

FOCOL HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF OCTOBER 31, 2014**

	31-Oct-14	31-Oct-13	31-Jul-14
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	17,759,812	13,124,113	11,880,686
Accounts receivable, net	29,741,329	20,210,517	24,447,458
Note receivable	-	120,846	23,013
Inventories	20,885,437	33,170,326	37,269,605
Investments	255,000	274,000	255,000
Prepaid expenses and sundry assets	3,552,279	2,538,718	3,934,000
Total current assets	<u>72,193,857</u>	<u>69,438,520</u>	<u>77,809,762</u>
NON-CURRENT ASSETS:			
Property, plant and equipment, net	78,723,745	76,551,654	77,970,929
Goodwill and intangible assets	14,938,568	14,938,568	14,938,568
Investment in associate	10,183,638	6,696,449	7,381,838
Due from associate	-	58,139	71,539
Total non-current assets	<u>103,845,951</u>	<u>98,244,810</u>	<u>100,362,874</u>
TOTAL ASSETS	<u><u>176,039,808</u></u>	<u><u>167,683,330</u></u>	<u><u>178,172,636</u></u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Bank overdraft	1,545,526	5,758,916	7,925,437
Accounts payable and accrued liabilities	34,798,235	30,822,431	40,125,413
Dividends payable	2,382,021	2,382,027	1,701,444
Current portion of long-term debt	385,685	362,760	379,794
NON-CURRENT LIABILITIES:	<u>39,111,467</u>	<u>39,326,134</u>	<u>50,132,088</u>
Long term debt	11,728,198	4,113,870	3,826,565
Total liabilities	<u>50,839,665</u>	<u>43,440,004</u>	<u>53,958,653</u>
SHAREHOLDERS' EQUITY:			
Share capital	85,072	85,072	85,072
Preference shares	500,000	500,000	500,000
Contributed capital	54,729,450	54,729,450	54,729,450
Revaluation surplus	1,194,689	1,221,039	1,194,689
Retained earnings	68,690,932	67,707,765	67,704,772
Total equity	<u>125,200,143</u>	<u>124,243,326</u>	<u>124,213,983</u>
TOTAL LIABILITIES AND EQUITY	<u><u>176,039,808</u></u>	<u><u>167,683,330</u></u>	<u><u>178,172,636</u></u>

FOCOL HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
THREE MONTHS ENDED OCTOBER 31, 2014**

	31-Oct-14	31-Oct-13	31-Jul-14
REVENUES	95,114,811	90,286,816	380,108,510
COST OF SALES	<u>(79,489,882)</u>	<u>(77,116,247)</u>	<u>(325,537,268)</u>
Gross profit	15,624,929	13,170,569	54,571,242
Equity income	251,800	260,858	946,246
Other income	2,066	2,113	12,930
Marketing, administrative and general expenses	(10,741,518)	(9,514,846)	(40,438,938)
Depreciation and amortization	(1,122,593)	(936,472)	(3,718,125)
Finance costs	(199,018)	(144,135)	(678,760)
Unrealized gain (loss) on investments	<u>-</u>	<u>(1,000)</u>	<u>(20,000)</u>
NET AND COMPREHENSIVE INCOME	3,815,666	2,837,087	10,674,595

FOCOL HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
THREE MONTHS ENDED OCTOBER 31, 2014**

	31-Oct-14	31-Oct-13	31-Jul-14
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	3,815,666	2,837,087	10,674,595
Adjustments for:			
Depreciation	1,122,593	936,472	3,718,125
Equity income from associate	(251,800)	(260,858)	(946,246)
Unrealized (gain) loss on investments	-	1,000	20,000
Loss (gain) on disposals of property, plant and equipment	-	-	557,518
Income from operations before working capital changes	4,686,459	3,513,701	14,023,992
(Increase) Decrease in accounts receivable, net	(5,253,856)	2,830,027	(1,406,928)
Decrease (Increase) in prepaid expenses and deposits	381,721	330,898	(1,082,780)
(Increase) Decrease in inventories	16,384,168	2,602,956	(1,496,323)
Increase (Decrease) in accounts payable and accrued expenses	(5,327,178)	(9,885,777)	(582,795)
Increase (Decrease) in dividends payable	680,577	680,578	-
Net cash from operating activities	11,551,891	72,383	9,455,166
CASH FLOWS FROM INVESTING ACTIVITIES:			
(Increase) in investment in of subsidiaries	(2,550,000)	-	-
(Increase) Decrease in due to associate	71,539	-	(13,400)
(Increase) Decrease in notes receivable	23,013	29,341	127,174
Purchase of property, plant and equipment	(1,875,409)	(1,073,620)	(5,813,670)
Net cash used in investing activities	(4,330,857)	(1,044,279)	(5,699,896)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Common share dividends paid	(2,382,021)	(2,382,021)	(7,486,364)
Repayment of long-term debt	(92,476)	(86,950)	(357,221)
Increase in long-term debt	8,000,000	-	-
Preference dividends	(487,500)	(487,500)	(3,250,000)
Net cash used in financing activities	5,038,003	(2,956,471)	(11,093,585)
NET DECREASE IN CASH	12,259,037	(3,928,367)	(7,338,315)
CASH, BEGINNING OF YEAR	3,955,249	11,293,564	11,293,564
CASH, END OF YEAR	16,214,286	7,365,197	3,955,249
CASH AND CASH EQUIVALENTS IS COMPRISED OF THE FOLLOWING:			
Cash and bank balances	17,759,812	13,124,113	11,880,686
Bank overdraft	(1,545,526)	(5,758,916)	(7,925,437)
	16,214,286	7,365,197	3,955,249
SUPPLEMENTAL INFORMATION :			
Interest paid on bank overdraft and loans	199,018	144,135	678,760
Interest received	2,066	2,113	12,930
Dividends received	-	-	-