



UAC of Nigeria Plc
Unaudited Financial Statements for the period
ended 30 September 2013

UAC of Nigeria Plc
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for the period ended 30 September 2013

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UAC of Nigeria Plc

**Consolidated statement of profit or loss and other comprehensive income
for the period ended 30 September 2013**

The Group

	Notes	30-Sep-13 N'000	30-Sep-12 N'000	% Growth
Continuing operations:				
Revenue	3	60,473,968	47,526,868	27%
Cost of sales		(46,248,577)	(34,928,995)	32%
Gross profit		14,225,391	12,597,873	13%
Selling and distribution expenses		(1,602,676)	(1,198,189)	34%
Administrative expenses		(5,840,096)	(4,854,415)	20%
Other operating income	4	3,303,471	343,576	861%
Operating profit		10,086,090	6,888,845	46%
Finance income	5	825,884	834,374	-1%
Finance cost	5	(2,307,069)	(1,889,357)	22%
Net finance income / (cost)		(1,481,185)	(1,054,983)	40%
Share of (loss)/profit of associates		-	-	
Profit before taxation		8,604,905	5,833,861	47%
Taxation		(2,870,758)	(1,920,192)	50%
Profit from continuing operations		5,734,147	3,913,669	47%
Discontinued operations:				
Profit from discontinued operations	6	114,455	-	
Profit for the year		5,848,602	3,913,669	49%
Other comprehensive income				
Net changes in fair value of available-for-sale financial assets		1,042	-	
Tax on other comprehensive income		(104)	-	
Other comprehensive income for the period net of taxation		938	-	
Total comprehensive income for the period		5,849,539	3,913,669	
Profit attributable to:				
Equity holders of the parent		3,300,512	2,112,696	
Non controlling interest		2,548,090	1,800,973	
Total comprehensive income attributable to:				
Equity holders of the parent		3,300,990	2,112,696	
Non controlling interests		2,548,549	1,800,973	
Earnings per share for profit attributable to the equity holders of the group:				
Annualised Basic EPS (Kobo)	10	229	176	
Annualised EPS-Adjusted (Kobo)	10	229	147	

The results for 2013 include Livestock Feeds and Portland Paints (Turnover N4.3b and N2.0 b; PBT N112.8 million and N87.8 million respectively). Both companies became subsidiaries of UACN Plc in 2013.

UAC of Nigeria Plc

Consolidated statement of financial position
as at 30 September 2013

		The Group	
		30 Sept 13 N'000	31 Dec 12 N'000
	Notes		
Assets			
Non-current assets			
Property, plant and equipment	7	36,185,956	34,623,819
Intangible assets and goodwill	8	1,466,379	64,590
Investment property	9	17,483,748	33,840,446
Investments in associates and joint ventures	11	16,965,081	307,470
Available-for-sale financial assets		14,545	401,373
Deferred tax asset		420,527	23,623
		72,536,237	69,261,320
Current assets			
Inventories	12	24,238,619	28,483,630
Trade and other receivables	13	14,133,209	11,833,580
Cash and short-term deposits	14	8,049,195	13,397,062
		46,421,024	53,714,273
Non-current assets held for sale or discontinued operations	6	874,614	-
Total assets		119,831,874	122,975,593
Liabilities			
Non-current liabilities			
Borrowings	15	14,070,900	15,018,742
Deferred taxation liabilities		2,905,597	3,451,008
Provisions	17	22,208	35,032
		16,998,705	18,504,783
Current liabilities			
Trade and other payables	16	14,923,737	23,543,155
Current income tax liabilities		2,786,675	3,040,746
Bank overdrafts and current portion of borrowings	15	15,928,406	15,246,602
Dividend payable		2,614,576	2,039,049
		36,253,394	43,869,552
Non-current liabilities associated with assets held for sale	6	150,150	-
Total liabilities		53,402,249	62,374,335
Equity			
Ordinary share capital	18	960,432	800,360
Share premium		3,934,536	4,094,608
Contingency reserve		28,575	28,575
Retained earnings		34,314,430	32,102,641
Equity attributable to equity holders of the Company	59%	39,237,974	37,026,184
Non controlling interest	61%	27,191,651	23,575,074
Total equity		66,429,625	60,601,258
Net equity and liabilities		119,831,874	122,975,593

