

MULTI-TREX INTEGRATED FOODS PLC
Lagos, Nigeria

REPORT OF THE DIRECTORS

AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th APRIL 2013

MULTI-TREX INTEGRATED FOODS PLC
REPORT OF THE DIRECTORS AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th APRIL 2013

CONTENTS	PAGE
Corporate Information	3
Report of the Directors	4-10
Statement of Directors' Responsibilities	11
Independent Auditors' Report	12-13
Statement of Profit and Loss and Other Comprehensive Income	14
Statement of Financial Position	15
Statement of changes in Equity	16
Statement of Cash Flows	17
Notes to the Financial Statements	18-61
Value Added Statement	62
Five-Year Financial Summary	63

MULTI-TREX INTEGRATED FOODS PLC

CORPORATE INFORMATION

FOR THE YEAR ENDED 30th APRIL 2013

BOARD OF DIRECTORS	Late High Chief 'Bayo Akinnola, NPMA, MFR - Chairman (Deceased 20th March 2013) Mr. Segun Aina Vice Chairman Mr. 'Dimeji Owofemi, FCA Managing Director/Chief Executive Mr. Yusuf Isiaka Deputy Managing Director Mrs Sade Bafunso Executive Mr. Machiel Leliefeld (Dutch) Executive (Resigned 30 April 2013) Engr. Waheed Olalekan Busari Non Executive Hon. Ajibola Ogunsiji Non Executive Mr. Adebayo Adeniyi Non Executive (Deceased 23rd January 2014) Mr. Adelana Hastrup Non Executive Mr. Patrick Ilodiana Non Executive (Resigned 17 December 2012)
REGISTERED OFFICE	Km 29 Lagos – Ibadan Expressway Warewa Village Ogun State.
REGISTRARS	Meristem Registrars Limited 213 Herbert Macaulay Way Sabo, Yaba Lagos.
REGISTERED NUMBER	RC370490
AUDITORS	Ernst & Young (Chartered Accountants) 2A Bayo Kuku Road Ikoyi, Lagos.
BANKERS	Access Bank Plc African Export-Import Bank (AFREXIM) FBN (UK) Limited First City Monument Bank Plc Nigerian Export-Import Bank (NEXIM) Skye Bank Plc Zenith Bank Plc

MULTI-TREX INTEGRATED FOODS PLC

REPORT OF THE DIRECTORS TO THE MEMBERS OF MULTI-TREX INTEGRATED FOODS PLC

FOR THE YEAR ENDED 30th APRIL 2013

The directors have the pleasure in presenting their report and the audited financial statements for year ended 30th April 2013.

Statement of directors' responsibilities

The directors of Multi-Trex Integrated Foods Plc are responsible for the preparation of the financial statements for each financial year, which give a true and fair view of the state of affairs of the Company and of the results of operations and cash flows for that year. In preparing these financial statements, the directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent and in accordance with International Financial Reporting Standards (IFRS), Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2004 and the provisions of the Financial Reporting Council of Nigeria, Act No 6, 2011.

The directors are responsible for ensuring that the company keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company. The directors are also responsible for safeguarding the assets of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

Multi-Trex Integrated Foods Plc is engaged in processing of cocoa beans, exportation of industrial cocoa products as well as manufacturing and domestic marketing of cocoa-based consumer products.

There was no change in the principal activities of the company.

Change in reporting framework

Following the directives of the Regulator, the Financial Reporting Council of Nigeria, the Company changed its accounting framework from the Nigerian Statements of Accounting Standard (SAS) to the International Financial Reporting Standards (IFRS) in 2013.

Results for the Year

	2013 N'000	2012 N'000
Turnover	1,434,686 =====	3,264,637 =====
Loss before taxation	(2,979,055)	(1,214,866)
Taxation	(40,727) -----	(32,881) -----
Loss for the year	(3,019,782) =====	(1,247,747) =====

MULTI-TREX INTEGRATED FOODS PLC

REPORT OF THE DIRECTORS TO THE MEMBERS OF MULTI-TREX INTEGRATED FOODS PLC - Continued FOR THE YEAR ENDED 30th APRIL 2013

DIVIDEND

The directors do not recommend the payment of any dividend in respect of the year ended 30th April 2013 (30th April 2012: Nil).

FIXED ASSETS

Information relating to changes in fixed assets during the period is given in Note 13 to the financial statements. In the opinion of the directors, the market value of the company's properties is not less than the value shown in the accounts.

Following Skye Bank Plc.'s sudden decision to sell to AMCON N8.5billion of the company's Owings to the bank, AMCON, in the 2012/13 financial year considered the company's proposal and concluded the process of restructuring the loans bought by them. However, the Corporation was unable to accede to the company's request for working capital critically needed to employ reasonable capacity of the company's newly acquired state-of-the-art cocoa processing plant that is capable of processing up to 50,000mt of cocoa beans annually.

Under the loan restructuring exercise, AMCON converted N1.5billion of the amount of the loans bought to Equity. Also, the Corporation transferred N4.5billion to Preference Shares while retaining the balance of N2.5billion as a nine-year Term loan.

The above notwithstanding, the company's business was severely hampered by its inability to access working capital as a result of a Central Bank directive that, soon after the loan restructuring, prohibited all Deposit Money Banks (DMBs) from extending new credit facilities to all companies who owe an initial debt of N5b or above to AMCON. The company's several entreaties to CBN and AMCON on the matter did not yield any fruit till the end of the year in review.

Essentially, the delay in accessing working capital accounted mainly for the abysmally low capacity utilization level attained in the year.

CORPORATE SOCIAL RESPONSIBILITY

In view of the current financial position of the Company, it was not possible to make appreciable financial commitment on corporate social responsibility during the period (30th April 2012: Nil).

HUMAN RESOURCES DEVELOPMENT

Employment of Physically Challenged Persons

The company continued to maintain its policy of non-discrimination in considering applications for employment and other industrial relations matters. The company, in its employment policy, offers equal opportunities to all candidates including the physically challenged and extends equal chance without discrimination to its employees with respect to prospects for career advancement.

MULTI-TREX INTEGRATED FOODS PLC

REPORT OF THE DIRECTORS TO THE MEMBERS OF MULTI-TREX INTEGRATED FOODS PLC - Continued FOR THE YEAR ENDED 30th APRIL 2013

Health, Safety and Welfare of Workers

The company maintains canteen facilities for different categories of staff which have been upgraded to provide workers with subsidized meals under a very hygienic condition.

The company also places great emphasis on the safety of employees and the company's assets. To this end, regular firefighting drills and training are organized to acquaint members of staff with the effective handling of the various firefighting equipment.

TRAINING AND DEVELOPMENT

The company has adopted a new training policy that advocates training and re-training for all employees. The company's training activities during the year cut across all categories of employees. Also, induction training has been designed to benefit new employees such that it will assist them settle into their roles conveniently. The newly introduced performance management system ensures that good performance is recognized and adequately rewarded while non performance is appropriately sanctioned. The system is designed to assist employees develop and apply their innate skills and proficiency in the discharge of their assigned duties.

BOARD OF DIRECTORS

The names of the directors who held office during the period and at the date of this report are as follows:

Late High Chief 'Bayo Akinnola, NPMA, MFR	-	Chairman (Deceased 20th March 2013)
Mr. Segun Aina	-	Vice Chairman
Mr. 'Dimeji Owofemi, FCA	-	Managing Director/Chief Executive
Mr. Yusuf Isiaka	-	Deputy Managing Director
Mrs Sade Bafunso	-	Executive
Mr. Machiel Leliefeld (Dutch)	-	Executive (Resigned 30th April 2013)
Engr. Waheed Olalekan Busari	-	Non Executive
Hon. Ajibola Ogunsiji	-	Non Executive
Mr. Adebayo Adeniyi	-	Non Executive (Deceased 23rd January 2014)
Mr. Adelana Hastrup	-	Non Executive
Mr. Patrick Ilodiana	-	Non Executive (Resigned 17 December 2012)

REPORT ON CORPORATE GOVERNANCE

The company is committed to ensuring that its businesses are conducted in line with generally accepted ethical standards and best practices. The Board is responsible for ensuring compliance with the relevant laws and the code of corporate governance in all spheres of its operations.

The Board of Directors, Composition, Appointment and Training

The board of Multi-Trex Integrated Foods Plc is responsible for setting rules and operational standards that ensure that the Company's business is conducted in line with good corporate practice and relevant legislations. In pursuit of this goal, the Board insists on adherence by the management to best practices and regularly requires and scrutinizes information on internal controls, risks exposures and general developments within the operating environment capable of impacting on the business. The Board ensures that credible and reliable accounting records are maintained which disclose at any time, the financial status of the Company and ensures that the company's accounts comply with the Companies & Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2004 and other enabling statutes. The Board also formulates policies for prevention and detection of fraud and other financial irregularities and for safeguarding the assets of the Company.

MULTI-TREX INTEGRATED FOODS PLC

REPORT OF THE DIRECTORS TO THE MEMBERS OF MULTI-TREX INTEGRATED FOODS PLC - Continued

FOR THE YEAR ENDED 30th APRIL 2013

Composition, Appointment and Training of Directors

At the date of this report, the Board of Directors comprises seven (7) Non-Executive Directors and four (4) Executive Directors. The procedure for Board appointment ensures that persons of impeccable character and diverse skills on corporate management are considered for appointment. New Directors are given necessary secretarial support and information for effective participation at Board meetings. Relevant trainings on corporate governance have been identified for directors to enhance Board capacity. In the opinion of the Board, the present composition comprising higher number of Non Executive than Executive Directors is adequate for the present business and future growth of the company.

The Roles of the Board

The responsibilities of the Board of Directors include the following, amongst others:

- Policy formulation and planning;
- Periodic review and evaluation of Management performance;
- Monitoring and enforcing effective internal control through appropriate committee;
- Risk management and preservation of company's assets;
- Management of share capital;
- Determination and periodic review of appropriate organizational structure;
- Succession planning and the appointment, training, remuneration and replacement of board members and senior management;
- Overseeing the effectiveness and adequacy of internal control systems;
- Overseeing the maintenance of the company's communication and information dissemination policy;
- Performance appraisal and remuneration of board members and senior executives;
- Review of reports and recommendations of its committees;
- Maintaining healthy communication and interaction with shareholders;
- Ensuring the integrity of financial reports.

