
Proceeds from disposal of assets held for sale		**281,000**	-
Margin deposits		**-**	(1,500,000)
Net cash used in investing activities		**(3,734,297)**	(3,390,170)
FINANCING ACTIVITIES			
Net movement in bank borrowings		**17,487,662**	(30,318,045)
Finance expense paid		**(797,597)**	(819,386)
Net cash from / (used in) financing activities		**16,690,065**	(31,137,431)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**9,909,330**	(7,802,141)
Cash and cash equivalents at 1 January		**(4,584,467)**	(3,515,122)
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	8	**5,324,863**	(11,317,263)

The attached notes 1 to 19 form part of these interim condensed financial statements.

1 ACTIVITIES

United Foods Company (PSC) (the "Company") was incorporated in Dubai on 1 November 1976 by a Decree issued by His Highness, The Ruler of Dubai. On 27 June 1994, the Company amended its status to a Public Shareholding Company to comply with the provisions of the UAE Commercial Companies Law No. 8 of 1984 (as amended). The Company listed its shares on the Dubai Financial Market (DFM) in July 2006.

The Company is primarily engaged in the manufacturing, processing and marketing of hydrogenated vegetable ghee, cooking oil, margarine, butter products, animal oil and fat manufacturing. The registered address of the Company is P.O. Box 5836, Dubai, United Arab Emirates.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation
The interim condensed financial statements for the nine month period ended 30 September 2013 have been prepared in accordance with IAS 34 "*Interim Financial Reporting*".

The interim condensed financial statements do not include all the information and disclosures required for full annual financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Company's annual financial statements as at 31 December 2012.

In addition, results for the nine month period ended 30 September 2013 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2013.

New standards, interpretations and amendments thereof, adopted by the Company
The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2012, except for the adoption of the amended standard as of 1 January 2013, noted below:

IAS 1 Presentation of Items of Other Comprehensive Income – Amendments to IAS 1
The amendments to IAS 1 introduce a grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or recycled) to profit or loss at a future point in time (e.g., net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) now have to be presented separately from items that will never be reclassified (e.g., actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affected presentation only and had no impact on the Company's financial position or performance.

IFRS 13 Fair Value Measurement
IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The application of IFRS 13 has not materially impacted the fair value measurements carried out by the Company.

IFRS 13 also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7 Financial Instruments: Disclosures. Some of these disclosures are specifically required for financial instruments by IAS 34.16A(j), thereby affecting the interim condensed financial statements period. The Company provides these disclosures in Note 18.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

New standards, interpretations and amendments adopted by the Company (continued)
The following new amendments and standards did not have an impact on the interim condensed financial statements of the Company:

- IAS 1 Clarification of the requirement for comparative information (Amendment);
- IAS 32 Tax effects of distributions to holders of equity instruments (Amendment);
- IAS 34 Interim financial reporting and segment information for total assets and liabilities (Amendment);
- IAS 19 Employee Benefits (Revised 2011);
- IFRS 1 First-time Adoption of International Financial Reporting Standards - Government Loans (Amendments);
- IFRS 7 Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities - Amendments to IFRS 7;
- IFRS 10 Consolidated Financial Statements and IAS 27 Separate Financial Statements;
- IFRS 11 Joint Arrangements and IAS 28 Investment in Associates and Joint Ventures; and
- IFRS 12 Disclosure of Interests in Other Entities.

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3 KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Judgments
In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant impact on the amounts recognised in the interim condensed financial statements.

Classification of investments

Management decides on acquisition of an investment whether it should be classified as held to maturity, held for trading, carried at fair value through profit or loss or available-for-sale.

For those investments deemed to be held to maturity, management ensures that the requirements of IAS 39 are met and, in particular that the Company has the intention and ability to hold these till maturity.

The Company classifies investments as trading investments if they are acquired primarily for the purpose of making short term profits.

Classification of investments as fair value through profit or loss depends on how management monitors the performance of these investments. When they are not classified as trading but have readily available reliable fair values and the changes in fair values are reported as part of profit or loss in the management accounts, these are classified as fair value through profit or loss.

All other investments are classified as available-for-sale.

3 KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of accounts receivable
An estimate of the collectible amount of trade accounts receivable is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision is applied according to the length of time past due, based on historical recovery rates.

At the reporting date, gross trade accounts receivable were AED 73,527,302 (31 December 2012: AED 54,694,659), and the provision for doubtful debts was AED 2,177,717 (31 December 2012: AED 1,985,156). Any difference between the amounts actually collected in future periods and the amounts expected will be recognized in the income statement.