The financial statements on pages x to x were approved and authorised for issue by the board of directors on xxxx and were signed on its behalf by:

Mr Larry E. Ettah

GMD/CEO

Mr. Abdul A. Bello

ED/CFO

UAC of Nigeria Plc								
Consolidated Statement of Changes in Equity for the year ended 30 September 2013								
	The Group Attributable to owners of the Company						Non Controlling Interests N'000	Total N'000
	Share Capital N'000	Share Premium N'000	Contingency reserve N'000	Actuarial gains and losses N'000	Retained Earnings N'000	Total N'000		
Balance as at 1 January 2012	800,360	4,094,608	24,551	373,322	30,023,237	35,316,077	21,749,016	57,065,093
Transfer to contingency reserve			4,024		(4,024)	-		-
Profit and loss					4,111,189	4,111,189	2,991,762	7,102,951
Other comprehensive income:								
Release of actuarial gains as result of curtailment				(373,322)	373,322	-		-
Dividends					(2,401,082)	(2,401,082)	(1,165,704)	(3,566,786)
						-		-
Balance as at 31 December 2012	800,360	4,094,608	28,575	-	32,102,641	37,026,185	23,575,074	60,601,259
Balance at 1 January 2013	800,360	4,094,608	28,575	-	32,102,641	37,026,185	23,575,074	60,601,259
Transfer to contingency reserve					-	-	-	-
Profit and loss					3,300,512	3,300,512	2,548,090	5,848,602
Other comprehensive income:								
Net changes in fair value of available-for-sale financial assets (net of tax)					478	478	459	938
NCI share of Livestock feeds' net assets							761,554	761,554
NCI share of Portland Paints' net assets							408,946	408,946
Bonus Share issued	160,072	(160,072)						-
Changes in equity due to sale of MDS shares to					1,471,952	1,471,952	2,114,665	3,586,617
Dividends					(2,561,152)	(2,561,152)	(2,217,138)	(4,778,290)
Balance as at 30 September 2013	960,432	3,934,536	28,575	-	34,314,430	39,237,975	27,191,651	66,429,626

UAC of Nigeria Plc

**Consolidated cash flow statement
for the period ended 30 September 2013**

	Notes	The Group	
		2013 N'000	2012 N'000
Cash flows from operating activities			
Cash generated from operations	19	7,160,749	15,079,458
Taxation		(2,667,435)	(3,117,672)
Interest & other finance charges paid		(2,307,069)	(2,532,432)
Net cash flow generated from operating activities		2,186,246	9,429,353
Cash flows from investing activities			
Interest received		825,884	1,749,152
Purchase of Intangible assets		(186,181)	(29,996)
Purchase of property, plant and equipment		(3,646,345)	(5,476,975)
Proceeds from sale of property, plant and equipment		249,882	778,770
Purchase of investment property		(54,159)	(150,903)
Proceeds from sale of investment property		17,152,279	288,562
Purchase of investments - UPDC REIT		(16,657,611)	-
Payment for shares acquired		(923,534)	(400,372)
Proceeds from disposal of investments		750,000	66,040
Net cash used in investing activities		(2,489,784)	(3,175,721)
Cash flows from financing activities			
Proceeds from sale of shares to Non Controlling Interest		2,929,867	-
Dividends paid to non controlling interests		(2,217,138)	(1,165,704)
Dividends paid to Company shareholders		(2,561,152)	(2,401,082)
Increase in/(Repayment) of borrowings		(947,842)	(2,672,857)
Increase/(decrease) in commercial papers		4,991,418	-
Net cash flow used in financing activities		(734,714)	(6,239,643)
Net increase/(decrease) in cash & cash equivalents		(1,038,253)	13,989
Cash & cash equivalents at the beginning of the year		4,390,460	4,376,471
Foreign exchange gains/ (losses) on cash and cash equivalents		-	-
Cash & cash equivalents at the end of the year	14	3,352,207	4,390,460

UAC of Nigeria Plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

UAC of Nigeria Plc ('the Company') and its subsidiaries (together 'the Group') is a company incorporated in Nigeria. The Group is a diversified business with activities in the following principal sectors: Foods, Logistics, Real Estate and paints. The address of the registered office is 1-5, Odunlami Street, Lagos.

The company is a public limited company, which is listed on the Nigerian Stock Exchange domiciled in Nigeria.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared on a historical cost basis except for investment property, held for trading and available for sale financial instruments which are carried at fair value.

2.2 Accounting Policies

The accounting policies adopted are consistent with those for the year ended 31 December 2012.

2.3 Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2012.

2.4 Financial Risk Management

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

This interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the company's annual financial statements as at 31 December 2012. There have been no changes in the risk management structure since year end or in any risk management policy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. Segmental Analysis

The Group

The chief operating decision-maker has been identified as the Executive Committee (Exco), made up of the executive directors of the company. The Exco reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Group has identified the following as segments:

Foods and Beverages - Made up of business units involved in the manufacturing and sales of food items, livestock feeds, bottled water, fruit juices, ice-cream and Quick Service Restaurants

Paints - Made up of business units involved in the manufacturing and sales of paints products and other decoratives.

Logistics - Made up of a business unit involved in rendering logistics and supply chain services including warehousing, transportation and redistribution services.

Real Estates - Made up of a business unit involved in real estate development and management and owners of Golden Tulip Festac Hotel, Lagos.

Others - Made up of an entity within the group involved in the provision of closed pension fund administration service and the corporate head office.

The following measures are reviewed by Exco:

- Revenue to third parties
- Operating profit
- Profit before tax
- Property, plant and equipment

	Food and Beverages N'000	Paints N'000	Logistics N'000	Real Estate N'000	Others N'000	Total N'000
30-Sep-13						
Total Revenue	40,319,726	6,427,717	3,320,325	10,093,612	886,593	61,047,973
Inter-group revenue	-	-	-	-	574,005	574,005
Revenue to third parties	40,319,726	6,427,717	3,320,325	10,093,612	312,588	60,473,968
Profit before tax	2,968,282	1,520,514	851,550	2,914,259	350,300	8,604,905
Property, plant and equipment	16,200,890	1,049,530	2,956,434	15,172,689	806,413	36,185,956

	Food and Beverages N'000	Paints N'000	Logistics N'000	Real Estate N'000	Other N'000	Total N'000
30-Sep-12						
Total Revenue	32,127,307	3,828,488	2,449,820	7,782,429	1,876,703	48,064,746
Inter-group revenue	-	-	-	-	537,878	537,878
Revenue to third parties	32,127,307	3,828,488	2,449,820	7,782,429	1,338,825	47,526,868
Profit before tax	3,430,661	1,290,092	658,773	869,054	(414,719)	5,833,861
30-Dec-12						
Property, plant and equipment	14,239,574	413,739	3,210,386	15,567,732	1,192,388	34,623,819

Entity wide information

	30-Sep-13	30-Sep-12
Analysis of revenue by category:		
Sale of goods	56,841,055	43,738,223
Revenue from services	4,206,918	4,326,522
	61,047,973	48,064,746

	30-Sep-13	30-Sep-12
Analysis of revenue by geographical location:		
Nigeria	61,047,973	48,064,746
Other Countries	-	-
	61,047,973	48,064,746

Concentration risk

The group is not exposed to any concentration risk, as there is no single customer with a contribution to revenue of more than 10%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. Other operating income

	2013 N'000	2012 N'000
Profit on sale of shares of associate - Opticom Leasing	-	42,040
Profit sale of shares - UAC Registrar	302,278	-
Profit on sale of PPE	172,016	68,672
Profit on Transfer of REIT properties	1,826,795	-
Net gains on disposal of investment properties	445,155	-
Rental & other operating income	557,227	232,864
Total other operating income	3,303,471	343,576

5. Net finance income/(cost)

	2013 N'000	2012 N'000
Interest income on short-term bank deposits	825,884	834,374
Finance Income	825,884	834,374
Interest payable on bank loans	1,082,110	937,566
Interest payable on bank overdraft	1,224,959	951,791
Finance Costs	2,307,069	1,889,357
Net finance income / (cost)	(1,481,185)	(1,054,983)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. Non-current assets held for sale and discontinued operations

The Shareholders of GM Nigeria Limited (an estwhile subsidiary of UACN Plc), at an Extra-Ordinary General Meeting of the Company held on 28th March 2013 passed a resolution to wind up the Company with effect from 1st April 2013.