Board Meetings

The Board met 5 (five) times during the financial period ended 30th April 2013. The Register of the Directors' attendance at the Board meetings is available for inspection at the Annual General Meeting in accordance with Section 258 (2) of the Companies and Allied Matters Act CAP C20, Laws of the Federation of Nigeria, 2004. The following is the list of Directors and their attendance at the Board meetings:

	No. of meetings held	No. of meetings attended
Late High Chief 'Bayo Akinnola,	5	5
Mr. Segun Aina	5	5
Mr. 'Dimeji Owofemi, FCA	5	5
Mr. Yusuf Isiaka	5	5
Mrs Sade Bafunso	5	4
Mr. Machiel Leliefeld	5	3
Engr. Waheed Olalekan Busari	5	5
Hon. Ajibola Ogunsiji	5	5
Mr. Adebayo Adeniyi	5	2
Mr. Hastrup Adelana	5	3
Mr. Patrick Ilodiana	5	5

MULTI-TREX INTEGRATED FOODS PLC

REPORT OF THE DIRECTORS TO THE MEMBERS OF MULTI-TREX INTEGRATED FOODS PLC

FOR THE YEAR ENDED 30th APRIL 2013

Board Committees

The Board discharges its responsibilities through the various committees; namely the Nomination, Evaluation and Compensation Committee and Finance and Risk Committee. Both committees have higher number of Non-Executive than Executive Directors and are guided by approved terms of reference. The following is the composition of the committees and record of attendance at the meetings held during the year:

a. Nomination, evaluation & compensation

At the date of this report, the Committee comprises four Non-Executive Directors and two Executive Directors. The committee's responsibilities include the review of the sustainability of the establishment, appraisal of the manning levels, review of new policy on employees' condition of service, performance evaluation and remuneration of Executive Directors and Senior Executives. The Committee is chaired by Engr. Waheed Olalekan Busari a Non-Executive Director. The Committee met once during the year and the table below shows the list and attendance of members at the meeting:

	No. of meetings held	No. of meetings attended
Engr. Waheed Olalekan Busari	1	1
Mr. 'Dimeji Owofemi, FCA	1	1
Mr. Machiel Leliefeld	1	1
Hon. Ajibola Ogunsiji	1	1
Mr. Patrick Ilodiana	1	1
Mr. Adebayo Adeniyi	1	1

b. Finance & Risk

At the date of this report, the committee comprises four Non-Executive Directors and three Executive Directors. The committee's duties include the review and evaluation of the risk profile, short, medium and long term financial strategies and making appropriate recommendations to the board. It is chaired by Mr. Segun Aina, a Non-Executive Director. The Committee met four times during the year and the table below shows the list and attendance of members at the meeting:

	No. of meetings held	No. of meetings attended
Mr. Segun Aina	4	4
Mr. 'Dimeji Owofemi, FCA	4	4
Mr. Yusuf Isiaka	4	4
Mrs Sade Bafunso	4	3
Engr. Waheed Olalekan Busari	4	4
Hon. Ajibola Ogunsiji	4	4
Mr. Adebayo Adeniyi	4	1

MULTI-TREX INTEGRATED FOODS PLC

REPORT OF THE DIRECTORS TO THE MEMBERS OF MULTI-TREX INTEGRATED FOODS PLC

FOR THE YEAR ENDED 30th APRIL 2013

Audit Committee

Pursuant to the provision of Section 359 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, the Company has a standing Audit Committee comprising three representatives of directors and three representatives of shareholders. The Committee determines the frequency and order of meetings and is given necessary support in the discharge of its statutory duties. All the members can analyze and discuss basic financial statements and make useful contributions at committee meetings. The Audit Committee's terms of reference include the statutory functions stipulated in Section 359(6) of the Companies & Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2004 and the Code of Corporate Governance released by the Securities & Exchange Commission in April, 2013. The Committee is chaired by Mr. Biyi Olufowobi. The Company Secretary serves as the secretary to the committee.

The Committee met two times during the year and both meetings were attended by representatives of Ernst & Young, the External Auditors. The following is a list of members and their attendance at the meetings:

	Membership	No. of Meetings	No. attended
Mr. Biyi Olufowobi	Chairman	2	2
Mr. Bimbola Adigun	Member	2	2
Mr. Olu Abayomi Sanya	Member	2	2
Engr. Waheed Olalekan Busari	Member	2	2
Mr. Adelana Haastrup	Member	2	1
Mr. Yusuf Isiaka	Member	2	2

Effectiveness of Internal Control

The Board is responsible for maintaining a credible system of internal control to ensure the integrity and reliability of financial systems and corporate information. There exists an effective internal control function within the Company which gives reasonable assurance against any material misstatement or loss. The internal control systems are reviewed periodically to ensure continued relevance to the Company's business and prescribed standards. The company has a whistle blowing policy that allows employees to report any observed breach or fraudulent activities. Such reports are treated with utmost confidentiality and are acted upon swiftly and fairly.

DIRECTORS TO RETIRE BY ROTATION

In accordance with article 87 of the Company's articles of association, Engr. Waheed Olalekan Busari, Hon. Ajibola Ogunsiji and Mr Hastrup Adelana retire by rotation and being eligible, offer themselves for re-election. while Mr. Adebayo Adeniyi and Mr Patrick Ilodiana voluntarily resigned as directors of the company.

DIRECTORS' INTERESTS IN SHARE CAPITAL

The Register of Directors' interests in the share capital of the Company will be available for inspection at the Annual General Meeting. The interests of directors who held office at the date of this report in the issued share capital of the Company as recorded in the Register of Directors' shareholding and/or as notified by them for the purpose of section 275 and 276 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2004 are as follows:

MULTI-TREX INTEGRATED FOODS PLC

REPORT OF THE DIRECTORS TO THE MEMBERS OF MULTI-TREX INTEGRATED FOODS PLC

FOR THE YEAR ENDED 30th APRIL 2013

	2013 Number	2012 Number
Late High Chief 'Bayo Akinnola, NPMA, MFR	5,000,000	5,000,000
Mr. ' Dimeji Owofemi, FCA	629,925,000	629,925,000
Mr. Yusuf Isiaka	4,100,000	4,100,000
Engr. Waheed Olalekan Busari	2,100,000	2,100,000
Hon. Ajibola Ogunsiji	7,149,520	7,149,520
Mr. Adebayo Adeniyi	2,000,000	2,000,000
Mrs Sade Bafunso	1,500,000	1,500,000
Mr. Machiel Leliefeld	117,600	-

DIRECTORS' INTEREST IN CONTRACTS

None of the directors has notified the Company for the purpose of Section 277 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2004 of any declarable interest in contracts with which the Company was involved as at 30th April 2013.

FORMAT OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the reporting and presentation requirements of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2004 and are in compliance with the International Financial Reporting Standards reporting format as approved by the Financial Reporting Council of Nigeria, Act No 6, 2011. The directors consider that the format adopted is the most suitable for the Company.

Auditors

Ernst & Young have indicated their willingness to continue in office pursuant to Section 357 (2) of the Companies and Allied Act, CAP C20, Laws of the Federation of Nigeria, 2004.

BY ORDER OF THE BOARD

Olaniyan & Akindele (Legal Practitioners)
Company Secretaries
FRC/2013/NBA/00000004063
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MULTI-TREX INTEGRATED FOODS PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 30th APRIL 2013

The Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2004, requires the directors to prepare financial statements for each financial period that give a true and fair view of the state of financial affairs of the company at the end of the period and of its profit or loss. The responsibilities include ensuring that the company:

- a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the company and comply with the requirements of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2004;
- b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- c) prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and in compliance with the Financial Reporting Council of Nigeria, Act No 6, 2011.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its loss for the year ended 30th April 2013. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the company will not remain a going concern for at least twelve months from the date of this statement.

Mr. S. Aina (Vice Chairman)

FRC/2014/CIBN/00000007721

Mr. O. Owofemi FCA
(Managing Director/Chief Executive)

FRC/2014/ICAN/00000009139

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MULTI-TREX INTEGRATED FOODS PLC

Report on the financial statements

We have audited the financial statements of Multi-Trex Integrated Foods Plc which comprise the statement of financial position as at 30th April 2013, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and in compliance with the Financial Reporting Council of Nigeria, Act No 6, 2011 for such internal control as the directors determines necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors 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 the directors, 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 presents fairly, in all material respects, the financial position of Multi-Trex Integrated Foods Plc as at 30th April 2013 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, Financial Reporting Council of Nigeria Act No 6, 2011 and the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 24 to the financial statements which indicates that the Company incurred a net loss of ₦3.009 billion (2012: ₦1.290 billion) for the year ended 30th April 2013 and as at that date, the Company has a negative working capital of ₦2.119 billion (2012: ₦929 million). These conditions indicate the existence of material uncertainty which may cast doubt on the Company's ability to continue as a going concern.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MULTI-TREX INTEGRATED FOODS PLC- Continued

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of Schedule 6 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, we confirm that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) in our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books;
- iii) the Company's financial position and statement of comprehensive income are in agreement with the books of account.

Yusuf Aliu, FCA/FRC/2012/ICAN/00000000138

For: Ernst & Young
Chartered Accountants
Lagos, Nigeria

..... 2014

MULTI-TREX INTEGRATED FOODS PLC

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30th APRIL 2013

	NOTES	2013 N'000	2012 N'000
Revenue	4	1,434,686	3,264,637
Cost of sales	5	(2,308,785)	(2,933,629)
		-----	-----
Gross (loss) /profit		(874,099)	331,008
Other operating income	6	106,802	24,857
Selling and distribution costs	7	(47,250)	(79,521)
Administrative expenses	8	(737,216)	(765,975)
		-----	-----
Operating loss		(1,551,763)	(489,631)
Finance income	9	2,829	4,843
Interest expenses	10	(1,430,121)	(730,078)
		-----	-----
Loss before taxation		(2,979,055)	(1,214,866)
Income tax expense	11	(40,727)	(32,881)
		-----	-----
Loss after taxation		(3,019,782)	(1,247,747)
Other comprehensive income			
Other comprehensive income not to be reclassified To profit and loss in subsequent periods			
Actuarial gain and (loss) on defined benefit plan (net of tax)		10,399	(42,641)
		-----	-----
Total comprehensive loss for the year, net of tax		(3,009,383)	(1,290,388)
		=====	=====
Loss per share			
Basic and diluted loss per share for the year attributable to ordinary equity holders (N)	12	(0.62)	(0.26)

See notes to the financial statements.

MULTI-TREX INTEGRATED FOODS PLC

STATEMENT OF FINANCIAL POSITION

AS AT 30th APRIL 2013

	NOTES	2013 N'000	2012 N'000	1st May 2011 N'000
Non - current assets				
Property, plant and equipment	13	12,208,530	12,526,945	12,499,191
Intangible asset	14	775	1,085	-
		-----	-----	-----
		12,209,305	12,528,030	12,499,191
		=====	=====	=====
Current assets				
Inventories	15	1,648,402	1,807,366	648,917
Trade and other receivables	16	3,260,259	4,082,041	3,889,856
Prepayments		7,214	7,729	739
Deferred expenses		-	13,074	39,834
Cash and short-term deposits	17	1,064,261	238,909	1,103,790
		-----	-----	-----
		5,980,136	6,149,119	5,683,136
		-----	-----	-----
Total assets		18,189,441	18,677,149	18,182,327
		=====	=====	=====
Equity				
Issued capital	18	2,438,170	2,438,170	1,861,247
Share premium	18	2,363,500	2,363,500	1,440,423
Revenue reserve	18	(1,581,382)	1,428,001	2,718,389
		-----	-----	-----
Total equity		3,220,288	6,229,671	6,020,059
		-----	-----	-----
Non-current liabilities:				
Interest-bearing loans and borrowings	19a	6,308,207	6,618,494	5,182,726
Government grant	20	349,235	414,638	-
Employee benefit liability	21	163,974	146,811	87,102
Deferred tax liabilities	11	47,902	47,902	47,902
		-----	-----	-----
		6,869,318	7,227,845	5,317,730
		-----	-----	-----
Current liabilities:				
Trade and other payables	22	2,698,315	744,808	517,879
Interest-bearing loans and borrowings	19b	5,257,547	4,362,261	6,283,923
Government grants	20	65,403	65,403	-
Income tax payable	11	78,570	47,161	42,736
		-----	-----	-----
		8,099,835	5,219,633	6,844,538
		-----	-----	-----
Total liabilities		14,969,153	12,447,478	12,162,268
		-----	-----	-----
Total equity and liabilities		18,189,441	18,677,149	18,182,327
		=====	=====	=====

Mr. Olusegun L. Aina
(Vice Chairman)

FRC/2014/CIBN/00000007721

Mr. 'Dimeji Owofemi FCA
(Managing Director/Chief Executive)

FRC/2014/ICAN/00000009139

Yusuf Isiaka
Deputy Managing Director/CFO
FRC/2013/ICAN/00000003730

See notes to the financial statements.