Impairment of inventories
Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but are old or obsolete, are assessed collectively and a provision is applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices.

At the reporting date, gross inventory were AED 74,114,838 (31 December 2012: AED 74,920,613) with provisions for slow moving inventories of AED 1,097,503 (31 December 2012: AED 855,037). Any difference between the amounts actually realized in future periods and the amounts expected will be recognized in the income statement.

Useful lives and depreciation of property, plant and equipment
The management periodically reviews the estimated useful lives and depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

4 PROPERTY, PLANT AND EQUIPMENT

Additions and disposal
During the period ended 30 September 2013, the Company acquired assets amounting to AED 4.14 million (period ended 30 September 2012: AED 1.89 million).

During the period ended 30 September 2013, assets with a net book value of AED 42,252 were disposed of by the Company (period ended 30 September 2012: AED nil).

5 AVAILABLE-FOR-SALE INVESTMENTS

	30 September 2013 AED (Unaudited)	*31 December 2012 AED (Audited)*
Opening balance	**263,545**	217,077
Change in fair market value	**260,750**	46,468
Closing balance	**524,295**	263,545

6 INVENTORIES

	30 September 2013 AED (Unaudited)	*31 December 2012 AED (Audited)*
Raw materials	**41,711,966**	57,175,060
Finished goods	**13,688,576**	9,469,841
Packing materials	**4,600,549**	3,936,011
Work-in-progress	**12,548,795**	3,201,399
Spares and consumables	**1,564,952**	1,138,302
	74,114,838	74,920,613
Less: provision for slow moving inventories	**(1,097,503)**	(855,037)
	73,017,335	74,065,576
Goods in transit	**3,029,480**	18,558,023
	76,046,815	92,623,599

7 TRADE AND OTHER RECEIVABLES

	30 September 2013 AED (Unaudited)	*31 December 2012 AED (Audited)*
Trade receivables	**73,527,302**	54,694,659
Less: provision for doubtful debts	**(2,177,717)**	(1,985,156)
	71,349,585	52,709,503
Advances to suppliers	**6,729,078**	779,627
Prepaid expenses	**1,474,837**	576,331
Staff receivables	**303,601**	374,747
Other receivables	**71,925**	12,370
	79,929,026	54,452,578

8 CASH AND CASH EQUIVALENTS

For the purpose of the interim statement of cash flows, cash and cash equivalents comprise the following:

	30 September 2013 AED (Unaudited)	*31 December 2012 AED (Audited)*
Cash in hand	**90,677**	52,800
Bank balances	**5,234,186**	364,680
Deposits	**1,500,000**	1,500,000
	6,824,863	1,917,480
Bank overdrafts	**-**	(5,001,947)
Less: Deposits with an original maturity of more than three months	**(1,500,000)**	(1,500,000)
Cash and cash equivalents	**5,324,863**	(4,584,467)

9 ASSETS CLASSIFIED AS HELD FOR SALE

Certain motor vehicles were presented as assets classified as held for sale as of 31 December 2012 following the management's commitment on December 2012 to dispose these assets.

During the period, the assets classified as held for sale were disposed.

10 TRADE AND OTHER PAYABLES

	30 September 2013 AED (Unaudited)	*31 December 2012 AED (Audited)*
Trade payables	**5,879,467**	3,511,979
Advances from customers	**1,438,551**	1,304,235
Dividends payable	**194,050**	194,050
Directors' fees payable	-	1,260,000
Accrual for goods in transit (Note 6)	**3,029,480**	18,558,023
Accrued expenses and other payables	**7,912,238**	5,961,763
	18,453,786	30,790,050

11 SHARE CAPITAL

	30 September 2013 AED (Unaudited)	*31 December 2012 AED (Audited)*
Authorised issued and fully paid up:		
27,500,000 shares of 1 AED each (31 December 2012: 25,000,000 shares of AED 1 each)	**27,500,000**	25,000,000

During the Board of Directors meeting held on 27 February 2013, the Directors proposed a 10% bonus issue of share totaling to AED 2.5 million relating to 2012. The bonus issue was approved by the shareholders in the Annual General Meeting held on 24 April 2013.

12 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to the shareholders of the Company of AED 13,096,067 (period ended 30 September 2012: AED 13,953,881) by the weighted average number of shares outstanding during the period of 27,500,000 shares (period ended 30 September 2012: 27,500,000 shares).

The weighted average number of shares outstanding during the period ended 30 September 2012 has been amended for the bonus shares issued during 2013 (Note 11).

The Company has not issued any instruments which would have a dilutive impact on earnings per share when exercised.