This business was classified as non-current assets held for sale on 30 September 2013 in the statement of financial position of the group, while in the statement of profit or loss it was treated as a discontinued operation in the period ended 30 September 2013.

Also during the period, the management of UACN Plc decided to dispose off its 100% interest in UAC Registrars Limited to African Prudential Limited. The operations of the company prior to the disposal was also treated as discontinued operations in the statement of profit or loss.

6.1 Non-current assets held for sale

	GMNL N'000
Assets	
Non-current assets:	
Property, plant and equipment	24,936
	<u>24,936</u>
Current assets	
Inventories	203,082
Trade and other receivables	440,245
Cash and short-term deposits	206,350
	<u>849,677</u>
Total non-current assets held for sale	<u>874,614</u>
Liabilities	
Non-current liabilities	
Provisions for warranty	11,570
	<u>11,570</u>
Current liabilities	
Trade and other payables	138,581
	<u>138,581</u>
Total liabilities associated with non-current assets held	<u>150,150</u>

6.2 Discontinued operations

	GMNL N'000	UAC Registrar N'000	Total N'000
Revenue	182,909	74,413	257,322
Cost of sales	(170,025)	-	(170,025)
Gross profit	12,884	74,413	87,297
Selling and distribution expenses	(15,224)	-	(15,224)
Administrative expenses	(16,827)	(58,013)	(74,840)
Operating profit	(19,167)	16,399	(2,767)
Finance income	3,924	117,862	121,786
Finance cost	-	-	-
Profit before taxation	(15,242)	134,261	119,019
Taxation	-	(4,564)	(4,564)
Profit/(Loss) from discontinued operations	(15,242)	129,698	114,455

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. Property plant and equipment

The Group

Cost:	Leasehold land and buildings	Plant and Machinery	Motor vehicles & Office furniture	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000
At 1 January 2012	23,751,433	14,301,398	7,643,922	199,378	45,896,130
Additions	190,710	1,130,720	719,702	3,435,843	5,476,975
Disposals	(2,051,356)	(1,784,991)	(1,163,123)	-	(4,999,470)
Reclassifications	444,276	160,121	249,917	(854,314)	-
At 31 December 2012	22,335,063	13,807,248	7,450,418	2,780,907	46,373,636
At 1 January 2013	22,335,063	13,807,248	7,450,418	2,780,907	46,373,636
Additions	20,465	722,520	300,514	2,602,846	3,646,345
Disposals	(36,984)	(213,478)	(494,534)	-	(744,995)
Reclassifications	22,176	1,505,628	81,601	(1,609,405)	-
At 30 September 2013	22,340,720	15,821,919	7,337,999	3,774,348	49,274,985

Accumulated depreciation and impairment

At 1 January 2012	2,381,950	5,526,863	5,094,015	-	13,002,828
Charge for the year	374,835	562,288	832,731	-	1,769,854
Impairment charge	103,381	-	-	-	103,381
Disposals	(1,064,451)	(822,486)	(1,239,308)	-	(3,126,245)
At 31 December 2012	1,795,715	5,266,664	4,687,438	-	11,749,817
At 1 January 2013	1,795,715	5,266,664	4,687,438	-	11,749,817
Charge for the period	422,804	939,330	571,444	-	1,933,577
Disposals	(22,161)	(158,334)	(413,870)	-	(594,365)
At 30 September 2013	2,196,358	6,047,659	4,845,012	-	13,089,029
Net book values:					
At 30 September 2013	20,144,363	9,774,260	2,492,986	3,774,348	36,185,956
At 31 December 2012	20,539,348	8,540,584	2,762,979	2,780,907	34,623,819