MULTI-TREX INTEGRATED FOODS PLC

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30th APRIL 2013

	Notes	Issued share capital N'000	Share premium N'000	Retained earnings N'000	Total equity N'000
Balance at 1st May, 2012		2,438,170	2,363,500	1,428,001	6,229,671
Loss for the year		-	-	(3,019,782)	(3,019,782)
Other comprehensive income		-	-	10,399	10,399
		-----	-----	-----	-----
Balance at 30th April, 2013		2,438,170	2,363,500	(1,581,382)	3,220,288
		=====	=====	=====	=====
		Issued share capital N'000	Share premium N'000	Retained earnings N'000	Total equity N'000
For the year ended 30th April, 2012					
Balance at 1st May, 2011		1,861,247	1,440,423	2,718,389	6,020,059
Loss for the year		-	-	(1,247,747)	(1,247,747)
Share issued		576,923	923,077	-	1,500,000
Other comprehensive income		-	-	(42,641)	(42,641)
		-----	-----	-----	-----
Balance at 30th April, 2012		2,438,170	2,363,500	1,428,001	6,229,671
		=====	=====	=====	=====

MULTI-TREX INTEGRATED FOODS PLC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30th APRIL 2013

	Notes	2013 N'000	2012 N'000
Cash flows from operating activities			
Cash receipts from customers		2,376,859	3,117,079
Payment to suppliers and employees		(617,808)	(3,836,632)
Interest received		2,829	4,843
Income Tax Paid	11	(9,318)	(28,456)
Net cash flow provided from/ (utilised in) operating activities	23	----- 1,752,562 -----	----- (743,166) -----
Cash Flow from Investing Activities			
Proceeds from disposal of fixed assets		1,851	5,585
Payment for purchase of fixed assets	13	(83,941)	(410,258)
Net cash flow utilised in investing activities		----- (82,090) -----	----- (404,673) -----
Cash Flows from Financing Activities			
Interest paid	10	(1,430,121)	(730,078)
Loan received/(repaid)		493,822	(502,487)
Net cash flow utilised in financing activities		----- (936,299) -----	----- (1,232,565) -----
Net increase/(decrease) in cash and cash equivalents		734,173	(2,380,404)
Cash and cash equivalents at 1st May		(2,986,951)	(606,547)
Cash and cash equivalents at 30th April	17	----- (2,252,778) =====	----- (2,986,951) =====

See notes to the financial statements.

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate information

The company was incorporated on 30th November 1999 as a limited liability company in accordance with the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004. The company was converted to a Public Liability Company on 2nd October 2008 in accordance with the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004. The principal activity of the Company continues to be the processing of cocoa beans, exportation of industrial cocoa products as well as manufacturing and domestic marketing of cocoa-based consumer products.

2. Accounting policies

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

2.1 Basis of preparation and adoption of IFRS

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Additional information required by national regulations is included where appropriate. For all periods up to and including the period ended 30th April, 2012, the Company prepared its financial statements in accordance with Nigeria generally accepted accounting practice (Nigerian GAAP). These financial statements for the year ended 30th April 2013 are the first the Company has prepared in accordance with IFRS and IFRS 1 First-time Adoption of International Financial Reporting Standards has been applied.

The financial statements have been prepared on the historical cost basis. These financial statements are presented in Nigerian Naira, which is the Company's functional currency. All financial information presented in naira has been rounded to nearest thousand.

Significant accounting judgments, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

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 described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the company. Such changes are reflected in the assumptions when they occur.

2.1 Basis of preparation and adoption of IFRS - Continued

These estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of assumption, estimation, uncertainties and critical judgements in applying the accounting policies that have the most significant effect on the amount recognised in the financial statements include the following:

Taxes

Uncertainties exist with respect to the amount and timing of future taxable income. Given the complexity of existing contractual agreements, differences arising between the actual results and the assumptions made could necessitate future adjustment to tax income and expenses already recorded. The company establishes provisions based on reasonable estimates.

Deferred taxes are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Further details of taxes are disclosed in Note 11.

Accounts receivable

The allowance for doubtful accounts involves management judgment and review of individual receivable balances based on an individual customer's prior payment record, current economic trends and analysis of historical bad debts of a similar type.

Property, plant and equipment and Intangible assets

Estimates and assumptions are made to determine the depreciation and amortisation rates and useful lives of these assets at the end of the period.

2.2 Summary of significant accounting policies

The following are the significant accounting policies applied by Multi-Trex Integrated Foods Plc in preparing its financial statements:

NOTES TO THE FINANCIAL STATEMENTS - Continued

2.2.1 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any). The cost of property, plant and equipment includes expenditure incurred during construction, delivery and modification. Other subsequent expenditure is capitalised only when it meets the recognition criteria. Where a substantial period of time is required to bring the asset to its intended use, attributable qualifying borrowing costs are capitalised and included in the cost of the relevant asset. The costs of day-today servicing of property and equipment are recognised in the income statement as incurred.

Depreciation is charged to profit and loss on straight line basis to write down the cost of each assets to their residual values over the estimated useful lives of the various classes of asset.

Leased assets are depreciated over the shorter of the lease term and their useful lives. Depreciation begins when an asset is available for use and ceases at the date that the asset is derecognised.

The estimated useful lives for the current and corresponding periods are as follows:

Leasehold improvements	Over the shorter of the useful life of the items or lease period
Landed Property	99 years
Factory & Other Building	50 years
Plant and machineries	25 years
Furniture, equipment's & Office equipment's	4 years
Motor vehicles	3 years
Road Network	50 years
Warehouse	50 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted prospectively if appropriate.

Impairment review is carried out when there is an indicator of impairment. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining fair value less costs to sell, recent market transactions are taken into account, if available. Impairment losses on non-revalued assets are recognised in the income statement as an expense, while reversals of impairment losses are also stated in the income statement.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

2.2.2 Intangible assets

Intangible assets include purchased computer software and software licences with finite useful lives. The purchased software and licences are recognised as assets if there is sufficient certainty that future economic benefits associated with the item will flow to the entity.

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. After initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefit embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Depreciable amount is allocated on a systematic basis over its useful life using the straight line basis in which charges for each period are recognised in the Profit or loss.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss as the expense category that is consistent with the function of the intangible assets.

2.2.3 Taxation

Current income tax

Current income and education taxes liabilities and assets for the current and prior periods is measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Current income tax assets and liabilities also include adjustments for tax expected to be payable or recoverable in respect of previous periods.

Current income and education taxes relating to items recognized directly in equity or other comprehensive income is recognized in equity or other comprehensive income and not in profit or loss.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are recognised for all temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any tax losses.

Deferred tax assets are recognised to the extent that it is probable that the taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and used tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.
- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in profit or loss, other comprehensive or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.2.4 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Finished products and work-in-progress

Finished products and work in progress are measured at manufacturing cost and takes into account the production stage reached. Costs include an appropriate share of direct production overhead based on normal operating capacity.

Raw material, packaging material and spare parts

Raw and packaging materials are measured at actual cost, comprising invoice price, duty, freight, and handling charges. Spare parts are valued at the lower of cost and net realisable value. Value reductions and usage of parts are charged to profit or loss. Spare parts that are acquired as part of an equipment purchase and only to be used in connection with this specific equipment are initially capitalised and depreciated as part of the equipment.

2.2.5 Employee benefits

Defined contribution plans

A defined contribution plan is a pension plan under which an entity pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contribution if the fund does not hold sufficient assets to pay all employees the benefits relating to employees service in the current and prior period.

For defined contribution plans, the Company pays contribution to publicly or privately administered pension fund administration (PFA) on a mandatory basis in line with Pension Act. The company has no further payment obligation once the contributions have been paid. The contributions are recognized as employee benefit expenses in profit or loss when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

The company operates a defined contribution scheme in line with the Pension Reform Act 2004. The employees and the company each contribute 7.5% of basic salary, housing and transport allowances. The company's contributions are accrued and charged to the statement of comprehensive income as and when the relevant service is provided by employees. The company has no further payment obligations once the contributions have been paid.

Defined benefit plans

The company has a defined benefit gratuity scheme. The company's net obligation in respect of these post employment benefits which represents the amount of future benefits that employees have earned in return of their service in the current and prior years, are determined separately for each plan by a qualified actuary using the projected unit credit method. The calculations are based on actuarial assumptions relating to mortality in service, withdrawal from service, rate of salary increase, inflation rate (p.a) and discount rate which reflect the economic conditions in Nigeria.

The discount rate is the yield at reporting date on high-quality government bonds that have maturity dates approximating the terms of Company's obligations. The obligation is calculated using the projected unit credit method. Any actuarial gains and losses are recognised in other comprehensive income in the period in which they arise.

A discount rate of 13% for the current valuation.

2.2.5 Employee benefits - Continued

Termination benefits

Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date. Termination benefits for voluntary redundancies are recognised if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Short term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.2.6 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, duties, returns, customer discounts and other customer related discounts. The company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The company has concluded that it is acting as a principal in all of its revenue arrangements.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing management involvement with the products. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in profit or loss account

2.2.7 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one party and a financial liability or equity instrument of another party.

- Financial Asset

2.2.7 Financial Instruments - Continued

Initial recognition and measurement

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available for-sale financial assets.

Multi-Trex Integrated Foods Plc determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus directly attributable transaction costs, except in the case of financial assets measured at fair value through profit or loss where transaction costs are recognised as an expense when incurred.

The company's financial assets include cash and short-term deposits and trade and other receivables.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables are initially recognised at the amount expected to be received, less, when material, a discount to reduce the receivables to fair value.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate method. The losses arising from impairment are recognised in the income statement in finance costs for loans and in cost of sales or other operating expenses for receivables.

Cash and short-term deposits and trade and other receivables are classified as loans and receivables and subsequently measured at amortised cost.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - a the Company has transferred substantially all the risks and rewards of the asset, or
 - b the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

2.2.7 Financial Instruments - Continued

Impairment of financial assets

The company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

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. 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 for items measured at amortised cost, are recognised in the profit and loss. 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, the reversal is recognised in profit and loss.

In addition, for trade receivables that are assessed not to be impaired individually, the company assesses them collectively for impairment, based on the company's past experience of collecting payments, an increase in the delayed payments in the portfolio, observable changes in economic conditions that correlate with default on receivables, etc.

For trade receivables, the carrying amount is reduced through the use of an allowance account and subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the statement of profit or loss.

- Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, or at amortised cost.

The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs carried at amortised cost. This includes directly attributable transaction costs. Multi-Trex Integrated Foods financial liabilities comprise trade and other payables and loans and borrowings.

