

**PRODUCE BUYING COMPANY LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2005**

	NOTES	2005 ¢'million	2004 ¢'million
TURNOVER		<u>2,304,175</u>	<u>2,296,821</u>
COST OF SALES		<u>(2,077,311)</u>	<u>(2,040,198)</u>
GROSS PROFIT		<u>226,864</u>	<u>256,623</u>
DIRECT OPERATING EXPENSES	2	(226,528)	(164,625)
ADMIN. & GENERAL EXPENSES	3	<u>(51,465)</u>	<u>(48,260)</u>
TOTAL EXPENSES		<u>(277,993)</u>	<u>(212,885)</u>
OPERATING (LOSS)/PROFIT		(51,129)	43,738
OTHER INCOME	4	<u>20,347</u>	<u>13,450</u>
NET (LOSS)/PROFIT BEFORE TAXATION		(30,782)	57,188
NATIONAL RECONSTRUCTION LEVY	5	<u>0</u>	<u>(1,430)</u>
		(30,782)	55,758
TAXATION	6	<u>(373)</u>	<u>(17,625)</u>
NET (LOSS)/PROFIT AFTER TAX TRANSFERRED TO INCOME SURPLUS ACCOUNT		<u><u>(31,155)</u></u>	<u><u>38,133</u></u>

**INCOME SURPLUS ACCOUNT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2005**

BALANCE AT 1 OCTOBER		35,869	10,708
NET (LOSS)/PROFIT FOR THE YEAR		<u>(31,155)</u>	<u>38,133</u>
		4,714	48,841
TRANSFER TO SHARE DEALS ACCOUNT	18	(150)	(1,000)
PROPOSED DIVIDEND	16	<u>0</u>	<u>(11,972)</u>
BALANCE AT 30 SEPTEMBER		<u><u>4,564</u></u>	<u><u>35,869</u></u>

**PRODUCE BUYING COMPANY LIMITED**  
**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2005**

	NOTES	2005 ¢'million	2004 ¢'million
<b>FIXED ASSETS</b>	<b>7</b>	<b>30,934</b>	33,360
<b>LONG TERM INVESTMENT</b>	<b>8</b>	<u>250</u>	<u>250</u>
		<u><b>31,184</b></u>	<u>33,610</u>
 <b>CURRENT ASSETS</b>			
Stocks	9	151,591	196,616
Accounts Receivable	10	109,568	70,812
Short Term Investments	11	1,620	3,250
Bank and Cash Balances	12	<u>8,283</u>	<u>12,259</u>
		<u><b>271,062</b></u>	<u>282,937</u>
 <b>CURRENT LIABILITIES</b>			
Bank Overdraft	13	126,062	125,880
Accounts Payable	14	14,680	22,265
Seed Fund Loan		105,762	56,124
Current Portion–Medium Term Loan	15	0	4,148
National Reconstruction Levy	5	865	865
Taxation	6	1,146	10,024
Dividend	16	<u>3</u>	<u>11,972</u>
		<u><b>248,518</b></u>	<u>231,278</u>
<b>NET CURRENT ASSETS</b>		<u><b>22,544</b></u>	<u>51,659</u>
<b>NET ASSETS</b>		<u><b>53,728</b></u>	<u>85,269</u>
 <b>REPRESENTED BY</b>			
Stated Capital	17	49,144	49,144
Share Deals Account	18	20	256
Income Surplus Account		<u>4,564</u>	<u>35,869</u>
		<u><b>53,728</b></u>	<u>85,269</u>

Approved by the Board on .....2005

.....Director

.....Director

**PRODUCE BUYING COMPANY LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2005**

	2005 ¢'million	2004 ¢'million
<b>Cash flows from operating activities</b>		
<b>Operating (Loss)/Profit</b>	<b>(30,782)</b>	57,188
<u>Adjustment for:</u>		
Depreciation	8,475	7,947
Profit on Sale of Fixed Assets	(362)	0
Interest Received	(1,136)	(1,492)
Interest Paid	81,167	61,183
	<u>88,144</u>	<u>67,638</u>
<b>Operating Profit Before Working Capital Changes</b>	<b>57,362</b>	124,826
Decrease in Stocks	45,025	(156,611)
(Increase) in Accounts Receivable	(38,756)	(57,839)
Increase in Accounts Payable	(7,585)	8,184
<b>Cash generated from operations</b>	<b>56,046</b>	(81,440)
Tax Paid	(9,251)	(18,480)
Reconstruction Levy Paid	0	(1,437)
	<u>(9,251)</u>	<u>(19,917)</u>
<b>Cash flows from Investing activities</b>		
Interest Received	1,136	1,492
Interest Paid	(81,167)	(61,183)
Receipts from Fixed Assets	362	0
Payments to acquire fixed assets	(6,049)	(10,148)
	<u>(85,718)</u>	<u>(69,839)</u>
<b>Net Cash used in Investing Activities</b>	<b>(85,718)</b>	(69,839)
<b>Cash flows from Financing Activities</b>		
Payment of Dividend	(11,969)	(7,187)
Purchase of Shares	(386)	(935)
Seed Fund Loan	49,638	56,124
Medium Term Loan	(4,148)	(4,148)
<b>Net Cash used in Financing Activities</b>	<b>33,135</b>	43,854
<b>Net Increase in Cash and Cash equivalents</b>	<b>(5,788)</b>	(127,342)
<b>Cash and Cash equivalents at beginning of period</b>	<b>(110,371)</b>	16,971
<b>Cash and Cash equivalents at end of period</b>	<b>(116,159)</b>	(110,371)

**Analysis of changes in cash  
and cash equivalents.**

	At 1 Oct. 2004 ¢'million	Cash Flows ¢'million	At 30 Sept. 2005 ¢'million
Cash in Hand and at Bank	12,259	(3,976)	8,283
Overdrafts	(125,880)	(182)	(126,062)
Treasury Bills/Call Deposits	3,250	(1,630)	1,620
	<u>(110,371)</u>	<u>(5,788)</u>	<u>(116,159)</u>