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. Intangible assets and goodwill

Cost	Group			Total N'000
	Goodwill N'000	Brands & Trade Marks N'000	Software N'000	
At 1 January 2012	-	300,989	213,448	514,437
Additions	-	-	29,996	29,996
At 31 December 2012	-	300,989	243,444	544,433
At 1 January 2013	-	300,989	243,444	544,433
Acquisition through business combinations	1,009,627	49,025	197,491	1,256,143
Additions - externally acquired during the period	-	-	186,181	186,181
At 30 September 2013	1,009,627	350,014	627,115	1,986,756
Accumulated amortisation and impairment				
At 1 January 2012	-	264,243	181,275	445,519
Amortisation for the year	-	11,963	22,361	34,324
At 31 December 2012	-	276,207	203,636	479,843
At 1 January 2013	-	276,207	203,636	479,843
Amortisation for the period	-	19,306	21,228	40,534
Impairment charge	-	-	-	-
Disposals	-	-	-	-
At 30 September 2013	-	295,513	224,865	520,377
Net book values				
At 30 September 2013	1,009,627	54,501	402,251	1,466,379
At 31 December 2012	-	24,782	39,808	64,590

Brands represent the amount paid for the use of the Innscor Brands. It is being amortised over the period of the franchise agreement in line with the group accounting policy. Trade marks is made up of a N49m trade mark purchased from Blue Circle by Portland Paints & Products Plc adjudged to have an infinite life, it is carried at cost to be tested annually for impairment. At present no impairment is deemed required and there is no contractual commitment as at September 30, 2013.

Software represents the group's investment on licence and technical agreement for its accounting and operations software. It is being amortised to income statement over a period of five years, in accordance with the group's policy.

Goodwill arose via the company's acquisition of 51% controlling interests in Livestock Feeds Plc and Portland Paints & Products Plc respectively during the period. It is calculated as the excess of the purchase considerations paid and the value of the identifiable net assets acquired. The value stated is an interim amount and will be updated as fair value information on the assets acquired become available, in line with the provisions of IFRS 3.

9. Investment property

Fair value	Freehold building N'000	Leasehold building N'000	Total investment properties N'000
At 1 January 2012	690,766	27,254,845	27,945,611
Additions during the year	-	150,903	150,903
Reclassification from property stocks held as inventories	-	5,096,271	5,096,271
Disposals	-	(228,573)	(228,573)
Net gain from fair value adjustments on investment property	-	876,234	876,234
At 31 December 2012	690,766	33,149,680	33,840,446
At 1 January 2013	690,766	33,149,680	33,840,446
Additions during the year	-	54,159	54,159
Reclassification from property stocks held as inventories	-	621,422	621,422
Disposals-Properties transferred to REIT	-	(17,032,279)	(17,032,279)
At 30 September 2013	690,766	16,792,982	17,483,748

Fair value of investment properties is categorised as follow:

	The Group		
31-Dec-12	Freehold building N'000	Leasehold building N'000	Total investment properties N'000
Internal valuation	690,766	3,460,946	4,151,712
External valuation		29,688,734	29,688,734
	690,766	33,149,680	33,840,446

The Group's investment properties were revalued at 31 December 2012 by independent professionally qualified valuers who hold recognised relevant professional qualifications and have recent experience in the locations and categories of the investment properties valued.

The latest valuation was performed by the following external Surveyors and Valuers.

Messrs Steve Akhigbemidu & Co; J. Ajayi Patunola & Co; Jide Taiwo & Co; Eze Ihekwa & Co; and Akan Umotong & Partners

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. Earnings Per Share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

	30-Sep-13	31-Dec-12
Profit attributable to ordinary equity shareholders (NGN)	3,300,512	2,112,696
Basic earnings per share	229	176
Diluted earnings per share	229	176

	30-Sep-13 Number	31-Dec-12 Number
Basic weighted average and Diluted weighted average number of shares.	1,920,864,384	1,600,720,322

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The group has no dilutive instruments.