2.2.7 Financial Instruments - Continued

Loans and borrowings

Loans and borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in statement of comprehensive income over the period of the borrowings using the effective interest method.

Loans and borrowings, for which the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date, are classified as non-current liabilities.

Trade payables

Trade payables are subsequently measured at amortised cost using the effective interest method.

Financial liabilities are classified as current liabilities if payment is due within 12 months. Otherwise, they are presented as non-current liabilities.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.2.8 Provisions

A provision is recognised if, as a result of past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provision are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability.

2.2.8 Provisions – Continued

Future operating costs are not provided for. A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.2.9 Leasing

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

Operating lease payments are recognised as an operating expense in the income statement on a straight-line basis over the lease term.

2.2.10 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives non-monetary grants, the asset and the grant are recorded gross at nominal amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments. When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant.

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

2.2.11 Foreign currency translation

Transactions in foreign currencies are translated to the functional currency of Multi-Trex Integrated Foods at the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the spot exchange rate at that date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively.

2.2.12 Loss per share

The company presents basic and diluted loss per share data for its ordinary shares.

Basic loss per share is calculated by dividing the net loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted loss per share is determined by adjusting the net loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares.

2.2.13 Operating Segment

An operating segment is a component of the Company 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 its other components, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The company is organised into business unit based on its sales geographical location and has two reportable segments as follows:

- Export sales
- Local sales

No operating segments have been aggregated to form the above reportable operating segments. The company's Executive Board monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenue.

2.2.14 Share capital and reserves

Share issue costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

Dividend on ordinary shares

Dividends on the Company's ordinary shares are recognized in equity in the period in which they are paid or, if earlier, approved by the Company's shareholders.

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

2.2.14 Share capital and reserves - Continued

Other Capital reserves

This includes gains on revaluation of property plant and equipment

2.2.15 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

2.2.16 *Cash and cash equivalents*

Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less in the statement of financial position.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts (if any).

2.2.17 *Expenses*

Interest expense

Interest expenses are recognised as they accrue in profit or loss, using the effective interest method unless collectability is in doubt.

2.2.18 Financial instrument's risk management, objectives and policies

The company deploys a number of financial instruments (financial assets and financial liabilities) in carrying out its activities. The key financial liabilities, of the company comprise bank borrowings and trade payables which are deployed purposely to finance the company's operations and to provide liquidity to support the Company's operations. The financial assets of the Company include trade and other receivables and cash and short term deposits also necessarily required for the operations of the company.

The Company has exposure to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, 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 Company's activities.

The Company, 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.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company's 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, the results of which are reported to the Audit Committee.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Further quantitative disclosures are included throughout these financial statements.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and deposits with banks. Management has assessed the risk exposure and is taking action to mitigate the higher than usual risks. Intensified and continuous focus is being given in the areas of customers (managing trade receivable).

Concentrations of credit risk are indicated in the notes below and the maximum exposure is also provided on the next page.

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

2.2.18 Financial Risk Management – Continued

Trade and other receivable

The Company's management has credit policies in place and the exposure to credit risk is monitored on an ongoing basis. Under the credit policies all customers requiring credit over a certain amount are reviewed and new customers are analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Purchase limits are established for each customer and these limits are reviewed regularly.

Customers that fail to meet the Company's benchmark creditworthiness may transact with the Company only on a cash basis.

Outstanding customer receivables are regularly monitored. At 30th April 2013, the Company had three customers (2012: Three customers, 1st May 2012: Eight customers) that owed the Company more than N1m each and accounted for approximately 100% (2012: 100%, 1st May 2012: 100%) of all receivables owing. There was one customer (2012: Three customers, 1st May 2012: Six customers) with balances greater than N10m. The requirement for impairment is analysed at each reporting date on an individual basis for major clients. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actually incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 2.2.18

The company does not hold collateral as security. Multi-Trex Integrated Foods plc evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Cash and cash equivalents

The company limits its exposure to credit risk by only investing available cash balance in short term deposits and only with counterparties that have a good credit standing.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit risk at the reporting date was:

	Note	2013 N'000	2012 N'000
Trade receivable	16	1,105,191	309,229
Other receivables	16	21,761	277,796
EEG receivable	16	2,086,600	2,862,241
Cash and cash equivalent	17	1,064,261	238,909
		-----	-----
		4,277,813	3,688,175
		=====	=====

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

	2013 N'000	2012 N'000
Export:	769,257	309,229
Local:	335,934	-
	-----	-----
	1,105,191	309,229
	=====	=====

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

2.2.18 Financial Risk Management – Continued

Impairment losses

The aging of trade and other receivables at the reporting date was:

Gross amount

	2013 N'000	2012 N'000
Past due 0 -30 days	1,105,191	309,229
Past due 31 -60 days	-	-
Past due 61-120 days	-	-
More than 120 days	2,086,600	2,862,241
	-----	-----
	3,191,791	3,171,470
	=====	=====

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Recent times have proven the credit markets situation could be such that it is difficult to generate capital to finance long-term growth of the Company. The company has a clear focus on financing long-term growth and to re-finance maturing debt obligation. Financing strategies are under continuous evaluation.

The table below summarises the maturity profile of the Company's financial liabilities:

	On demand N'000	Less than 3 months N'000	3 to 12 months N'000	1 to 3 years N'000	More than N'000	Total 3 years N'000
Year ended 30/4/13						
Interest-bearing loans and borrowings (Non – current)	-	-	-	-	6,308,207	6,308,207
Interest-bearing loans and borrowings (Current)	-	-	5,257,547	-	-	5,257,547
Trade and other payable	-	2,698,315	-	-	-	2,698,315
	-----	-----	-----	-----	-----	-----
	-	2,698,315	5,257,547	-	6,308,207	14,264,069
	=====	=====	=====	=====	=====	=====
Year ended 30/4/12						
Interest-bearing loans and borrowings (Non – current)	-	-	-	-	6,618,494	6,618,494
Interest-bearing loans and borrowings (Current)	-	-	4,362,261	-	-	4,362,261
Trade and other payable	-	744,808	-	-	-	744,808
	-----	-----	-----	-----	-----	-----
	-	744,808	4,362,261	-	6,618,494	11,725,563
	=====	=====	=====	=====	=====	=====

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

Liquidity risk - Continued

On	Less than	3 to 12	1 to 3	More	Total	
Year ended 1/5/11	demand	3 months	months	years	than	3 years
	N'000	N'000	N'000	N'000	N'000	N'000
Interest-bearing loans and borrowings (Non – current)	-	-	-		5,182,726	5,182,726
Interest-bearing loans and borrowings (Current)	-	-	6,283,923	-	-	6,283,923
Trade and other payable	-	517,879	-	-	-	517,879
	-----	-----	-----	-----	-----	-----
	-	517,879	6,283,923	-	5,182,726	11,984,528
	=====	=====	=====	=====	=====	=====

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodity prices and equity prices will affect the Company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, whilst optimising the return on risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a different currency from the company's functional currency). The company manages its foreign currency risk through adjustment in selling prices of traded goods

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in the US dollar exchange rate, with all other variables held constant of the company's profit before tax (due to changes in the fair value of monetary assets and liabilities).

		Changes in US \$ rate N'000	Effect on loss before tax
2013			
	+5	(24,667)	
	-5	(3,799)	
2012			
	+5	206,670	
	-5	193,965	

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market interest rates. The company exposure to the risk of changes in market interest rates relates primarily to the company's long term debt obligations with floating interest rates. The company manages this risk by ensuring that significant portion of its loans are contracted on fixed interest loan.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was as follows:

2013 Financial liabilities	Carrying amount ₦'000
Loans and borrowings	11,565,754 ----- 11,565,754 =====
2012 Financial liabilities	N'000
Loans and borrowings	10,980,755 ----- 10,980,755 =====

The table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings

	Increase/decrease in basis points	Effect on loss before tax ₦'000
2013		
Naira	+1	(903)
Naira	+5	(4,514)
Naira	-1	903
Naira	-5	4,514
2012		
Naira	+1	(618)
Naira	+5	(3,092)
Naira	-1	618
Naira	-5	3,092

Commodity price risk

Commodity price risk is the risk that changes in commodity prices will affect the Company's income. The objective of commodity price risk management is to manage and control commodity risk exposures within acceptable parameters, whilst optimising the return on risk. The main commodity exposure relates to the purchase of raw cocoa beans and additives. Commodity price risk is in principle addressed by negotiating fixed prices in supplier contracts with various contract durations. The company does not enter into commodity contracts other than to meet expected usage and sale requirements.

NOTES TO THE FINANCIAL STATEMENTS - Continued

2.2.18 Financial Risk Management – Continued

Capital management

Capital includes equity attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholders' value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to its shareholders, return capital to shareholders or issue new shares.

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

	2013 N'000	2012 N'000	1st May 2011 N'000
Interest-bearing loans and borrowings	11,565,754	10,980,755	11,466,649
Trade and other payables	2,698,315	744,808	517,879
Less: cash and short-term deposits	(1,064,261)	(238,909)	(5,683,136)
	-----	-----	-----
Net debt	13,199,808	11,486,654	6,301,392
Equity	2,438,170	2,438,170	1,861,247
	-----	-----	-----
Capital and net debt	15,637,978	13,924,824	8,162,639
	=====	=====	=====
Gearing ratio	84%	82%	77%

2.3 Standards issued but not yet effective

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date.

The company intends to adopt these standards when they become effective.

Standard	Content	Effective date
IAS 27	Separate financial statements	1-Jan-13
IAS 28	Investment in associate and joint venture	1-Jan-13
IFRS 7	Financial Instruments: Disclosures	1-Jan-13
IAS 19	Employee benefits	1-Jan-13
IFRS 1	Government Loans (Amendments)	1-Jan-13
IFRS 9	Financial instruments	-
IFRS 10	Consolidated financial statements	1-Jan-13
IFRS 11	Joint arrangement	1-Jan-13
IFRS 12	Disclosure of interest in other entities	1-Jan-13
IFRS 13	Fair value measurement	1-Jan-13
IFRS 32	Financial instruments: presentation	1-Jan-13
IFRS 10	Investment entities (Amendment)	1-Jan-14
IAS 36	Disclosure requirements for the recoverable amount of Impaired assets (Amendment)	1-Jan-14
IAS 19	Define benefit plans – Employee Contribution (Amendment)	1-Jan-14
IAS 39	Novation of derivatives and continuation of hedge accounting	1-Jan-14
IFRIC 20	Stripping Costs in the Production Phase of a surface mine	1-Jan-14
IFRIC 21	Levies	1-Jan-14
	Improvement to IFRS (2010 – 2012 Cycle)	1-July-14
	Improvement to IFRS (2011 – 2013 Cycle)	1-July-14

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

Standards issued but not yet effective – continued

IAS 27 Separate Financial Statements (as revised in 2011)

As a consequence of the new IFRS 10 and IFRS 12, what remains of IAS 27 is limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. The company present separate financial statements and therefore the revised standard will not impact the company. The amendment becomes effective for annual periods beginning on or after 1 January 2013.

IAS 28 Investments in Associates and Joint Ventures (as revised in 2011)

As a consequence of the new IFRS 11 and IFRS 12, IAS 28 has been renamed IAS 28 Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates. These amendments will not impact the company's financial position or performance. The amendment becomes effective for annual periods beginning on or after 1 January 2013. .

IFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities – Amendments to IFRS 7

These amendments require an entity to disclose information about rights to set-off and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32 Financial Instruments: Presentation. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32. These amendments will not impact the company's financial position or performance and become effective for annual periods beginning on or after 1 January 2013."

IFRS 9 Financial Instruments: Classification and Measurement

IFRS 9 as issued reflects the first phase of the IASBs work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. No effective date has been set for the implementation of the revised standard. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets.. The Company will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

IAS 32 Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32

These amendments clarify the meaning of "currently has a legally enforceable right to set-off". The amendments also clarify the application of the IAS 32 offsetting criteria to settlement systems which apply gross settlement mechanisms that are not simultaneous. These amendments are not expected to impact the Company's financial position or performance and become effective for annual periods beginning on or after 1 January 2014.

IFRS 10 Consolidated Financial Statements

IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12 Consolidation – Special Purpose Entities. IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgement to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in IAS 27. IFRS 10 is not expected to have any impact on the company

This standard becomes effective for annual periods beginning on or after 1 January 2013

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

Standards issued but not yet effective - Continued

IFRS 11 Joint Arrangements

IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities – Non-monetary Contributions by Ventures. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method. This standard becomes effective for annual periods beginning on or after 1 January 2013. This does not have impact on the company as there are no joint ventures.

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 company is currently assessing the impact that this standard will have on the financial position and performance, but based on the preliminary analyses, no material impact is expected. This standard becomes effective for annual periods beginning on or after 1 January 2013.

IFRS 19 Employee benefits (amendment)

The IASB has issued numerous amendments to IAS 19. These range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and re-wording. The amendment becomes effective for annual periods beginning on or after 1 January 2013. The company is still in the process of assessing the possible impact.

IFRS 1 Government Loans (amendment)

These amendments require first-time adopter to apply the requirements of IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, prospectively to government loans existing at the date of transition to IFRS. Entities may choose to apply the requirements of IFRS 9 (or IAS 39, as applicable) and IAS 20 to government loans retrospectively if the information needed to do so had been obtained at the time of initially accounting for the loan. The exception would give first-time adopters relief from retrospective measurement of government loans with a below-market rate interest. The amendment is effective for annual periods on or after 1 January 2013. The amendment has no impact on the Company.

IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine

This new interpretation provides guidance on how to account for stripping cost in the development phase of a surface mine. Effective for 1 January 2013. This would not be applicable to the Company.

IFRS 12 Disclosure of Involvement with Other Entities

IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required. This standard becomes effective for annual periods beginning on or after 1 January 2013. This has no impact on the company's financial position or performance of the company.

IFRS 10 Investment entities (amendment)

Investment Entities (Amendments to IFRS 10) was issued in October 2012. The amendments provide an exception to the consolidation requirements in IFRS 10 for investment entities and instead require investment entities to measure their investments in particular subsidiaries at fair value through profit or loss. The amendments also provide related disclosure and separate financial statement requirements for investment entities. The amendment is effective for annual periods on or after 1 January 2014. The amendment has no impact on the Company.

2.4. First time adoption of IFRS

For periods up to and including the period ended 30th April 2012, the Company prepared its financial statements in accordance with Nigerian generally accepted accounting practice (Nigerian GAAP). The financial statements for the year ended 30th April 2013 are the first the Company will prepare in accordance with International Financial Reporting Standards (IFRS). The company has applied IFRS 1 in preparing these financial statements.

In preparing these financial statements, the opening statement of financial position was prepared as at 1st May 2011, the Company's date of transition to IFRS. This note explains the principal adjustments made by the Company in restating its Nigerian GAAP statement of financial position as at 1st May 2011 and its previously published Nigerian GAAP financial statements as at and for the year ended 30th April 2012.

Estimates

The estimates at 1st May 2011 and at 30th April 2012 are consistent with those made for the same dates in accordance with Nigerian GAAP (after adjustments to reflect any differences in accounting policies). The estimates used by the Company to present this amount in accordance with IFRS reflect conditions at 1st May 2011, the date of transition to IFRS and as of 30th April 2012.

Exemptions applied

IFRS 1 First-Time Adoption of International Financial Reporting Standards allows first-time adopters certain exemptions from the full retrospective application of IFRSs.

The Company has elected to apply the following exemptions:

- The classification of all financial assets and financial liabilities is based on the facts and circumstances of the financial instrument and the purpose existing at the transition date.

The remaining exemptions are not applicable to the Company.

Explanation of first time adoption of IFRS

These are the Company's first financial statements prepared in accordance with IFRSs.

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 30th April 2013, the comparative information presented in these financial statements for the year ended 30th April 2012 and in the preparation of an opening IFRS statement of financial position at 1st May 2011 (the Company's date of transition).

In preparing its opening IFRS statement of financial position, the Company has adjusted amounts reported previously in financial statements prepared in accordance with Nigerian Generally Acceptable Accounting Principles. An explanation of how the transition from previous GAAP to IFRSs has affected the Company's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

3.1 Reconciliation of Statement of financial position as at 1st May 2011

	Notes	Nigerian GAAP N'000	Re classifications N'000	Re- measurements N'000	IFRS as at 1st May 2011 N'000
Non - current assets					
Property, plant and equipment		12,499,191	-	-	12,499,191
Intangible assets	A	82,965	-	(82,965)	-
Investments	B	73,150	-	(73,150)	-
Current assets					
Inventories		648,917	-	-	648,917
Trade and other receivables	C	3,930,429	(40,573)	-	3,889,856
Prepayments		-	739		739
Deferred expenses		-	39,834		39,834
Cash and short-term deposits		1,103,790	-	-	1,103,790
		-----	-----	-----	-----
Total Assets		18,338,442	-	(156,115)	18,182,327
		=====	=====	=====	=====
Equity and Liabilities					
Issued share capital	D	1,861,247	-	-	1,861,247
Share premium	D	1,440,423	-	-	1,440,423
Revaluation reserve	E	3,559,671	-	(3,559,671)	-
Revenue reserve	H	(612,503)	-	3,330,892	2,718,389
		-----	-----	-----	-----
Total equity		6,248,838		(141,677)	6,020,059
		-----	-----	-----	-----
Non-current liabilities					
Long term loans and borrowings	F	5,197,164		(14,438)	5,182,726
Employee benefit liability	I	-		87,102	87,102
Deferred tax liabilities		47,902	-		47,902
		-----	-----	-----	-----
		5,245,066	-	72,664	5,317,730
		-----	-----	-----	-----
Current liabilities					
Trade and other payables		517,879	-	-	517,879
Interest bearing loans and borrowings		6,283,923	-	-	6,283,923
Income tax payables		42,736	-	-	42,736
		-----	-----	-----	-----
		6,844,538	-	-	6,844,538
		-----	-----	-----	-----
Total liabilities		12,089,604	-	72,664	12,162,268
		-----	-----	-----	-----
Total equity and liabilities		18,338,442		(156,115)	18,182,327
		=====	=====	=====	=====

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS – Continued

3.2 Reconciliation of Statement of financial position as at 30th April 2012

	Notes	Nigerian GAAP ₦'000	Reclassifications ₦'000	Re- measurements ₦'000	IFRS as at 30th April 2012 ₦'000
Non - current assets					
Property, plant and equipment		12,528,030	(1,085)	-	12,526,945
Intangible assets	A	31,820	1,085	(31,820)	1,085
Current assets					
Inventories		1,807,366	-	-	1,807,366
Trade and other receivables	C	4,102,844	(20,803)	-	4,082,041
Prepayments		-	7,729	-	7,729
Deferred cost		-	13,074	-	13,074
Cash and short-term deposits		238,909	-	-	238,909
		-----	-----	-----	-----
Total Assets		18,708,969	-	(31,820)	18,677,149
		=====	=====	=====	=====
Equity and Liabilities					
Issued share capital	D	1,861,247	576,923	-	2,438,170
Share premium	D	1,440,423	923,077	-	2,363,500
Revaluation reserve	E	3,559,671		(3,559,671)	-
Revenue reserve	H	(2,078,933)		3,506,934	1,428,001
		-----	-----	-----	-----
Total equity		4,782,408	1,500,000	(52,737)	6,229,671
		-----	-----	-----	-----
Non-current liabilities					
Interest bearing loans and borrowings	F	2,599,908	4,500,000	(481,414)	6,618,494
Government grants	G	-	-	414,638	414,638
Employee benefit liability	I	124,521	-	22,290	146,811
Deferred tax liabilities		47,902	-	-	47,902
		-----	-----	-----	-----
		2,772,331	4,500,000	(44,486)	7,227,845
		-----	-----	-----	-----
Current liabilities					
Trade and other payables	D	6,744,808	(6,000,000)	-	744,808
Interest bearing loans and borrowings		4,362,261	-	-	4,362,261
Government grants	G	-	-	65,403	65,403
Income tax payable		47,161	-	-	47,161
		-----	-----	-----	-----
		11,154,230	(6,000,000)	65,403	5,219,633
		-----	-----	-----	-----
Total liabilities		13,926,561	(1,500,000)	20,917	12,447,478
		-----	-----	-----	-----
Total equity and liabilities		18,708,969	-	(31,820)	18,677,149
		=====	=====	=====	=====

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

3.3 Reconciliation of total comprehensive income for the period ended 30th April 2012

	Notes	Nigerian GAAP N'000	Re- measurements N'000	IFRS as at 30th April 2012 N'000
Revenue		3,264,637	-	3,264,637
Cost of sales		(2,933,629)	-	(2,933,629)
		-----	-----	-----
Gross profit		331,008	-	331,008
Other operating income		24,857	-	24,857
Selling and distribution costs		(79,521)	-	(79,521)
Administrative expenses	B	(997,723)	231,748	(765,975)
		-----	-----	-----
Operating loss		(721,379)	231,748	(489,631)
Finance income		4,843	-	4,843
Finance costs	F	(717,012)	(13,066)	(730,078)
		-----	-----	-----
Loss before taxation		(1,433,548)	218,682	(1,214,866)
Income tax expense		(32,881)	-	(32,881)
		-----	-----	-----
Loss for the year		(1,466,429)	218,682	(1,247,747)
Other comprehensive income				
Actuarial gain and (loss) on defined benefit plan		-	(42,641)	(42,641)
		-----	-----	-----
Total comprehensive loss for the year net of tax		(1,466,429)	176,041	(1,290,388)
		=====	=====	=====

3.4 Notes to the Reconciliations

A. INTANGIBLE ASSETS

Under the Nigerian GAAP, the company's loan processing fees, consultancy fees were deferred and recognized as an asset. Under IFRS, these do not qualify for recognition as an asset. The carrying amount of N31,820,000 (2011: N82,965,000) representing non-current portion have been derecognized against retained earnings at the date of transition to IFRS and the comparative period.

B. INVESTMENT IN SUBSIDIARIES

Under the Nigerian GAAP, expenses incurred on some entities were capitalized as investments in subsidiaries. Under IFRS, these expenses do not qualify for recognition as an asset. At the date of transition to IFRS, an adjustment of N73,150,000 have been derecognized against retained earnings.