13 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

a) Significant transactions with related parties:

Significant transactions with related parties included in the interim statement of income are as follows:

	Nine months ended		*Three months ended*	
	30 September 2013 AED (Unaudited)	*30 September 2012 AED (Unaudited)*	***30 September 2013 AED (Unaudited)***	*30 September 2012 AED (Unaudited)*
Sales to related parties	**1,171,960**	1,297,234	**349,984**	366,183
Purchases from related parties	**18,707,316**	19,740,443	**4,187,834**	6,645,949

Compensation of key management personnel
The remuneration of directors and other key members of management during the period were as follows:

	Nine months ended		*Three months ended*	
	30 September 2013 AED (Unaudited)	*30 September 2012 AED (Unaudited)*	***30 September 2013 AED (Unaudited)***	*30 September 2012 AED (Unaudited)*
Short-term benefits	**2,001,615**	1,224,000	**676,617**	600,000
End of service benefit	**78,587**	-	**26,554**	-
Bonus	**247,500**	-	**82,500**	-
	2,327,702	1,224,000	**785,671**	600,000

b) Due from a related party:

	30 September 2013 AED (Unaudited)	*31 December 2012 AED (Audited)*
Other related party		
Modern Bakery LLC	**62,048**	103,437

c) Due to a related party:

	30 September 2013 AED (Unaudited)	*31 December 2012 AED (Audited)*
Other related party		
United Can Company LLC	**4,138,476**	6,880,479

14 OPERATING LEASE COMMITMENTS

The land at Jebel Ali Industrial Area is taken on lease for annual rent of AED 979,616 for 10 years ending January 2023, which can be renewed for a further period of 10 years. The future aggregate minimum lease payments on the land and other leases under non-cancellable operating leases are as follows:

	30 September 2013 AED (Unaudited)	*31 December 2012 AED (Audited)*
Within 1 year	**1,220,981**	1,583,874
After one year but not more than five years	**4,061,464**	4,230,464
More than five years	**4,204,185**	4,898,080
Total operating lease expenditure contracted for at the reporting date	**9,486,630**	10,712,418

15 CONTINGENCIES AND CAPITAL COMMITMENTS

	30 September 2013 AED (Unaudited)	*31 December 2012 AED (Audited)*
Letter of guarantees	**1,412,000**	19,652,869
Capital commitments	**5,069,386**	-

16 SEGMENTAL REPORTING

The Company operates in a single reporting segment primarily engaged in manufacturing, processing and marketing of hydrogenated vegetable ghee, cooking oil, margarine, butter products, animal oil and fat manufacturing. All the relevant information relating to this reporting/operating segment is disclosed in the statement of financial position, income statement and notes to the financial statements.

IFRS also requires an entity to report its segment assets and revenues along geographical regions. All significant activities of the Company are performed on an integrated basis in the Middle East and the Directors do not consider an analysis by individual country would be meaningful.

Additional information required by IFRS 8 *Segment Reporting*, is disclosed below:

Major customer

During the period ended 30 September 2013, revenue from one customer amounting to AED 29,215,882 accounts for 10% or more of the Company's total revenue (period ended 30 September 2012: AED 45,589,238).

17 FIDUCIARY ASSETS

As at 30 September 2013, the Company held raw materials, in a fiduciary capacity on behalf of a third party amounting to AED 1,044,639 (31 December 2012: AED 1,136,501).

18 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash on hand and bank balances, accounts receivables, due from other related parties and available-for-sale investments. Financial liabilities consist of bank borrowings, trade and other payables and due to a related party.

The fair values of financial instruments are not materially different from their carrying values.

Fair value hierarchy
The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 30 September 2013, the Company held the following financial instruments measured at fair value:

Assets measured at fair value

	30 September 2013 ***AED***	***Level 1*** ***AED***	***Level 2*** ***AED***	***Level 3*** ***AED***
Available-for-sale investments	**524,295**	**524,295**	**-**	**-**

As at 31 December 2012, the Company held the following financial instruments measured at fair value:

Assets measured at fair value

	31 Dec 2012 *AED*	*Level 1* *AED*	*Level 2* *AED*	*Level 3* *AED*
Available-for-sale investments	263,545	263,545	-	-

During the period ended 30 September 2013 and year ended 31 December 2012, there were no transfers between the various levels of fair value measurements.

19 COMPARATIVE FIGURES

Prior period figures previously shown in the interim statement of income have been reclassified, wherever necessary, to conform to the current year's presentation. The reclassifications relate to salaries and wages which were reclassified from cost of sales to selling and distribution expense and to rent which was reclassified from marketing expense to cost of sales.

This reclassification was made to enhance the quality of the financial statements.