Earnings		
Profit attributable to equity holders of the company	3,300,512	2,112,696
Profit used to determine diluted earnings per share	3,300,512	2,112,696
Profit from discontinued operations attributable to equity holders of the company		
	3,300,512	2,112,696
Weighted average number of ordinary shares in issue (thousands)	1,920,864,384	1,600,720,322
Weighted average number of ordinary shares for diluted earnings per share (thousands)	1,920,864,384	1,600,720,322

11. Investments in associates and equity accounted joint ventures

	30-Sep-13 N'000	31-Dec-12 N'000
At 1 January	307,470	156,508
Investment in Metrocity Ltd(JV)	-	244,169
UPDC's Investment in UPDC REIT	16,657,611	-
Disposal of associate	-	(93,207)
At period end	16,965,081	307,470

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. Inventories

	30-Sep-13	31-Dec-12
	N'000	N'000
Raw materials and consumables	6,492,569	7,238,997
Technical stocks and spares	1,876,418	280,201
Properties under construction	12,757,605	19,102,087
Finished goods and goods for resale	3,112,027	1,862,345
	24,238,619	28,483,630

13. Trade and other receivables

	30-Sep-13	31-Dec-12
	N'000	N'000
Receivables due within one year		
Trade receivables	7,428,363	6,056,018
Less: allowance for impairment of trade receivables	(1,486,266)	(1,517,367)
Net trade receivables	5,942,096	4,538,651
Other receivables	4,834,415	4,400,417
Contingent consideration receivable on disposal of MDS shares	1,188,052	-
Prepayments - staff grants	114,036	142,899
Prepayments	2,054,609	2,751,614
	14,133,209	11,833,580

Movements in the provision for impairment of trade receivables are as follows:

	30-Sep-13	31-Dec-12
	N'000	N'000
At 1 January	1,517,367	1,771,935
Allowance for receivables impairment reversed	(31,101)	-
Receivables written off during the year	-	(254,568)
At 31 December	1,486,266	1,517,367

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14. Cash and cash equivalents

	30-Sep-13	31-Dec-12
	N'000	N'000
Cash at bank and in hand	1,594,294	1,304,466
Short-term deposits	6,454,901	12,092,596
Cash and short-term deposits	8,049,195	13,397,062
Less: bank overdrafts (included in borrowings, note 15)	(4,696,988)	(9,006,602)
Cash and cash equivalents	3,352,207	4,390,460

15. Borrowings

	30-Sep-13	31-Dec-12
	N'000	N'000
Current borrowings		
Overdrafts due within one year	4,696,988	9,006,602
Commercial papers due within one year	11,231,418	6,240,000
	15,928,406	15,246,602
Non-current borrowings		
Loans due after one year (i)	14,070,900	15,018,742
	14,070,900	15,018,742
Total borrowings	29,999,306	30,265,344

The borrowings are repayable as follows:

	30-Sep-13	31-Dec-12
	N'000	N'000
Within one year	15,928,406	15,246,602
Between two to five years	14,070,900	15,018,742
	29,999,306	30,265,344

(i) Loans

Group	Amount due		
	30-Sep-13	31-Dec-12	
Details of the loan maturities are as follows:	N'000	N'000	Maturity date
Grand Cereals Ltd-UBA Agric. Loan	1,231,906	1,662,000	November, 2015
UPDC FBN loans	3,105,000	1,700,075	December, 2015
UPDC 10% 5-Year Bond	9,583,333	11,656,667	August, 2015
Portland Paints - Bank Industry intervention fund via Ecobank	150,661	-	December, 2018
	14,070,900	15,018,742	

	The Group	
	30-Sep-13	31-Dec-12
	%	%
Average interest rates		
Term loans and facilities	13.3	14.9
Bond	10%	10%

All covenants attached to borrowings have been complied with throughout the period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16. Trade and other payables

	30-Sep-13 N'000	31-Dec-12 N'000
Trade payables	12,493,410	11,781,262
Amounts owed to group companies	(5,923,015)	(1,983,203)
	6,570,395	9,798,059
Amount payable to Defined contribution fund (UNICO)	400,135	2,738,042
Other payables	3,851,007	7,106,068
Income received in advance	134,000	1,699,067
Accruals	3,968,201	2,201,919
Total	14,923,737	23,543,155

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The Directors consider the carrying amount of trade and other payables to approximate its fair value.