C. PREPAYMENTS

Under the Nigerian GAAP, prepayment and deferred cost was classified as trade and other receivables. The effect of transition to IFRS was a reclassification of N20,803,000 (1st May 2012: N40,573,000) from trade and other receivables to prepayments.

D. ISSUED SHARE CAPITAL

Under the Nigerian GAAP, the non performing loans of Skye bank were taken over by AMCON. These loans were restructured into equity and preference shares and were treated as deposit for shares of N6,000,000,000 recognised as other payables. Under IFRS, the deposit for shares was de-recognised and adjustment made to recognize the issued share capital and share premium. An amount of N576.9 million was recognized as issued share capital while N923 million was recognized as share premium.

E. REVALUATION RESERVE

Under the Local GAAP, the company recognised revaluation gains on property, plant and equipment in revaluation reserve. Under IFRS, the company has elected to apply the cost model for subsequent measurement of an item of property, plant and equipment. At the date of transition to IFRS, an amount of N3, 559,671, 000 recognised in revaluation surplus has been reallocated to retained earnings.

F. INTEREST BEARING LOANS AND BORROWINGS

Under the Local GAAP, interest bearing loans are recognised at the contractual rate and transaction costs are deferred and amortised over the loan tenor. Under IFRS, interest bearing loans are to be measured at amortised cost using effective interest rate and transaction cost such as processing fees amortised using effective interest rate over the loan tenor. An adjustments of N481,414,000 (2011: N14,438,000) has been recognized. In addition, preference share capital of N4,500,000,000 arising from restructuring of skye bank loan taken over by AMCON, previously recognized as other payables under the Local GAAP, as was reclassified to interest bearing loans and borrowings under IFRS

G. GOVERNMENT GRANTS

Under the Local GAAP, the non performing loans were taken over by AMCON and restructured into equity and term loan. Under IFRS, the outstanding carrying balance was derecognised and the restructured amount recognised. This adjustment relates to the difference between the nominal value of the outstanding carrying value of the loan before restructure and fair value of the new restructured loan of which N414, 638,000 has been recognised as non-current portion and N65, 403,000 as current portion.

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS – Continued

3.4 Notes to the Reconciliations - Continued

H. REVENUE RESERVE

At the date of transition, all re-measurements affecting items in income statement and other comprehensive income were charged to revenue reserve. This accounts for the adjustment of ₦3,506,934.

I. EMPLOYEE BENEFIT LIABILITY

Under local GAAP, the Company recognized costs related to its gratuity plan on a basis of the Company's policy. Under IFRS, employees' benefit liabilities are recognized on an actuarial basis. The liability has been recognized in full against revenue reserve as at transition date and to the administrative expenses in 2013.

	2013 ₦'000	2012 ₦'000
4 Revenue		
Export sales	1,259,451	2,340,731
Local sales	175,235	923,906
	-----	-----
	1,434,686	3,264,637
	=====	=====
5 Cost of sales		
Direct materials	2,038,895	3,380,284
Direct labour	66,883	75,117
Factory consumables and production overheads	580,793	300,469
	-----	-----
	2,686,571	3,755,870
Export expansion grant	(377,786)	(822,241)
	-----	-----
	2,308,785	2,933,629
	=====	=====
Export sales		
Direct materials	1,733,060	2,836,396
Direct labour	56,850	63,031
Factory consumables and production overheads	493,674	252,124
	-----	-----
	2,283,584	3,151,551
Export expansion grant	(377,786)	(822,241)
	-----	-----
	1,905,798	2,329,310
	=====	=====
Local sales		
Direct materials	305,835	543,888
Direct labour	10,033	12,086
Factory consumables and production overheads	87,119	48,345
	-----	-----
	402,987	604,319
	=====	=====

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

	2013 N'000	2012 N'000
6 Other operating income		
Exchange gain	18,514	-
Government grant	65,403	-
Haulage income	150	-
Insurance claim	894	-
Scrap sales	21,841	24,857
	-----	-----
	106,802	24,857
	=====	=====
7 Selling and distribution costs		
Freight and Haulage charges	17,273	47,073
Advert and promotion expenses	29,977	32,448
	-----	-----
	47,250	79,521
	=====	=====
8 Administrative expenses		
Staff costs	281,304	251,409
Loss on disposal	-	164
Depreciation	79,818	91,930
Armortisation of intangible assets	310	-
Others (Note 8a)	375,784	422,472
	-----	-----
	737,216	765,975
	=====	=====
8a Audit fees	7,000	7,000
Business development	10,319	-
Directors expenses	27,770	27,770
Fuel expenses	2,267	1,648
Gifts and donations	16,459	1,889
Insurance	4,796	-
Licensing and registration	20,911	41,053
Loss on investments	45,374	95,969
Office expense	60,772	36,002
Postage and communication	26,621	9,043
Printing and stationery	1,953	14,189
Professional and consultancy fees	56,886	92,955
Public relations	21,430	1,159
Repairs and maintainance	11,007	19,601
Subscriptions	5,103	1,285
Training and development	14,624	13,759
Travelling and accommodation	42,492	59,150
	-----	-----
	375,784	422,472
	=====	=====

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS – Continued

	2013 N'000	2012 N'000	1st May 2011 N'000
9 Finance income			
Interest on short term deposits	2,829	4,843	
	-----	-----	
	2,829	4,843	
	=====	=====	
10 Interest expenses			
Interest on preference shares	675,000	-	
Interest on debts and borrowings	755,121	730,078	
	-----	-----	
	1,430,121	730,078	
	=====	=====	
11 TAXATION			
Statement of Financial Position:			
At the beginning of the year:	47,161	42,736	3,061
Current year tax provision	40,727	28,133	43,920
Under – provision	-	4,748	-
Payment during the year	(9,318)	(28,456)	(4,245)
	-----	-----	-----
Balance at the end of the year	78,570	47,161	42,736
	=====	=====	=====
Profit and loss account:			
Company Income taxation	40,727	28,133	
Education tax	-	-	
Under provision in the prior year	-	4,748	
Deferred tax	-	-	
	-----	-----	
	40,727	32,881	
	=====	=====	
Deferred tax relates to the following:			
	2013 N'000	2012 N'000	1st May 2011 N'000
Property plant and equipment	(47,902)	(47,902)	(47,902)
	-----	-----	-----
Net deferred tax assets/(liabilities)	(47,902)	(47,902)	(47,902)
	=====	=====	=====
Deferred taxation			
At 1st May	47,902	47,902	47,902
Charge for the year	-	-	-
	-----	-----	-----
	47,902	47,902	47,902
	=====	=====	=====

The computation of deferred tax for the year ended 30th April 2013 gave rise to deferred tax assets of N 1,475,342,157 (2012: N 589,384,877). However, deferred tax assets is not recognized in the financial statements, as, in the view of the directors, there is uncertainty as to the timing of inflows of future taxable profits against which the tax asset may be offset.

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS – Continued

	2013 N'000	2012 N'000
TAXATION – Continued		
Income tax reconciliation		
Accounting loss before income tax	(2,965,104)	(1,322,319)
	=====	=====
Tax at Nigerian Statutory income tax		
Rate of 30%	889,531	396,696
Effect of disallowable expenses	28,078	113,068
Utilisation of unused taxes	(228,552)	-
Non taxable income	(5,554)	-
Impact of minimum tax	(642,776)	(476,883)
	-----	-----
	40,727	32,881
	=====	=====
At the effective tax rate	1.4%	2.5%

12 Loss per share - Basic and diluted

Loss per share is calculated by dividing the net loss for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding at the reporting date. The following reflects the income and share data used in the basic loss per share computations:

	2013 N'000	2012 N'000
Net loss attributable to ordinary		
Shareholders for basic and diluted Earnings	(3,019,782)	(1,247,747)
Weighted average number of ordinary shares	4,876,340	4,876,340
Basic and diluted loss per ordinary share (N)	(0.62)	(0.26)

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS – Continued

13	Property, plant and equipment	Landed property N'000	Factory building 1 N'000	Factory building 2 N'000	Warehouse N'000	Road Network N'000	Plant & Machinery (factory 1) N'000	Plant & Machinery (factory 2) N'000	Motor Vehicles N'000	Furniture Fittings & Office Equipments N'000	Total N'000
	Cost										
	At 1st May 2011	265,850	807,439	1,544,555	285,360	150,971	3,387,402	6,463,579	175,362	111,016	13,191,534
	Additions	1,000	64,387	105,196	8,245	-	27,020	126,267	32,750	45,393	410,258
	Disposal	-	-	-	-	-	-	-	(8,645)	-	(8,645)
	At 30th April 2012	266,850	871,826	1,649,751	293,605	150,971	3,414,422	6,589,846	199,467	156,409	13,593,147
	Additions	-	1,866	30,016	-	-	4,002	31,135	5,443	11,478	83,941
	Disposals	-	-	-	-	-	-	-	(2,896)	-	(2,896)
	At 30th April 2013	266,850	873,692	1,679,767	293,605	150,971	3,418,424	6,620,981	202,014	167,887	13,674,192

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS – Continued

13	Property, plant and equipment	Landed property N'000	Factory Building 1 N'000	Factory Building 2 N'000	Warehouse N'000	Road Network N'000	Plant & Machinery (Factory 1) N'000	Plant & Machinery (Factory 2) N'000	Motor Vehicles N'000	Furniture Fittings & Office Equipments N'000	Total N'000
	Accumulated depreciation										
	At 1st May 2011	-	45,494	21,228	2,331	9,784	353,932	134,445	91,384	33,745	692,343
	Charge for the year	-	15,607	31,104	5,794	2,828	10,929	255,604	31,800	23,074	376,740
	Disposal	-	-	-	-	-	-	-	(2,881)	-	(2,881)
	At 30th April 2012	-	61,101	52,332	8,125	12,612	364,861	390,049	120,303	56,819	1,066,202
	Charge for the year		17,448	25,112	5,837	2,829	11,883	259,705	36,933	40,759	400,506
	Disposals	-	-	-	-	-	-	-	(1,046)	-	(1,046)
	At 30th April 2013	-	78,549	77,444	13,962	15,441	376,744	649,754	156,190	97,578	1,465,662
	Net book value										
	At 30th April 2013	266,850	795,143	1,602,323	279,643	135,530	3,041,680	5,971,227	45,824	70,309	12,208,530
	At 30th April 2012	266,850	810,725	1,597,419	285,480	138,359	3,049,561	6,199,797	79,164	99,590	12,526,945
	At 1st May 2011	265,850	761,945	1,523,327	283,029	141,187	3,033,470	6,329,134	83,978	77,271	12,499,191

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

14	Intangible assets	Computer software
		N'000
	Cost:	
	At 1st May 2011	-
	Addition	1,085

	At 30th April 2012	1,085
	Addition	-

	At 30th April 2013	1,085
	Accumulated amortisation and impairment:	
	At 1st May 2011	-
	Amortisation for the year	-

	At 30th April 2012	-
	Amortisation for the year	310

	At 30th April 2013	310
	Carrying amount	
	At 1 April 2013	775
		=====
	At 30th April 2012	1,085
		=====
	At 1st May 2011	-
		=====

	2013	2012	1st May 2011
	N'000	N'000	N'000
15 Inventories			
Finished goods	1,002,851	1,337,131	150,935
Write down of finished goods	-	(78,563)	-
	-----	-----	-----
	1,002,851	1,258,568	150,935
Raw materials	402,386	307,751	101,955
Packaging, energy and consumables	243,165	241,047	239,589
Work in progress	-	-	156,438
	-----	-----	-----
	1,648,402	1,807,366	648,917
	=====	=====	=====

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

	2013 N'000	2012 N'000	1st May 2011 N'000
16 Trade and other receivables			
EEG receivables	2,086,600	2,862,241	2,008,504
Trade receivables	1,105,191	309,229	1,846,272
Other receivables	21,761	277,796	35,080
Receivables - Amcon	332	593,028	-
Deposit for investment	46,375	39,747	-
	-----	-----	-----
	3,260,259	4,082,041	3,889,856
	=====	=====	=====

Trade receivables meet the definition of financial asset and the carrying amount of the trade receivables approximates their fair value. Trade receivables are expected to be fully collected within 1 year.

