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**General Trading and Food Processing
Company B.S.C.**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

30 SEPTEMBER 2011 (UNAUDITED)

REPORT ON THE REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF GENERAL TRADING AND FOOD PROCESSING COMPANY B.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of General Trading and Food Processing Company B.S.C. ('the Company') and its subsidiaries ('the Group') as at 30 September 2011, comprising of the interim consolidated statement of financial position as at 30 September 2011 and the related interim consolidated statements of income, comprehensive income, cash flows and changes in equity for the nine-month period then ended and explanatory notes. The Company's Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting" ('IAS 34'). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

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

Conclusion

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



12 November 2011
Manama, Kingdom of Bahrain

General Trading and Food Processing Company B.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2011

	Notes	Unaudited 30 September 2011 BD	Audited 31 December 2010 BD
ASSETS			
Non-current assets			
Property, plant and equipment		10,127,310	10,521,872
Intangible assets		10,107	16,799
Investments in associates		1,937,931	1,648,579
Available-for-sale investments		9,161,991	9,120,717
		21,237,339	21,307,967
Current assets			
Inventories		11,851,225	8,024,150
Trade and other receivables		9,532,981	8,553,764
Bank balances and cash		1,073,383	576,049
		22,457,589	17,153,963
TOTAL ASSETS		43,694,928	38,461,930
EQUITY AND LIABILITIES			
Equity			
Share capital	5	8,067,505	8,067,505
Treasury shares	6	(560,224)	(560,224)
Reserves		13,829,709	12,907,107
Equity attributable to equity holders of the parent		21,336,990	20,414,388
Non-controlling interests		1,466,986	1,397,304
Total equity		22,803,976	21,811,692
Non-current liabilities			
Term loans		1,047,587	946,583
Loans from non-controlling interests		627,000	627,000
Employees' end of service benefits		980,518	965,361
		2,655,105	2,538,944
Current liabilities			
Trade and other payables		6,842,322	5,672,986
Bank overdrafts		4,991,026	3,433,980
Term loans		1,216,624	1,173,185
Import loans		5,185,875	3,831,143
		18,235,847	14,111,294
Total liabilities		20,890,952	16,650,238
TOTAL EQUITY AND LIABILITIES		43,694,928	38,461,930

Ebrahim Mohamed Ali Zainal
Chairman

Dr Esam Abdulla Fakhro
Director & Executive Committee Member

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements.

General Trading and Food Processing Company B.S.C.

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the period ended 30 September 2011 (Unaudited)

	Note	Three-month period ended 30 September		Nine-month period ended 30 September	
		2011 BD	2010 BD	2011 BD	2010 BD
Sales		10,107,015	9,303,061	30,096,548	27,984,143
Cost of sales		(8,415,546)	(7,512,601)	(24,362,532)	(22,289,749)
GROSS PROFIT		1,691,469	1,790,460	5,734,016	5,694,394
Storage income		63,978	12,356	190,343	21,252
Other operating income		81,715	47,739	177,905	151,965
Selling and distribution expenses		(323,827)	(381,342)	(1,142,130)	(1,231,442)
General and administrative expenses		(337,009)	(266,741)	(853,225)	(864,326)
Personnel costs		(744,424)	(815,651)	(2,327,535)	(2,396,673)
Depreciation and amortisation		(111,889)	(100,551)	(334,368)	(315,360)
Direct operating costs - warehouse		(86,701)	(77,596)	(250,421)	(107,996)
PROFIT FROM OPERATIONS		233,312	208,674	1,194,585	951,814
Investment income (net)		157,632	211,223	683,016	827,495
Finance costs		(125,919)	(121,643)	(360,735)	(354,189)
Share of results of associates		180,519	(6,553)	448,919	14,585
Exchange gains		26,472	22,521	71,337	16,029
PROFIT OF THE GROUP FOR THE PERIOD BEFORE IMPAIRMENT OF AVAILABLE-FOR-SALE INVESTMENTS		472,016	314,222	2,037,122	1,455,734
Impairment of available-for-sale investments		-	-	(71,321)	(31,630)
PROFIT OF THE GROUP FOR THE PERIOD		472,016	314,222	1,965,801	1,424,104
of which attributable to non-controlling interests		4,655	(15,753)	(82,506)	(261,776)
PROFIT FOR THE PERIOD ATTRIBUTABLE TO TRAFCO EQUITY SHAREHOLDERS		476,671	298,469	1,883,295	1,162,328
BASIC AND DILUTED EARNINGS PER SHARE (in fils)	8	6	4	24	15

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements.

General Trading and Food Processing Company B.S.C.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 September 2011 (Unaudited)

	<i>Three-month period ended 30 September</i>		<i>Nine-month period ended 30 September</i>	
	2011	2010	2011	2010
	BD	BD	BD	BD
PROFIT OF THE GROUP FOR THE PERIOD	472,016	314,222	1,965,801	1,424,104
Other comprehensive (loss) income				
Realised gain included in the interim consolidated statement of income upon disposal of available-for-sale investments (net)	-	(119,138)	(40,786)	(252,057)
Changes in fair value of available-for-sale investments	916,763	222,880	375,774	271,889
Changes in fair value of associates' available-for-sale investments	(17,674)	19,342	(31,791)	18,723
Foreign currency translation adjustment (net)	(11,461)	42,431	(26,171)	4,649
Other comprehensive income for the period	887,628	165,515	277,026	43,204
TOTAL COMPREHENSIVE INCOME OF THE GROUP FOR THE PERIOD	1,359,644	479,737	2,242,827	1,467,308
of which attributable to non-controlling interests	10,271	(36,544)	(69,682)	(264,054)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO TRAFICO EQUITY SHAREHOLDERS	1,369,915	443,193	2,173,145	1,203,254

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements.