17. Provisions

Group	Warranty Provision N'000	Decommissioning liability N'000	Total N'000
At 1 January 2012	18,155	18,820	36,975
Unwinding of discount	-	3,389	3,389
Changes in estimate	(2,655)	-	(2,655)
Utilised in the year	(2,675)	-	(2,675)
At 31 December 2012	12,825	22,208	35,033
Changes in estimate	1,450	-	1,450
Utilised in the period	(2,705)	-	(2,705)
Transfer liabilities associated with assets held for sale	(11,570)	-	(11,570)
At 30 September 2013	-	22,208	22,208

The warranty provisions associated with the sale of commercial vehicles sold by GMNL was during the period transferred to liabilities associated with asset held for sale, following the decision to liquidate the company, as shown in note 6.

Decommissioning liability represent the UAC Restaurant's capitalised portion of decommissioning costs relating to leasehold properties that need to be restored to original condition upon expiry of the lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18. Share Capital

	30-Sep-13	
	Number 000	Amount N'000
Authorised:		
Ordinary shares of 50k each	2,000,000	1,000,000
Total authorised share capital	2,000,000	1,000,000
Issued and fully paid:		
Ordinary shares of 50k each	1,920,864	960,432
Total called up share capital	1,920,864	960,432

Movements during the period:

	Number of shares '000	Ordinary shares =N='000
Balance at 1 January 2012	1,600,720	800,360
Capitalised during the period	-	-
Issue of new shares	-	-
At 31 December 2012	1,600,720	800,360
Capitalised during the period	320,144	160,072
Issue of new shares	-	-
At 30 June 2013	1,920,864	960,432

19. Reconciliation of profit before tax to cash generated from operations

	30-Sep-13 N'000	31-Dec-12 N'000
Profit before tax	8,604,905	10,745,391
Adjustment for net finance (income)/costs	1,481,185	780,631
Operating profit	10,086,090	11,526,022
Amortisation of intangible assets	21,228	34,324
Depreciation	1,933,577	1,769,854
Impairments	-	103,381
Net fair value gains/(losses) on investment properties	-	(876,234)
Profit on Transfer of REIT properties	(1,826,795)	-
Net gains on disposal of investment properties	(445,155)	-
Loss/(profit) on sale of tangible PPE	(172,016)	746,831
Profit on disposal of investment	(302,278)	(42,040)
Operating cash flows before movements in working capital	9,294,652	13,262,138
Movements in working capital:		
Inventories	4,245,011	(350,817)
Trade and other receivables	(2,299,629)	133,776
Financial assets at fair value through profit or loss	-	1,464
Trade and other payables	(4,081,226)	5,320,397
Retirement benefit obligation	-	(3,289,442)
Net cash from/(used in) operations	7,160,749	15,079,458

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. Disposal of MDS Logistics Limited's shares to Imperial Mobility International BV.

During 2013 the Group sold 49% of its investment shares in MDS Logistics Limited to Imperial Mobility International BV. The Group still retains control of MDS Logistics Limited.

Details of the transaction were as follows:

	Group N'000
Proceed of Disposal:	
Cash received	2,913,061
Present value of contingent consideration receivable	1,088,380
Total Purchase Consideration Receivable	4,001,441
 Non-controlling interest raised	 (2,114,665)
Transaction Costs	(509,715)
Interest Receivable on contingent consideration in escrow account	99,672
Bank charges payable on escrow account	(4,781)
Net Change to group equity	1,471,952

A sum representing 70% of the agreed consideration for the sale was received in cash during the period, while the balance 30% which is contingent on the achievement of certain profit benchmarks by the company will be receivable in 2014 and 2015.

Management is confident that the profit benchmark will be achieved and have discounted the expected cash inflow from the contingent consideration at 11.74% being the 365 days treasury bill rate. The discounted amount has been recognised in account receivable.