As at 30th April, the ageing analysis of trade receivables is as follows:

			Past due but not impaired					
	Total	Neither past due nor impaired	<30 days	31-60 days	61-120days	121-150 days	151-180 days	>365 days
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
2013	1,105,191	-	1,105,191	-	-	-	-	-
2012	309,229	-	309,229	-	-	-	-	-
1st May 2011	1,846,272	-	1,846,272	-	-	-	-	-

As at 30th April, the ageing analysis of EEG receivables is as follows:

			Past due but not impaired					
	Total	Neither past due nor impaired	<30 days	31-60 days	61-120days	121-150 days	151-180 days	>365 days
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
2013	2,086,600	-	-	-	-	2,086,600	-	-
2012	2,862,241	-	-	-	-	2,862,241	-	-
1st May 2011	2,008,504	-	-	-	-	2,008,504	-	-

17. Cash and cash equivalents

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

	2013 N'000	2012 N'000	1st May 2011 N'000
Cash and bank	1,064,261	238,909	1,103,790
	-----	-----	-----
Cash and short term deposits	1,064,261	238,909	1,103,790
Bank Overdraft	(3,317,039)	(3,225,860)	(1,710,337)
	-----	-----	-----
	(2,252,778)	(2,986,951)	(606,547)
	=====	=====	=====

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

	2013 N'000	2012 N'000	1st May 2011 N'000
18 Issued Share Capital and reserves			
Authorized:			
6,000,000,000 ordinary shares of 50k each	3,000,000 =====	3,000,000 =====	3,000,000 =====
Ordinary shares each of 50k each	2,438,170 =====	2,438,170 =====	1,861,247 =====
	2013 N'000	2012 N'000	1st May 2011 N'000
Ordinary shares issued and fully paid			
At 1st May (2012:4,876,339,774:2011:			
3,722,493,620 ordinary shares of 50K each	2,438,170	1,861,247	1,861,247
Additions – share issue	-	576,923	-
	-----	-----	-----
At 30th April (2013&2012:4,876,339,774			
(2011:3,722,493,620 ordinary shares of 50k			
each)	2,438,170 =====	2,438,170 =====	1,861,247 =====
Share premium			
At 1st May	2,363,500	1,440,423	1,440,423
Increased because of the issue of shares to			
the Asset Management Corporation of Nigeria	-	923,077	-
	-----	-----	-----
	2,363,500 =====	2,363,500 =====	1,440,423 =====
Revenue reserve			
At 1st May	1,428,001	2,718,389	
Loss for the year	(3,009,383)	(1,290,388)	
	-----	-----	
At 30th April	(1,581,382) =====	1,428,001 =====	

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share premium	Amount subscribed for share capital in excess of nominal value.
Retained earnings	All other net gains and losses and transactions with owners not recognised elsewhere.

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS – Continued

	2013 N'000	2012 N'000	1st May 2011 N'000
19a. Interest-bearing loans and borrowings			
Non current portions			
15% redeemable preference shares of N1 each	4,500,000	4,500,000	-
Bank loan- African Export- Import Bank	-	-	456,798
Bank loan- Nigerian Export Import Bank	-	76,969	298,924
Bank loan- Skye Bank Plc	-	-	4,427,004
Bank loan – AMCON	1,808,207	2,041,525	-
	-----	-----	-----
	6,308,207	6,618,494	5,182,726
	=====	=====	=====
19b Interest-bearing loans and borrowings			
Current portions			
Bank loan- African Export- Import Bank	621,386	610,314	616,764
Bank loan-FBN UK	617,528	123,898	-
Bank loan- Nigeria Export Import Bank	468,277	402,189	151,981
Bank loan – Skye Bank Plc	-	-	3,804,841
Bank loan- AMCON	233,317	-	-
Bank Overdraft	3,317,039	3,225,860	1,710,337
	-----	-----	-----
	5,257,547	4,362,261	6,283,923
	=====	=====	=====

Bank overdraft represents the outstanding commitment on short-term borrowings for working capital management.

The carrying amount and fair value of loans and borrowings are as follows:

	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	As at 30th April 2013	As at 30th April 2013	30th April 2012	30th April 2012	As at 1st May 2011	As at 1st May 2011
	N'000	N'000	N'000	N'000	N'000	N'000
Afrexim	621,386	621,386	620,800	620,800	1,065,862	1,065,882
Nexim	469,146	468,277	470,043	468,671	470,043	455,605
FBN UK	617,528	617,528	123,898	123,898	-	-
Guaranty Trust Bank Plc	-	-	-	-	3,000	-
Skye Bank Plc	-	-	-	-	8,231,844	8,231,844
AMCON	2,521,566	2,041,525	2,521,566	2,041,525	-	-

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

- i) 15% redeemable preference shares of N1 each
The non performing loans of Skye bank were taken over by AMCON. Part of these loans were restructured into preference shares of N4,500,000. Cumulative dividend is payable annually at a fixed rate. Dividends due not paid will be paid on the preference shares Yearly payments shall be 10% cash and 5% in shares or outright cash payment for the whole payments depending on cash flow. The preference shares are redeemable after the fifth year.
- ii) African Export Import Bank Loan
Afrexim bank granted the company a loan of \$15,000,000 guaranteed by Skye Bank Plc. The facility shall be used to refinance the company's existing naira debts to Skye Bank Plc. The duration of the loan is for 3 years with an interest rate of 6.58% per annum subject to changes by AFREXIM from time to time.
The loan is secured with legal mortgage on the factory buildings, all assets debentures on fixed and floating assets of the company including the personal guarantee of the company's executive vice chairman Mr. Dimeji Owofemi for the full amount of the facility. The Afrexim loan has a carrying amount of ₦ 621,386,156 (April 2012 ₦ 620,800,000; 1st May 2011: ₦ 1,065,862,000).
- iii) Nigerian Export Import Bank Loan
NEXIM Bank loan of ₦470,043,379 was granted to the company through a debt restructuring arrangement to consolidate short and medium term direct lending facility earlier granted to the company .
The duration of the loan is for 3 years (6 equal and consecutive semi-annual installment payments) with an interest rate of 14% per annum. The loan is secured with a lien on raw materials to be purchased by the company, corporate guarantee of the company and the assignment of Export Expansion Grant due to the company to NEXIM. The Nexim loan has a carrying amount of ₦ 468,277,148 (April 2012 ₦ 470,043,379; 1st May 2011: ₦ 470,043,379).
- iv) FBN Bank (UK) Limited Loan
This is a short term loan and represents a drawdown of \$5,000,000 one year "uncommitted" revolving collaterally managed stock finance facility utilized to finance the purchase of cocoa beans in warehouse for processing into cocoa butter, cake and powder. The interest rate on the loan is USD Libor + 8% per annum and repayable within 150 days from the date of drawdown. The loan has a carrying value of ₦ 617,527,801 (April 2012 ₦ 123,898,464; 1st May 2011: Nil)
- v) AMCON loan
Asset Management Corporation of Nigeria loan represents Skye Bank Plc loan sold to Asset Management Corporation of Nigeria on 24 March 2011 and restructured into a 9 year term loan at an interest rate of 15% per annum effective from 28 August 2012. The effective date for interest and principal repayments shall commence from 31st May 2013 after the expiration of the moratorium period. The loan has a carrying value of ₦ 2,521,566,000 (April 2012 ₦ 2,521,566,000; 1st May 2011: Nil)

Principal terms and the debt repayment schedule of the company's loans and borrowings are as follows as:

	Currency	Nominal rate %	Year of maturity
Afrexim bank	Naira	6.58	2011
Nexim bank	Naira	14	2013
FBN (UK) Limited	Naira	11	2013
Amcon	Naira	15	2019

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS – Continued

Fair values

Set out below is a comparison by class of the carrying amounts and fair values of the company's financial instruments that are carried in the financial statements.

	Carrying amount			Fair value		
	As at 30th April 2013	30th April 2012	As at 1st May 2011	As at 30th April 2013	30th April 2012	As at 1st May 2011
Financial assets	N'000	N'000	N'000	N'000	N'000	N'000
Trade and other receivables	3,260,259	4,082,041	3,889,856	3,260,259	4,082,041	3,889,856
Cash and short-term deposits	1,064,261	238,909	1,103,790	1,064,261	238,909	1,103,790
	-----	-----	-----	-----	-----	-----
Total	4,324,520	4,320,950	4,993,646	4,324,520	4,320,950	4,993,646
	=====	=====	=====	=====	=====	=====
Financial liabilities						
15% redeemable preference shares of N1 each	4,500,000	4,500,000	-	4,500,000	4,500,000	-
Trade and other payables	2,698,315	744,808	517,879	2,698,315	744,808	517,879
Bank Overdraft	3,317,039	3,225,860	1,710,337	3,317,039	3,225,860	1,710,337
Afrexim	621,386	620,800	1,065,862	621,386	620,800	1,065,862
Nexim	468,277	470,043	470,043	468,277	468,671	455,605
FBN (UK) Limited	617,528	123,898	-	617,528	123,898	-
GTB	-	-	3,000			3,000
Skye Bank Plc	-	-	-	-	-	8,231,844
Amcon	2,521,566	2,521,566	2,521,566	2,041,525	2,041,525	-
	-----	-----	-----	-----	-----	-----
Total	14,744,111	12,206,975	6,288,687	14,264,070	11,725,562	11,984,527
	=====	=====	=====	=====	=====	=====

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Cash and cash equivalent, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Long-term fixed-rate and variable-rate borrowings and/or receivable are evaluated by the Company based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. As at 30th April 2013, the carrying amounts of such receivables, net of allowances, are not materially different from their calculated fair values.

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

	2013 N'000	2012 N'000	1st May 2011 N'000
20. Government grants			
At 1st May	480,041	-	-
Received during the year	-	480,041	-
Released to the income statement	(65,403)	-	-
	-----	-----	-----
At 30th April	414,638	480,041	-
	=====	=====	=====
Current	65,403	65,403	-
Non current	349,235	414,638	-
	-----	-----	-----
	414,638	480,041	-
	=====	=====	=====

Government grants have been recognised on the Skye bank loan taken over and restructured by Asset Management Corporation of Nigeria.

21. Employee benefits liability

The Company has a defined benefit gratuity scheme, which is non-contributory and is classified as other employment benefits in line with IAS 19. The obligation, service cost and actuarial gain/ (loss) are based on actuarial valuation performed by TAF Consulting Nigeria Limited.

	2013 N'000	2012 N'000	1st May 2011 N'000
Net benefit expenses recognised in profit or loss			
Current service cost	19,689	11,779	9,050
Interest cost on net benefit obligation	19,085	11,323	7,313
Recognised in other comprehensive income			
Actuarial (gain)/ loss on obligation	(10,399)	42,640	2,016
	-----	-----	-----
Net Benefit expense	28,375	65,742	18,379
	=====	=====	=====
Benefit asset/ (liability)			
Defined benefit obligation	163,974	146,811	87,102
Unrecognised past service cost	-	-	-
	-----	-----	-----
Benefit liability	163,974	146,811	87,102
	=====	=====	=====

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

	2013 N'000	2012 N'000	1st May 2011 N'000
21. Employee benefits liability - Continued			
Changes in the present value of defined Benefit obligation are as follows:			
Defined benefit obligation at 1st May	146,811	87,102	68,912
Interest cost	19,085	11,323	7,313
Current service cost	19,689	11,778	9,050
Benefit paid	(11,212)	(6,033)	(189)
Actuarial (gain)/ loss on obligation	(10,399)	42,641	2,016
	-----	-----	-----
Defined benefit obligation at 30th April	163,974	146,811	87,102
	=====	=====	=====

The discount rate is determined on the Company's reporting date by reference to market yield on high quality government bonds. The discount rate reflects the estimated timing of the benefits payment. The estimated timing of the benefit payments is achieved by applying a single weighted average discount rate that reflects the estimated timing and amount of benefit paymants.

	2013 %	2012 %	1st May 2011 %
Discount rate (p.a)	13	13	13
Average pay increase (p.a)	11	11	11
Withdrawal from service (age band)	%	%	%
Less than or equal to 29	4.5	4.5	4.5
30 - 44	6	6	6
45 - 50	5	5	5
51 - 60	2	2	2

	2013 N'000	2012 N'000	1st May 2011 N'000
22. Trade and other payables			
Trade creditors	1,052,553	341,408	228,883
Other payables	197,010	149,134	71,382
Interest payables	1,415,073	242,064	207,911
Accruals	33,679	12,202	9,703
	-----	-----	-----
	2,698,315	744,808	517,879
	=====	=====	=====

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 30days. For most suppliers no interest is charged on trade payables. The company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS – Continued

23. RECONCILIATION OF NET LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2013 ₦'000	2012 ₦'000
Loss after taxation	(3,009,383)	(1,290,388)
Adjustments to reconcile net loss to net cash provided:		
Depreciation	400,506	376,740
Loss on fixed assets disposed	-	164
Interest paid	1,430,121	730,078
Armortisation of intangible assets	310	-
Changes in assets and liabilities:		
Decrease/ (Increase) in inventories	158,964	(1,158,449)
Decrease/ (Increase) in Trade receivables	821,782	(192,185)
Decrease/(Increase) in prepayments	515	(6,990)
Decrease in deferred costs	13,074	26,760
Increase in trade and other payables	1,953,504	226,929
(Decrease)/ Increase in government grants	(65,403)	480,041
Increase in employee liability	17,163	59,709
Increase in income tax payable	31,409	4,425
Net cash provided/ (utilized) by operating activities	1,752,562 =====	(743,166) =====

24. Going concern

The Company incurred a net loss of ₦3.009 billion (2012: ₦1.290 billion) for the year ended 30th April 2013 and as at that date, the Company has a negative working capital of ₦2.119 billion (2012: ₦929 million). These conditions indicate the existence of material uncertainty which may cast doubt on the Company's ability to continue as a going concern and, therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

25. Segment information

For management purposes, the Company is organised into export and domestic marketing business units, so there are no distinctly identifiable reportable segments and no other geographical location except Lagos for the purpose of segment reporting disclosure in line with IFRS 8. The company only reports product performance at revenue level. Financing and Income taxes are reported company wide. The Executive management committee monitors the operating results of the whole business for the purpose of making decisions about resource allocation and performance assessment.

The summary below shows the revenue information made available to the Executive management committee:

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS - Continued

24. Segment information - Continued

30th April 2012

Business segment	Export sales N'000	Local sales N'000
Total revenue for reportable segments	2,340,731	923,906
Cost of sales	(2,329,310)	(604,319)
	-----	-----
Gross profit	11,421	319,587
	=====	=====

30th April 2013

Business segment	Export sales N'000	Local sales N'000
Total revenue for reportable segments	1,259,451	175,235
Cost of sales	(1,905,798)	(402,987)
	-----	-----
Gross profit	(646,347)	(227,752)
	=====	=====

26. Related Party Disclosure IAS 24

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one party controls both. The definition includes key management personnel of the Company.

The key management personnel, and persons connected with them, are also considered to be related parties. The definition of key management includes the close members of family of key personnel and any entity over which key management exercise control. The key management personnel have been identified as the executive and non executive directors of the Company. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with the Company.

	2013 N'000	2012 N'000	1st May 2011 N'000
Compensation of key management personnel			
Directors			
Salaries	70,346	70,346	53,164
Sittings allowance	1,010	2,350	1,445
	-----	-----	-----
Total compensation of key management personnel	71,356	72,696	54,609
	=====	=====	=====
Chairman	1,500	750	750
	=====	=====	=====
Highest paid Director	31,244	33,678	27,650
	=====	=====	=====

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS – Continued

27. Information relating to Employees

- (i) The average number of persons employed in the financial period and the staff cost were as follows:

	2013 Number	2012 Number	1st May 2011 Number
Management	16	16	13
Junior management	15	19	17
Non- management	190	187	156
	----	----	----
	221	222	186
	===	===	===

	2013 N000	2012 N000	1st May 2011 N000
Salaries and wages	375,957	354,296	229,427
	=====	=====	=====

- (ii) Number of employees in respect of emoluments excluding allowances within the following ranges were:

	2013 Number	2012 Number	1st May 2011 Number
N			
Under 500,000	165	45	79
500,001 – 1,000,000	25	98	45
1,000,001 – 1,500,000	17	28	18
1,500,001 – 2,000,000	2	2	10
2,000,001 – 2,500,000	2	13	4
2,500,001-3,000,000	2	1	2
3,000,001–3,500,000	-	-	4
Over 3,500,000	8	8	5
	----	----	----
	221	195	167
	===	===	===

(iii) Staff Numbers

The average number of persons employed by the company during the period was as follows:

	2013 Number	2012 Number	1st May 2011 Number
Production	131	117	114
Finance and administration	90	78	53
	----	----	----
	221	195	167
	===	===	===

MULTI-TREX INTEGRATED FOODS PLC

NOTES TO THE FINANCIAL STATEMENTS – Continued

29. Litigation and claims

There are no contingent liabilities as at 30th April 2013 (2012: Nil)

30. Capital commitments

There were no capital commitments as at 30th April 2013 (2012: Nil)

31. Events after reporting period

The directors are of the opinion that there were no events after the reporting date that could have material effect on the financial statements of the company that had not been adequately provided for or disclosed in these financial statements.

32. Approval of financial statements

The Board of Directors approved these financial statements on

MULTI-TREX INTEGRATED FOODS PLC

VALUE ADDED STATEMENT

	2013 N'000		2012 N'000	
Turnover	1,434,686		3,264,637	
Cost of goods and other services:				
Local component	(2,310,337)		(3,029,866)	
	-----		-----	
	(875,651)		234,771	
Non- trading items – Finance income	2,829		4,843	
Non- trading items – Other income	106,802		24,857	
	-----		-----	
Value (consumed)/ added	(766,020)		264,471	
	=====		=====	
Applied as follows:				
		%		%
To employees:				
- as salaries and labour related expenses	375,957	(49)	354,296	134
To external providers of capital:				
- as interest	1,430,121	(187)	730,078	276
To Government:				
- as export levies	6,141	(1)	18,223	7
- as company taxes	40,727	(5)	32,881	12
Retained for the company's future:				
- for asset replacement (Depreciation)	400,506	(52)	376,740	142
- for amortization of intangible assets	310	-	-	-
- loss for the year	(3,019,782)	394	(1,247,747)	(472)
	-----	----	-----	----
	(766,020)	100	264,471	100
	=====	===	=====	===

The value (consumed)/added represents the wealth (utilized)/ created through the use of the Company's assets by its own and its employees' efforts. This statement shows the allocation of (loss)/ wealth amongst employees, capital providers, government, and that retained for future creation of wealth.

MULTI-TREX INTEGRATED FOODS PLC

FIVE-YEAR FINANCIAL SUMMARY

	← 2013 N'000	IFRS 2012 N'000	← 2011 N'000	NGAAP 2010 N'000	→ 2009 N'000
CAPITAL EMPLOYED:					
Share capital	2,438,170	2,438,170	1,861,247	1,861,247	1,861,218
Share premium	2,363,500	2,363,500	1,440,423	634,035	1,557,926
Asset revaluation reserve	-	-	3,559,671	142,075	143,237
Revenue reserve	(1,581,382)	1,428,001	(612,504)	224,863	(924,034)
	-----	-----	-----	-----	-----
	3,220,288	6,229,671	6,248,837	2,862,220	2,638,347
	=====	=====	=====	=====	=====
ASSETS AND LIABILITIES:					
Property, plant and equipment	12,208,530	12,526,945	12,499,191	8,819,550	5,857,605
Intangible asset	775	1,085	-	-	-
Investments	-	-	73,150	19,715	79,480
Deferred charges	-	-	82,965	115,595	140,699
Net current liabilities/ assets	(2,119,699)	929,486	(1,161,403)	(5,347,604)	(2,345,514)
Interest bearing loans	(6,308,207)	(6,618,494)	(5,197,164)	(743,936)	(1,093,923)
Government grants	(349,235)	(414,638)	-	-	-
Employee benefit liability	(163,974)	(146,811)	-	-	-
Deferred taxation	(47,902)	(47,902)	(47,902)	(1,100)	-
	-----	-----	-----	-----	-----
	3,220,288	6,229,671	6,248,837	2,862,220	2,638,347
	=====	=====	=====	=====	=====
Turnover	1,434,686	3,264,637	6,736,109	3,105,327	1,627,684
	=====	=====	=====	=====	=====
Loss/ profit before taxation	(2,979,055)	(1,214,866)	158,661	227,924	(347,050)
Taxation	(40,727)	(32,881)	(90,722)	(3,061)	(634)
Loss/ profit after taxation	(3,019,782)	(1,247,747)	67,939	224,863	(347,684)
Basic loss per share (N)	(0.62)	(0.26)	0.02	0.06	(0.09)

Disclosure on non-IFRS comparative information

1. The Property, plant and equipment under the NGAAP would have complied with IFRS if the useful lives and residual values of the assets were re-estimated. The assets under NGAAP were stated and measured at cost or revalued amount less accumulated depreciation.
2. Under the NGAAP, there was no intangible asset because this was classified as fixed asset; this was measured at cost less accumulated depreciation.
3. Interest bearing loans under the NGAAP were not carried at amortised cost because this was not a requirement. It was recognised and measured at the carrying amount of the loan using the contractual interest rate.
4. Under the NGAAP government grant was not recognised. Upon recognition under IFRS, the benefit of the below-market rate of interest was measured as the difference between the initial carrying value of the loan and proceed received. These grants are recognised in the profit or loss on a systematic basis over the tenor of the loan.