General Trading and Food Processing Company B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 September 2011 (Unaudited)

	<i>Nine-month period ended 30 September</i>	
	2011	2010
	BD	BD
OPERATING ACTIVITIES		
Profit of the Group for the period	1,965,801	1,424,104
Adjustments for:		
Depreciation and amortisation	804,417	697,670
Provision for employees' end of service benefits	112,577	136,341
Finance costs	360,735	354,189
Gain on disposal of property, plant and equipment	(2,293)	(3,546)
Investment income (net)	(683,016)	(827,495)
Share of results of associates	(448,919)	(14,585)
Impairment of available-for-sale investments	71,321	31,630
Operating profit before working capital changes	2,180,623	1,798,308
Working capital changes:		
Inventories	(3,827,075)	(1,316,281)
Trade and other receivables	(889,217)	760,408
Trade and other payables	1,323,529	309,101
Net cash (used in) generated from operations	(1,212,140)	1,551,536
Finance costs paid	(360,612)	(368,902)
Directors' remuneration paid	(90,000)	(90,000)
Employees' end of service benefits paid	(97,420)	(112,441)
Foreign currency translation adjustment (net)	(26,171)	4,649
Net cash (used in) from operating activities	(1,786,343)	984,842
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(694,378)	(920,957)
Purchase of available-for-sale investments	-	(146,884)
Proceeds from disposal of available-for-sale investments	261,297	568,458
Proceeds from disposal of property, plant and equipment	57,642	19,744
Dividends received	644,112	580,392
Dividends received from associates	127,776	-
Net cash from investing activities	396,449	100,753
FINANCING ACTIVITIES		
Dividends paid	(1,168,993)	(1,218,926)
Term loan availed	1,000,000	1,000,000
Repayment of term loans	(855,557)	(1,447,184)
Movement in import loans (net)	1,354,732	(265,634)
Net cash from (used in) financing activities	330,182	(1,931,744)
DECREASE IN CASH AND CASH EQUIVALENTS	(1,059,712)	(846,149)
Cash and cash equivalents at 1 January	(2,857,931)	(3,905,467)
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	(3,917,643)	(4,751,616)

Non-cash transactions:

Unclaimed dividends pertaining to prior years amounting to BD 81,550 (2010 (Unaudited): BD 31,617) have been excluded from the movement of trade and other payables above.

General Trading and Food Processing Company B.S.C.
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended 30 September 2011 (Unaudited)

	Attributable to equity holders of the parent												
	Reserves											Non-controlling interests BD	
	Share capital BD	Treasury shares BD	Share premium BD	Statutory reserve BD	General reserve BD	Cumulative changes in fair value BD	Retained earnings - not distributable BD	Retained earnings - not distributable BD	Proposed appropriations BD	Total BD	Total shareholders' equity BD		
Balance at 1 January 2011	8,067,505	(560,224)	3,386,502	2,459,538	1,000,000	3,835,333	833,663	91,528	1,300,543	12,907,107	20,414,388	1,397,304	21,811,692
Profit for the period	-	-	-	-	-	-	1,883,295	-	-	1,883,295	1,883,295	82,506	1,965,801
Other comprehensive income (loss)	-	-	-	-	-	289,850	-	-	-	289,850	289,850	(12,824)	277,026
Total comprehensive income for the period	-	-	-	-	-	289,850	1,883,295	-	-	2,173,145	2,173,145	69,682	2,242,827
Dividends paid (note 7)	-	-	-	-	-	-	-	-	(1,250,543)	(1,250,543)	(1,250,543)	-	(1,250,543)
Transfer to general reserve	-	-	-	-	50,000	-	-	-	(50,000)	-	-	-	-
Balance at 30 September 2011	8,067,505	(560,224)	3,386,502	2,459,538	1,050,000	4,125,183	2,716,958	91,528	-	13,829,709	21,336,990	1,466,986	22,803,976
Balance at 1 January 2010	8,067,505	(560,224)	3,386,502	2,313,487	950,000	3,561,522	874,843	52,703	1,300,543	12,439,600	19,946,881	1,103,241	21,050,122
Profit for the period	-	-	-	-	-	-	1,162,328	-	-	1,162,328	1,162,328	261,776	1,424,104
Other comprehensive income	-	-	-	-	-	40,926	-	-	-	40,926	40,926	2,278	43,204
Total comprehensive income for the period	-	-	-	-	-	40,926	1,162,328	-	-	1,203,254	1,203,254	264,054	1,467,308
Dividends paid (note 7)	-	-	-	-	-	-	-	-	(1,250,543)	(1,250,543)	(1,250,543)	-	(1,250,543)
Transfer to general reserve	-	-	-	-	50,000	-	-	-	(50,000)	-	-	-	-
Balance at 30 September 2010	8,067,505	(560,224)	3,386,502	2,313,487	1,000,000	3,602,448	2,037,171	52,703	-	12,392,311	19,899,592	1,367,295	21,266,887

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements.