MEYER PLC
UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 1ST QUARTER ENDED
31 MARCH, 2023

DIRECTORS, ADVISORS AND REGISTERED OFFICE

Chairman of the Board	Mr Kayode Falowo
Directors	Mr David Onabajo (w.e.f Monday 20th March, 2023) Erelu Angela Adebayo Tony Uponi Mr. Oluwatoyin Okeowo Mrs Ochee Vivienne Bamgboye Mr Osa Osunde
Registered office	No 32 Billings way, Oregun Industrial Estate, Ikeja, Lagos
Company Secretary	Marriot Solicitors 15E, Muri Okunola Street Off Ajose Adeogun Street Victoria Island, Lagos
Company Registrar	Greenwich Registrars & Data Solutions Limited 274, Murtala Muhammed Way Alagomeji, Yaba Lagos
Major Bankers	Access Bank Plc First Bank of Nigeria Limited Zenith Bank Plc United Bank for Africa Plc Stanbic IBTC Bank Limited Guaranty Trust Bank Limited First City Monument Bank Limited Eco Bank Plc Providus Bank Limited Greenwich Merchant Bank Limited

MEYER PLC AND ITS SUBSIDIARY COMPANY
CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2023

		GROUP		COMPANY	
		2023	**2022**	**2023**	**2022**
	Notes	**N'000**	**N'000**	**N'000**	**N'000**
Revenue	9	533,661	341,804	533,661	341,804
Cost of sales	10	(356,472)	(252,075)	(356,472)	(252,075)
Gross profit		177,189	89,729	177,189	89,729
Other operating income	11	1,465	26,906	1,465	26,906
Selling and distribution expenses	12	(20,394)	(9,484)	(20,394)	(9,484)
Administrative expenses	13	(140,682)	(114,836)	(140,682)	(114,836)
Profit/(Loss) from operating activities		17,578	(7,685)	17,578	(7,685)
Finance income	14	39,679	15,177	39,679	15,177
Finance costs	14	(822)	(356)	(822)	(356)
Net finance income		38,857	14,821	38,857	14,821
Profit/(Loss)/before taxation	15	56,435	7,136	56,435	7,136
Taxation credit/(expense)	16(a)	(18,341)	(2,319)	(18,341)	(2,319)
Profit for the Period		38,093	4,817	38,093	4,817
Other comprehensive income:					
Items that will not be reclassified to profit or loss		-	-	-	-
Items that may be reclassified to profit or loss		-	-	-	-
Other comprehensive income for the period, net of tax		-	-	-	-
Total comprehensive profit for the period		38,093	4,817	38,093	4,817
Profit for the year attributable to:					
Owners of the parent		38,093	4,817	38,093	4,817
Non-controlling interest		(4)	(4)	-	-
Profit for the period		38,089	4,813	38,093	4,817
Total comprehensive profit attributable to:					
Owners of the parent		38,093	4,817	38,093	4,817
Non-controlling interest		(4)	(4)	-	-
Total comprehensive profit for the period		38,089	4,813	38,093	4,817
Basic earnings per share (kobo)	29	8	1	8	1
Diluted earnings per share (kobo)	29	8	1	8	1

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH, 2023

		GROUP		COMPANY	
	Notes	**2023**	**2022**	**2023**	**2022**
Non-current assets		**N'000**	**N'000**	**N'000**	**N'000**
Property, plant and equipment	17	283,307	278,819	283,307	278,817
Right of use assets	17(c)	33,093	44,094	33,093	44,094
Deferred tax assets	16(d)	-	-	-	-
Total Non-Current Assets		316,400	322,913	316,400	322,911
Current assets					
Inventory	19	125,098	134,392	125,098	134,392
Trade and other receivables	20	174,045	155,055	143,321	124,329
Cash and cash equivalents	21	1,494,945	1,326,225	1,494,762	1,326,042
		1,794,088	1,615,672	1,763,181	1,584,763
Total Assets		2,110,488	1,938,585	2,079,581	1,907,674
Current liabilities					
Borrowings	22(ii)	7,222	9,138	7,222	9,138
Trade and other payables	24	546,404	428,644	567,156	449,397
Taxation	16(b)	28,586	10,245	28,586	10,245
		582,212	448,027	602,964	468,780
Net current assets		**1,211,876**	**1,167,646**	**1,160,217**	**1,115,984**
Total assets less current liabilities		**1,528,276**	**1,490,559**	**1,476,616**	**1,438,895**
Non-current liabilities					
Borrowings	22(ii)	10,951	10,951	10,951	10,951
Dismantlement and restoration	25	11,650	11,650	11,650	11,650
Employment benefits	23	14,616	14,989	14,616	14,989
Deferred tax liabilities	16(d)	4,530	4,530	4,530	4,530
		41,747	42,120	41,747	42,120
Net assets		1,486,529	1,448,439	1,434,869	1,396,775
Equity					
Share capital	26	248,864	248,864	248,864	248,864
Share premium	27	53,173	53,173	53,173	53,173
Revenue reserve	28(i)	1,182,055	1,143,962	1,132,831	1,094,738
Non controlling interest	28(ii)	2,436	2,440	-	-
Total equity		1,486,529	1,448,439	1,434,869	1,396,775

The financial statements and notes to the financial statements were approved by the Board of directors on 27 April 2023 and signed on its behalf by:

Kayode Falowo	**Oluwatoyin Okeowo**	**Muibi Musa Adekunle**
Chairman	**Director**	**Ag. Chief Finance Officer**
FRC/2014/CISN/00000007051	**FRC/2013/IODN/00000002638**	**FRC/2014/ICAN/00000006447**

		GROUP		COMPANY	
	Notes	2023	2022	2023	2022
Cash flows from operating activities		N'000	N'000	N'000	N'000
Profit after taxation		38,093	393,613	38,093	393,617
Adjustment for:					
Depreciation of property, plant and equipment	17	3,068	10,849	3,066	10,849
Depreciation of Right of use assets	17 (c)	11,001	38,611	11,001	38,611
Provision for dismantlement and restoration	25	-	2,049	-	2,049
Finance income	14	(39,679)	(82,754)	(39,679)	(82,754)
Finance charges	14	822	1,990	822	1,990
Profit on disposal of property, plant and equipment	11(a)	-	(24,980)	-	(24,980)
Income tax (credit)/expense	16(a)	18,341	(410,852)	18,341	(410,852)
		31,646	(71,474)	31,644	(71,470)
(Increase)/decrease in inventory	19	9,294	(44,538)	9,294	-44,538
Decrease/(increase) in trade and other receivables	20	(18,990)	39,212	-18,992	33,313
Decrease in trade and other payables	24	117,755	(48,067)	117,759	(42,171)
Decrease in employee benefits	23(a)	(373)	(2,100)	(373)	(2,100)
Cash absorbed in operating activities		139,333	(126,967)	139,333	(126,966)
Tax paid	16(b)	-	(26,901)	-	(26,901)
Net cash outflow from operating activities		139,333	(153,868)	139,333	(153,867)
Cash flows from investing activities					
Additions to property, plant and equipment	17(a)	(7,555)	(14,036)	(7,555)	(14,036)
Additions to Right of use assets	17(c)	-	(21,570)	-	(21,570)
Finance income	14	39,679	82,754	39,679	82,754
Proceeds from disposal of property, plant and equipment		-	26,025	-	26,025
Net cash inflow from investing activities		32,124	73,173	32,124	73,173
Cash flows from financing activities					
Long term loan repaid	22(ii)	(1,915)	(4,801)	(1,915)	(4,801)
Borrowing	22(ii)	-	18,275	-	18,275
Dividend paid		-	-	-	-
Finance charges	14	(822)	(1,990)	(822)	(1,990)
Net cash inflow/(outflow)from financing activities		(2,736)	11,484	(2,737)	11,484
Net decrease in cash and cash equivalents		168,720	(69,211)	168,720	(69,210)
Cash and cash equivalents at the beginning of the period		1,326,225	1,395,436	1,326,042	1,395,252
Cash and cash equivalents at the end of the period		1,494,946	1,326,225	1,494,762	1,326,042
Cash and cash equivalents comprise:					
Cash at Bank and in hand	22	1,494,945	1,326,225	1,494,762	1,326,042

MEYER PLC AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 31 MARCH 2023

Group:	**Share capital N'000**	**Share premium N'000**	**Revenue reserve N'000**	**Non controlling interest N'000**	**Total equity N'000**
Balance at 1 January 2023	248,864	53,173	1,143,962	2,440	1,448,439
Comprehensive income for the period					
Profit for the period	-	-	38,093	(4)	38,089
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	38,093	(4)	38,089
Contributions by and distributions to owners :					
Issued share capital	-	-	-	-	-
Share premium	-	-	-	-	-
	-	-	-	-	-
Balance at 31 March 2023	248,864	53,173	1,182,055	2,436	1,486,528
	N'000	**N'000**	**N'000**	**N'000**	**N'000**
Balance at 1 January 2022	248,864	53,173	750,349	2,444	1,054,830
Comprehensive Income for the year					
Profit/(loss) for the year	-	-	393,613	(4)	393,609
Other comprehensive income	-	-	-	-	-
Total comprehensive profit for the year	-	-	393,613	(4)	393,609
Contributions by and distributions to owners:					
Share issue expenses	-	-	-	-	-
Share premium	-	-	-	-	-
Dividend Paid	-	-	-	-	-
	-	-	-	-	-
Balance at 31 December 2022	248,864	53,173	1,143,962	2,440	1,448,439

SEPERATE STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 MARCH 2023

Company:	**Share capital N'000**	**Share premium N'000**	**Retained earnings N'000**	**Total equity N'000**
Balance at 1 January 2023	248,864	53,173	1,094,738	1,396,775
Comprehensive income for the period				
Profit for the period	-	-	38,093	38,093
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	38,093	38,093
Contributions by and distributions to owners :				
Issued share capital	-	-	-	-
Share premium	-	-	-	-
Dividend paid	-	-	-	-
	-	-	-	-
Balance at 31 March 2023	248,864	53,173	1,132,831	1,434,868
	N'000	**N'000**	**N'000**	**N'000**
Balance at 1 January 2022	248,864	53,173	701,121	1,003,158
Comprehensive Income for the year				
Profit for the year	-	-	393,617	393,617
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	393,617	393,617
Contributions by and distributions to owners:				
Share issue expenses	-	-	-	-
Share premium	-	-	-	-
Dividend paid	-	-	-	-
	-	-	-	-
Balance at 31 December 2022	248,864	53,173	1,094,738	1,396,775

ACCOUNTS

The Directors are pleased to submit the interim Unaudited Financial Statements as at 31 March 2023.

LEGAL STATUS

The Company commenced operations in Nigeria in 1960 after it was incorporated as a private limited liability company. It was converted to a public company in 1979. The Company was listed on the Nigerian Stock Exchange in 1979.

PRINCIPAL ACTIVITIES

The principal activity of the Company is manufacturing and sale of paint products, coating, adhesives and flooring products.

Subsidiary	Principal Activities	Date of Incorporation	Percentage Holding
DNM Construction Limited	Building and Construction	20 July, 2007	96%

The financial results of the subsidiary have been consolidated in these financial statements.

DIVIDEND

The Directors have recommended no dividend for the period.

SHARE CAPITAL AND SHAREHOLDING

i. The Company did not purchase its own shares during the the period
ii. The Authorised share capital of the Company is 248,864,781 (2022:497,727,563) divided into 497,727,563 ordinary shares of 50 kobo each.
iii. The issued and paid up capital of the Company is N248,863,781.50 divided into 497,727,563 ordinary shares of 50 kobo each.

SUBSTANTIAL INTEREST IN SHARES

List of shareholding with 5% as at March 2023

S/N	NAMES	2023 SHAREHOLDING	%
1	Greenwich Capital Limited	156,419,326	31.43
2	Bosworth Investments & Service Limited	153,961,094	30.93
3	Mr. Osa Osunde	27,000,250	5.42
4	Mr. Kayode Falowo	25,170,582	5.06

No individual shareholder other than as stated above held more than 5% of the issued share capital of the Company as at 31 March 2023.

Interests of Directors in Shares of the Company

The interests of Directors in the issued shares of the company as stated in the Register of Members as at 31 March 2023 for the purposes of section 301 of the Companies and Allied Matters Act, 2020 are as follows :

S/N	Name of Director	Direct shareholding	Indirect shareholding	Direct shareholding	Indirect shareholding
		2023	2023	2022	2022
1	Kayode Falowo	25,170,582	Nil	25,170,582	Nil
2	Mr. Osa Osunde	27,000,250	Nil	27,000,250	Nil
3	Erelu Angela Adebayo	Nil	Nil	Nil	Nil
4	Mr. Tony Uponi	3,298,804	Nil	3,298,804	Nil
5	Mr. Oluwatoyin Okeowo	2,080,482	Nil	2,080,482	Nil
6	Mrs. Vivienne Ochee-Bamgboye	384,998	Nil	384,998	Nil
7	Mr. Rotimi Alashe	Nil	Nil	Nil	Nil

RESEARCH AND DEVELOPMENT

In order to maintain and enhance skills and abilities, the Company's policy of continuously researching into new products and services was maintained.

EMPLOYMENT AND EMPLOYEES

i) Employment of Physically Challenged persons
It is the policy of the Company that there is no discrimination in considering applications for employment including those from Physically Challenged persons. All employees whether or not Physically Challenged are given equal opportunities to develop their experience and knowledge and to qualify for promotion in furtherance of their careers. As at 31 March 2023 there was no Physically Challenged person in the employment of the Company.

ii) Health, safety at work and welfare of employees.
Health and safety regulations are in force within the premises of the Company. The Company provides transportation, housing, meal and medical subsidies to all employees.

iii) Employee involvement and training
The Company is committed to keeping employees fully informed regarding its performance and progress and seeking their views wherever practicable on matters which particularly affect them as employees. Management, professional and technical expertise are the Company's major assets and investments to develop such skills continue.

The Company's expanding skills base has been extended by the provision of training which has broadened opportunities for career development within the organisation. Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate.

COMPLIANCE WITH REGULATORY REQUIREMENTS

The Directors confirm to the best of their knowledge that the Company has substantially complied with the provisions of the Securities and Exchange Commission, Code of Corporate Governance and other regulatory requirements. The Directors further confirm that the Company has adopted the International Financial Reporting Standards (IFRS) and has complied substantially with the provisions thereof.

EFFECTIVENESS OF INTERNAL CONTROL SYSTEM

As the Company operates in a dynamic environment, it continuously monitors its internal control system to ensure its continued effectiveness. In doing this, the Company employs both high level and preventive controls which will ensure maximum opportunity for prevention of misleading or inaccurate financial statements, properly safeguard its assets and ensure achievement of its corporate goals while complying with relevant laws and regulations.

POST BALANCE SHEET EVENTS

There were no post balance sheet events that would have had an effect on these financial statements.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. Liquidity projections including available credit facilities are incorporated in the regular management information reviewed by Management. The focus of the liquidity review is on the net financing capacity, being free cash plus available credit facilities in relation to the financial liabilities. The following are the contractual maturities of financial liabilities:

As at 31 March 2023	Book value	Contractual cashflow	One year or less	1-5 years
	N'000	N'000	N'000	N'000
Borrowings	18,173	-	9,138	9,035
Trade and other payables	567,156	-	567,156	-
	585,329	-	576,294	9,035

As at 31 December 2022	Book value	Contractual cashflow	One year or less	1-5 years
	N'000	N'000	N'000	N'000
Borrowings	20,088	-	9,138	10,951
Trade and other payables	449,397	-	449,397	-
	469,485	-	458,535	10,951

Market risk

Market risk concerns the risk that Group income or the value of investments in financial instruments is adversely affected by changes in market prices, such as exchange rates and interest rates. The objective of managing market risks is to keep the market risk position within acceptable boundaries while achieving the best possible return.

Foreign exchange risk

The functional currency of the Group is the Nigerian naira.

Interest rate risk

The Group has fixed interest rate liabilities. In respect of controlling interest risks, the policy is that, in principle, interest rates for loans payable are primarily fixed for the entire maturity period. This is achieved by contracting loans that carry a fixed interest rate. The effective interest rates and the maturity term profiles of interest-bearing loans, deposits and cash and cash equivalents are stated below:

As at 31 March 2023	Effective interest	one year or less	1-5 years	Total
Cash and cash equivalents	-	1,494,762	-	1,494,762
Borrowings	-	(9,138)	(9,035)	(18,173)
	-	1,485,625	(9,035)	1,476,590

Fair Value

Financial instruments accounted for under assets and liabilities are cash and cash equivalents, receivables, and current and non-current liabilities. The fair value of most of the financial instruments does not differ materially from the book value.

(ii) **Capital management**

The Board of Director's policy is to maintain a strong capital base so as to maintain customer, investor, creditor and market confidence and to support future development of the business. The Board of Directors monitors the debt to capital ratio. The Board of Directors also monitors the level of dividend to be paid to holders of ordinary shares. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the benefits of a sound capital position. There were no changes in the Company's approach to capital management during the year. The Group is not subject to externally imposed capital requirements.

The debt-to-adjusted-capital ratio at 31 March 2023 and at 31 December 2022 were as follows:

	2023	2022
	N'000	N'000
Trade and other payables	567,156	449,397
Borrowings	18,173	20,088
Less: cash and cash equivalents	(1,494,762)	(1,326,042)
Net debt	(909,434)	(856,557)
Total equity	1,434,869	1,396,775
Debt to adjusted capital ratio (%)	-63%	-61%

1 **The Group**

The group comprises Meyer Plc (the Company) and its subsidiary - DNM Construction Limited.

The Company - Corporate information and principal activities

Meyer Plc (previously called DN Meyer Plc) is a manufacturing Company incorporated in Nigeria on the 20 May 1960.The name was changed by a special resolution and the authority of the Corporate Affairs Commission on 1st of July 2016. The Company manufactures and markets paints. The shares of the Company are held as follows: 31.43% by Greenwich Capital Limited, 30.93% by Bosworth Investments & Services Limited, 5.42% by Osa Osunde, 5.06% by Kayode Falowo and 27.160% by Nigerian citizens.

Its registered office is at No 32, Billlings way, Oregun Industrial Estate, Alausa Ikeja, Lagos.

2 **Basis of preparation**

(a) **Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the requirements of the Companies and Allied Matters Act, 2020.

The financial statements were authorised for issue by the Board of Directors on 27 April 2023.

(b) **Basis of measurement**

The group financial statements have been prepared on the historical cost basis except for the certain financial instruments measured at fair value

(c) **Functional and presentation currency**

The Group and Company's functional and presentation currency is the Nigerian naira. The financial statements are presented in Nigerian Naira and have been rounded to the nearest thousand except otherwise stated.

(d) **Use of estimates and judgement**

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

3 **New standards, interpretations and amendments**

(a) **New standards, interpretations and amendments adopted from 1 January 2022**

New standards effective for adoption in the annual financial statements for the year ended 31 March 2023 but had no significant effect or impact on the Company are:

Standard/Interpretation		**Date Issued by IASB**	**Effective date periods beginning on or after**
IAS 37	Onerous Contracts – Cost of Fulfilling a Contract	14 May 2022	1 January 2022
Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41	Annual Improvements to IFRS Standards 2018–2020	14 May 2020	1 January 2022
IAS 16	Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)	14 May 2020	1 January 2022
IFRS 3	Reference to the Conceptual Framework	14 May 2020	1 January 2022

(b) **New standards, amendments and interpretations issued but not yet effective**

The following are the new standards and interpretations that have been issued, of which part were used for the financial statements as at 31 March 2023. They have not been fully adopted in preparing the financial statements as at 31 March 2023.

In terms of International Financial Reporting Standards, the company is required to include in its financial statements disclosure about the future impact of standards and interpretations issued but not yet effective at reporting date.

At the date of authorisation of the financial statements of the Company for the period ended 31 March 2023, the following standards and interpretations were in issue but not fully yet effective:

Standard/Interpretation		Date issued by IASB	Effective date periods beginning on or after
IAS 1	Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS	12 February 2021	1 January 2023
IAS 8	Definition of Accounting Estimates (Amendments to IAS 8)	12 February 2021	1 January 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a single Transaction (Amendments to IAS 12)	7 May 2021	1 January 2023
IFRS 16	Lease liability in a Sale and Leaseback (Amendments to IFRS 16)	22 September 2022	1 January 2024
IAS 1	Non-current liabilities with covenants	31 October 2022	1 January 2024
IAS 1	Classification of liabilities as current or non-current	31 October 2022	1 January 2024

*All standards and interpretations will be adopted at their effective date (except for those standards and interpretations that are not applicable to the Entity).

4) **Critical accounting estimates and judgements**

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience as other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

i) **Income and deferred taxation**

Meyer Plc annually incurs income taxes payable, and also recognises changes to deferred tax assets and deferred tax liabilities, all of which are based on management's interpretations of applicable laws and regulations. The quality of these estimates is highly dependent upon management's ability to properly apply at times a very complex sets of rules, to recognise changes in applicable rules and, in the case of deferred tax assets, management's ability to project future earnings from activities that may apply loss carry forward positions against future income taxes.

ii) **Impairment of property, plant and equipment**

The Group assesses assets or groups of assets for impairment annually or whenever events or changes in circumstances indicate that carrying amounts of those assets may not be recoverable. In assessing whether a write-down of the carrying amount of a potentially impaired asset is required, the asset's carrying amount is compared to the recoverable amount. Frequently, the recoverable amount of an asset proves to be the Group's estimated value in use.

The estimated future cash flows applied are based on reasonable and supportable assumptions and represent management's best estimates of the range of economic conditions that will exist over the remaining useful life of the cash flow generating assets.

iii) **Legal proceedings**

The Group reviews outstanding legal cases following developments in the legal proceedings at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued),the opinions or views of legal advisers, experience on similar cases and any decision of the Group's management as to how it will respond to the litigation, claim or assessment.

5) **Consolidation**

(i) **Subsidiary**

The financial statements of the subsidiary are consolidated from the date the Company acquires control, up to the date that such effective control ceases. For the purpose of these financial statements, subsidiaries are entities over which the company has control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Company has the practical ability to direct the activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

The size of The Company's voting rights relative to both the size and dispersion of other parties who hold voting rights; Substantive potential voting rights held by the Company and by other parties and other contractual arrangements.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Company. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity instruments issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Inter-company transactions, balances and unrealised gains on transactions between Companies within the Group are eliminated on consolidation. Unrealised losses are also eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group. Investment in subsidiaries in the separate financial statements of the parent entity is measured at cost.

(ii) **Changes in ownership interests in subsidiary without change of control**

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant shares acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposal to non-controlling interests are also recorded in equity.

(iii) **Acquisition-related costs are expensed as incurred.**

If the business combination is achieved in stages, fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through profit or loss.

(iv) **Disposal of subsidiaries**

On loss of control, the Group derecognises the assets and liabilities of the subsidiary, any controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity-accounted investee or as financial asset at fair value through other comprehensive income (FVOCI) depending on the level of influence retained.

6) **Summary of significant accounting policies**

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

(a) **Going concern**

The directors assess the Company and its subsidiary's future performance and financial position on a going concern basis and have no reason to believe that the Company and its subsidiary will not be a going concern in the year ahead. For this reason, these financial statements have been prepared on the basis of accounting policies applicable to a going concern.

(b) **Foreign currency**

Foreign currency transactions

In preparing the financial statements of the Group, transactions in currencies other than the entity's presentation currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the conversion at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

Non -monetary items that are measured in terms of cost in a foreign currency are converted using the exchange rate at the end of the period.

(c) **Revenue recognition**

Revenue represents the fair value of the consideration received or receivable for sales of goods and services, in the ordinary course of the Group’s activities and is stated net of value-added tax (VAT), rebates and discounts.

(i) **Sale of goods and rendering of services**

The Company recognizes revenue from contracts with customers based on the five-step process described in IFRS 15. Revenue is recognized when the entity satisfies a performance obligation by transferring a promised goods or service to a customer. The goods or services are transferred when the customer acquires control over the asset, which may happen either over time or at a particular point in time. Under the five-step process an entity must complete the following steps before revenue can be recognised: Identify contracts with customers, identify performance obligations, determine the transaction price, allocate the transaction price to each of the separate performance obligations, and finally recognize the revenue as each performance obligation is satisfied.

(ii) **Other income**

This comprises profit from sale of financial assets, property, plant and equipment, foreign exchange gains, fair value gains of non financial assets measured at fair value through profit or loss and impairment loss no longer required written back.

Income arising from disposal of items of financial assets, plant and equipment and scraps is recognised at the time when proceeds from the disposal has been received by the Group. The profit on disposal is calculated as the difference between the net proceeds and the carrying amount of the assets. The Group recognises impairment no longer required as other income when the Group receives cash on an impaired receivable or when the value of an impaired investment increased and the investment is realisable.

(d) **Expenditure**

Expenditures are recognised as they accrue during the course of the year. Analysis of expenses recognised in the statement of comprehensive income is presented in classification based on the function of the expenses as this provides information that is reliable and more relevant than their nature.

The Group classifies its expenses as follows:
- Cost of sales;
- Administration expenses;
- Selling and distribution expenses; and
- Other allowances and amortizations

Finance income and finance costs

Finance income comprises interest income on short-term deposits with banks, dividend income, changes in the fair value of financial assets at fair value through profit or loss and foreign exchange gains.

Dividend income from investments is recognised in profit or loss when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the entity and the amount of income can be measured reliably).

Interest income on short-term deposits is recognised by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and deferred consideration and impairment losses on financial assets (other than trade receivables).

(e) **Borrowing costs**

Borrowing costs directly attributable to the construction of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised as interest payable in the income statement in the period in which they are incurred.

(f) **Income tax expenses**

Income tax expense comprises current income tax, education tax and deferred tax.(See policy 'p' on income taxes)

(g) **Earnings per share**

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(h) **Property, plant and equipment**

Items of property, plant and equipment are measured at cost and less accumulated depreciation and impairment losses. The cost of property plant and equipment includes expenditures that are directly attributable to the acquisition of the asset. Property, plant and equipment under construction are disclosed as capital work-in-progress.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item of property, plant and equipment and are depreciated accordingly. Subsequent costs and additions are included in the asset’s carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

All other repairs and maintenance costs are charged to the profit and loss component of the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

Depreciation is recognised so as to write off the cost of the assets less their residual values over their useful lives, using the straight-line method on the following bases:

Major overhaul expenditure, including replacement spares and labour costs, is capitalised and amortised over the average expected life between major overhaul.

Furniture and Fixtures	4 years
Motor Vehicles	4 years
Plant and Machinery	8 years
Office Equipment	4 years

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is 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 profit and loss component of the statement of comprehensive income within 'Other income' in the year that the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

(i) **Intangible Assets**

Computer software

Computer software purchased from third parties. They are measured at cost less accumulated amortisation and accumulated impairment losses. Purchased computer software is capitalised on the basis of costs incurred to acquire and bring into use the specific software. These costs are amortised on a straight line basis over the useful life of the asset.

Expenditure that enhances and extends the benefits of computer software beyond their original specifications and lives, is recognised as a capital improvement cost and is added to the original cost of the software. All other expenditure is expensed as incurred.

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An Intangible asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The estimated useful lives for the current and comparative period are as follows:

Computer software	5 years

Derecognition of intangible assets

An intangible assets is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible assets, measured are as the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss when the asset is derecognised.

(j) **Impairment of non-financial assets**

Non-financial assets other than inventories are reviewed at each reporting date for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they have separately identifiable cash flows (cash-generating units).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statements, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment is treated as a revaluation increase.

k) **Leases**

The standard covers the recognition of leases and related disclosure information in the financial statements.

The new standard defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In the financial statement of lessees, IFRS 16 requires recognition in the balance sheet for each contract that meets its definition of a lease as right-of-use (RoU) asset and a lease liability, while lease payments are reflected as interest expense and a reduction of lease liabilities. The RoU assets are depreciated over the shorter of each contract's term and the assets useful life.

Upon implementation of IFRS 16, the following main implementation and application policy choices were made by the group:

- Short term leases (12 months or less) and leases of low value assets are not reflected in the statement of profit or loss and other comprehensive income but are expensed or (if appropriate) capitalised as incurred, depending on the activity in which the leased asset is used
- Non-lease components within lease contracts will be accounted for separately for all underlying classes of assets and reflected in the relevant expense category or (if appropriate) capitalised as incurred, depending on the activity involved.

At the commencement of the lease period, the following shall be recognised:

- A lease liability equal to the net present value of the non-variable lease payments over the lease term, including any lease incentives and residual value guarantees expected to be paid under the contract.
- A RoU asset equal to the lease liability, with the addition of any lease pre-payments, initial direct costs and costs of dismantling or restoration.

(l) **Financial instruments**
a) Financial assets

Financial assets are initially recognised at fair value plus directly attributable transaction costs. Subsequent remeasurement of financial assets is determined by their designation that is revisited at each reporting date.

i) **Financial assets at fair value through other comprehensive income**
Financial assets at fair value through other comprehensive income (FVOCI) consist of:

- Non-trading equity investments designated by management at initial recognition. Once designated, they cannot be reclassified into any other category
- Financial assets held with the objective of both collecting contractual cash flows and selling the financial assets and the assets cash flows are solely payment of principal and interest.

ii) **Financial assets at amortised cost**
The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

The group financial assets are trade receivables, other receivables and cash and cash equivalents.

iii) **Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is uncondition unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Company's impairment policies and the calculation of the loss allowance are provided in note 7(c).

iv) **Other receivables**

These amounts generally arise from transactions outside the usual operating activities of the group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. The non-current other receivables are due and payment within three years from the end of the reporting period.

v) **Cash and cash equivalents**

Cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

vi) **Derecognition of financial assets**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the income statement.

vii) **Impairment of financial instruments**

The Company has trade receivables for the sales of inventory that is subject to the expected credit loss model.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables has been grouped based on shared credit risk characteristics and the days past due. The Company has therefore concluded that the expected loss rates for trade receivable are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 December 2021 or 1 January 2021 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

b) Financial liabilities

Financial liabilities are initially recognised at fair value when the Company becomes a party to the contractual provisions of the liability. Subsequent measurement of financial liabilities is based on amortized cost using the effective interest method. The Company financial liabilities include trade and other payables.

Financial liabilities are presented as if the liability is due to be settled within 12 months after the reporting date, or if they are held for the purpose of being traded. Other financial liabilities which contractually will be settled more than 12 months after the reporting date are classified as non-current.

i) Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

ii) Borrowings

Borrowings are recognized initially at their issue proceeds and subsequently stated at cost less any repayments. Transaction costs where immaterial, are recognized immediately in the statement of comprehensive income. Where transaction costs are material, they are capitalized and amortised over the life of the loan. Interest paid on borrowing is recognized in the statement of comprehensive income for the period.

iii) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss and other comprehensive income.

(m) **Inventories**

Inventories are stated at the lower of cost and net realisable value, with appropriate provisions for old and slow moving items. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is determined as follows:-

Raw materials

Raw materials which includes purchase cost and other costs incurred to bring the materials to their location and condition are valued at actual cost.

Work in progress

Cost of work in progress includes cost of raw materials, labour, production and attributable overheads based on normal operating capacity.

Finished goods

Cost is determined using standard costing method and includes cost of material, labour, production and attributable overheads based on normal operating capacity.

Spare parts and consumables

Spare parts which are expected to be fully utilized in production within the next operating cycle and other consumables are valued at weighted average cost after making allowance for obsolete and damaged inventory.

(n) **Provisions**

A provision is recognized only if, as a result of a past event, the Group 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. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. The Group's provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

(o) **Employee benefits**

The Group operates the following contribution and benefit schemes for its employees:

(i) **Defined contribution pension scheme**

In line with the provisions of the Nigerian Pension Reform Act, 2014, Meyer Plc has instituted a defined contributory pension scheme for its employees. The scheme is funded by fixed contributions from employees and the Group at the rate of 8% by employees and 10% by the Group of basic salary, transport and housing allowances invested outside the Group through Pension Fund Administrators (PFAs) of the employees choice.

The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employees' service in the current and prior periods.

The matching contributions made by Meyer Plc to the relevant PFAs are recognised as expenses when the costs become payable in the reporting periods during which employees have rendered services in exchange for those contributions. Liabilities in respect of the defined contribution scheme are charged against the profit of the period in which they become payable.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(ii) **Short-term benefits**

Short term employee benefit obligations which include wages, salaries, bonuses and other allowances for current employees are measured on an undiscounted basis and recognised and expensed by Meyer Plc in the income statement as the employees render such services.

A liability is recognised for the amount expected to be paid under short - term benefits if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(p) **Income Taxes - Company income tax and deferred tax liabilities**

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income. Current income tax is the estimated income tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

The tax currently payable is based on taxable results for the year. Taxable results differs from results as reported in the income statement because it includes not only items of income or expense that are taxable or deductible in other years but it further excludes items that are never taxable or deductible. The Group's liabilities for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability differs from its tax base. Deferred taxes are recognized using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (tax bases of the assets or liability). The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted by the reporting date.

Deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

(q) **Share capital and Share premium**

Shares are classified as equity when there is no obligation to transfer cash or other assets. Any amounts received over and above the par value of the shares issued is classified as ‘share premium’ in equity. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

(r) **Dividend on ordinary shares**

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Group's shareholders. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the shareholders. Dividends for the year that are approved after the statement of financial position date are disclosed as an event after the statement of financial position date.

(s) **Retained earnings**

General reserve represents amount set aside out of profits of the Group which shall at the discretion of the directors be applied to meeting contingencies, repairs or maintenance of any works connected with the business of the Group, for equalising dividends, for special dividend or bonus, or such other purposes for which the profits of the Group may lawfully be applied.

(t) **Contingent liability**

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made. Contingent liabilities are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period being audited except in the extremely rare circumstances where no reliable estimate can be made.

(u) **Related party transactions or insider dealings**

Related parties include the related companies, the directors, their close family members and any employee who is able to exert significant influence on the operating policies of the Group. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly, including any director (whether executive or otherwise) of that entity. The Group considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.

Where there is a related party transactions within the Group, the transactions are disclosed separately as to the type of relationship that exists within the Group and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

(v) **Effective Interest Method**

The effective interest method is a method of calculating the amortised cost of an interest bearing financial instrument and of allocating interest income and expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cashflows (including all fees and points paid or received that form an integral part of the effective interest rate, translation costs and other premiums or discounts) through the expected life of the debt instruments, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

(w) **Segment reporting**

An operating segment is a component of the Group that engages in business activities from which it can earn revenues and incur expenses, including revenues and expenses that relates to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Finance Director (being the Chief Operating Decision Maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

7 **Determination of fair value**

(a) A number of the Group's accounting policies and disclosures require the determination of fair value for the both financial and non-financial assets and liabilities. Fair values have been determined for measurement and /or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determine fair values is disclosed in the notes specific to that assets or liabilities.

i **Property, plant and equipment**

The fair value of items of plant and machinery, fixtures and fittings, motor vehicles and Land and buildings is based on depreciated replacement cost and comparison approaches. "Depreciated replacement cost" reflects the current cost of reconstructing the existing structure together with the improvements in today's market adequately depreciated to reflect its physical wear and tear, age, functional and economic obsolescence plus the site value in its existing use as at the date of inspection while "Comparison Approach" that is the analysis of recent sale transactions or similar properties in the neighbourhood. The figure thus arrived at represents the best price that the subsisting interest in the property will reasonably be expected to be sold if made available for sale by private treaty between a willing seller and buyer under competitive market conditions.

ii **Valuation of financial assets at fair value through other comprehensive income (FVOCI)**

The fair value of investments in equity are determined with reference to their quoted closing bid price at the measurement date, or if unquoted, determined using a valuation technique. Valuation techniques employed is the net asset per share basis.

iii **Fair value hierarchy**

Fair values are determined according to the following hierarchy based on the requirements in IFRS 7 Financial Instrument Disclosure'.

Level 1 : quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets.

Level 2: valuation techniques using observable inputs: quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial assets and liabilities values using models where all significant inputs are observable.

Level 3: valuation techniques using significant unobservable inputs: financial assets and liabilities valued using valuation techniques where one or more significant inputs are unobservable. The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset or liability is not active, a valuation technique is used.

(b) **Financial risk management**

i **General**

Pursuant to a financial policy maintained by the Board of Directors, the Group uses several financial instruments in the ordinary course of business. The Group’s financial instruments are cash and cash equivalents, trade and other receivables, interest-bearing loans and bank overdrafts and trade and other payables.

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

- Credit risk
- Liquidity risk
- Market risk, consisting of: currency risk, interest rate risk and price risk

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from Group's receivables from customers. It is the Group's policy to assess the credit risk of new customers before entering into contracts.

The Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represents the maximum open amount without requiring approval from the Management.

The Management determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis. In monitoring the customers' credit risk, customers are grouped according to their credit characteristics. customers that are grouped as "high risk" are placed on a restricted customer list, and future credit services are made only with approval of the Management, otherwise payment in advance is required.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Banks with good reputation are accepted by the Group for business transactions.

The maximum credit risk as per statement of financial position, without taking into account the aforementioned financial risk coverage instruments and policy, consists of the book values of the financial assets as stated below:

	2023	**2022**
	N'000	**N'000**
Trade receivables (Note 20)	109,732	85,231
Cash and cash equivalents (Note 21)	1,494,762	1,326,042
	1,604,495	1,411,273

As at the reporting date there was no concentration of credit risk with certain customers.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Banks with good reputation are accepted by the Group for business transactions.

Cash is held with the following institutions

	N'000	**N'000**
Wema Bank Plc	68	667
Zenith Bank Plc	234	2
Union Bank of Nigeria Plc	99	99
Access Bank Plc	44,701	85
Eco Bank Plc	88	32
Guaranty Trust Bank Limited	36,893	1,011
Stanbic IBTC Bank Plc	248	18
Sterling Bank Plc	8	8
First Bank of Nigeria Limited	29	3
Greenwich Asset Management Limited	102,000	101,537
Greenwich Merchant Bank Limited	1,306,997	1,221,801
Providus Bank Plc	1	2
United Bank for Africa Plc	267	96
First City Monument Bank Limited	1,746	502
Heritage Bank Plc	131	131
Polaris Bank Plc	1,046	48
	1,494,555	1,326,042

c) **Impairment of trade receivables**

The Company has trade receivables for the sales of inventory that is subject to the expected credit loss model.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, no impairment loss was identified.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivable are a reasonable approximation of the loss rates for the contract assets.

9 **Revenue from contracts with customers**

The Company has disaggregated revenue into various categories as analysed below:

	GROUP			COMPANY		
31 March 2023	Paint	Application of paint	Total	Paint	Application of paint	Total
Customer category	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Private	356,859	150	357,009	356,859	150	357,009
Wholesale	159,448	-	159,448	159,448	-	159,448
Retail	17,204	-	17,204	17,204	-	17,204
Sum Total	**533,511**	**150**	**533,661**	**533,511**	**150**	**533,661**
Product category	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Decorative	420,074	150	420,224	420,074	150	420,224
Auto & Wood	5,688	-	5,688	5,688	-	5,688
Industrial and Marine	107,748	-	107,748	107,748	-	107,748
Sum Total	**533,511**	**150**	**533,661**	**533,511**	**150**	**533,661**
Region-Wise	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
East	29,076	-	29,076	29,076	-	29,076
West	397,337	150	397,488	397,337	150	397,488
North	107,098	-	107,098	107,098	-	107,098
Sum Total	**533,511**	**150**	**533,661**	**533,511**	**150**	**533,661**
31 March 2022	Paint	Application of paint	Total	Paint	Application of paint	Total
Customer category	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Private	221,599	9,331	230,930	221,599	9,331	230,930
Wholesale	99,596	-	99,596	99,596	-	99,596
Retail	11,278	-	11,278	11,278	-	11,278
Sum Total	**332,474**	**9,331**	**341,804**	**332,474**	**9,331**	**341,804**
Product category	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Decorative	225,975	9,331	235,306	225,975	9,331	235,306
Auto & Wood	1,602	-	1,602	1,602	-	1,602
Industrial and Marine	104,897	-	104,897	104,897	-	104,897
Sum Total	**332,474**	**9,331**	**341,804**	**332,474**	**9,331**	**341,804**
Region-Wise	**N'000**		**N'000**	**N'000**	**N'000**	**N'000**
East	56,304	**9,331**	107,087	56,304	9,331	65,635
West	184,112	-	733,519	184,112	-	184,112
North	92,057	-	277,492	92,057	-	92,057
Sum Total	**332,474**	**9,331**	**1,118,098**	**332,474**	**9,331**	**341,804**

		GROUP	COMPANY	
	2023	**2022**	**2023**	**2022**
10 **Cost of sales**	**N'000**	**N'000**	**N'000**	**N'000**
Paints	356,322	245,753	356,322	245,753
Application of paints	150	6,322	150	6,322
	356,472	252,075	356,472	252,075

Segment Reporting

Products and services from which reportable segments derive their revenues

The determination of the Group's operating segments is based on the organisation units for which information is reported to the management. The Group has two areas of revenue generation: Paints and Services (Application). Revenue is primarily generated from the sale of Paints and Services rendered through application of paints.

Certain headquarters activities are reported as 'Corporate'. These consist of corporate headquarters including the Corporate Executive Committee.

Information reported to the entity's Chief Executive for the purposes of resource allocation and assessment of segment performance is focused on the category of products for each type of activity. The principal categories are sale of paints, adhesives/tiles and application of paints and investment property. The entity's reportable segments under IFRS 8 are therefore as follows:

Paints This segment is involved in the production of diverse paints products of premium class in their different categories.

Painting services This segment is involved in application of paints on completed buildings in accordance with the architectural design.

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
Segment Revenue and results	**N'000**	**N'000**	**N'000**	**N'000**
Paints	533,511	332,473	533,511	332,473
Painting services	150	9,331	150	9,331
	533,661	341,804	533,661	341,804
Segment results	**N'000**	**N'000**	**N'000**	**N'000**
Investment income	39,679	15,177	39,679	15,177
Other gains and losses	1,465	26,906	1,465	26,906
Finance costs	(822)	(356)	(822)	(356)
(Loss)/profit before tax	56,435	7,136	56,435	7,136

Segment Accounting Policies

The accounting policies of the reportable segments are the same as the group's accounting policies described in note 6. Segment results represents the gross profit earned by each segment without allocation of general operating expenses, other gains and losses recognised on investment income, other gains and losses as well as finance costs.

This is the measure reported to the Chief Operating Decision Maker for the purpose of resource allocation and assessment of segment performance.

Business and geographical segments

The company operates in all geographical areas in the Country.

Segment assets and liabilities

All assets and liabilities are jointly used by the reportable segments.

	GROUP		COMPANY	
11 (a) **Other operating income**	**2023**	**2022**	**2023**	**2022**
	N'000	**N'000**	**N'000**	**N'000**
Profit on disposal of property, plant and equipment	-	24,955	-	24,955
Rental income	-	-	-	-
Sale of scraps	1,245	981	1,245	981
Long over due credit balances	-	-	-	-
Sundry income	220	970	220	970
Canteen takings	-	-	-	-
Advances recovered	-	-	-	-
	1,465	26,906	1,465	26,906

NOTE TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

12 **Selling and distribution expenses**	**GROUP**		**COMPANY**	
	2023	**2022**	**2023**	**2022**
	N'000	**N'000**	**N'000**	**N'000**
Carriage inward	13,927	6,749	13,927	6,749
Sales promotion/commission	907	1,129	907	1,129
Product development and testing			510	503
	510	503		
Delivery van expenses	3,947	1,103	3,947	1,103
Depot & sales man float	1,103	-	1,103	-
	20,394	9,484	20,394	9,484

13 **Administrative expenses**	**N'000**	**N'000**	**N'000**	**N'000**
Basic salary	**31,367**	22,829	**31,367**	**22,829**
Overtime	**259**	103	**259**	**103**
Fringe cost	**13,705**	12,361	**13,705**	**12,361**
Christmas bonus	**1,991**	1,665	1,991	1,665
NSITF	**190**	227	190	227
Pension scheme	**3,015**	2,945	3,015	2,945
Casual labour	**2,248**	1,772	2,248	1,772
Canteen expenses	**3,990**	3,564	3,990	3,564
Medical expenses	**600**	18	600	18
Maintenance - mechanical	**496**	442	496	442
Security guards expenses	**800**	424	800	424
Computer charges	**572**	356	572	356
Building rents and rates	**1,281**	725	1,281	725
Repairs and maintenance general	**798**	1,106	798	1,106
Depreciation -land and building	**3**	6	3	6
Depreciation - vehicles	**1,400**	1,391	1,400	1,391
Depreciation - office equipment	**713**	584	713	584
Depreciation - furniture and fittings	**165**	12	165	12
Depreciation - Right of use asset	**11,001**	**9,653**	**11,001**	**9,653**
Advert and publicity expenses	**-**	420		420
Fuel and lubricants	**2,081**	1,687	2,081	1,687
Vehicle running expenses	**2,468**	4,315	2,468	4,315
Travelling	**1,054**	588	1,054	588
Directors fees and board expenses	**4,433**	6,348	4,433	6,348
Insurance expenses	**1,867**	940	1,867	940
Legal and professional fees	**3,554**	4,379	3,554	4,379
Printing and Stationary	**590**	256	590	256
Telephone	**746**	389	746	389
AGM expenses	**750**	750	750	750
Courier/postage	10	32	10	32
Audit fees	1,344	1,209	1,344	1,209
Bank charges - local	456	-	456	-
Performance cost	9,736	8,275	9,736	8,275
Staff training	-	-	-	
Clearing licence renewal	3,688	2,106	3,688	2,106
Industrial training fund	-	-		
	107,371	91,877	107,371	91,877

	GROUP		COMPANY	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Balance brought forward	107,371	91,877	107,371	91,877
General stores and consumables	1,231	423	1,231	423
Entertainment	496	861	496	861
Factory relocation expenses	-	-	-	-
Management fees expenses	26,683	17,430	26,683	17,430
Bad debt	-	-	-	-
Light and Water Expenses	450	624	450	624
Site & office cleaning	765	-	765	-
Subscriptions	1,423	2,672	1,423	2,672
Provision for dismantlement and restoration (Note 25)	-	-	-	-
General quality assurance expense	-	165	-	165
Free goods and sample	225	174	225	174
Forklift expense	19	220	19	220
Stock taking expense	58	58	58	58
Rducdancy expense	270	-	270	-
Staff recruitment	58	-	58	-
Long service award	703	132	703	132
Canteen takings	(95)	-	(95)	-
Uniform and laundry	-	75		75
Stationery	600	-	600	
Periodical & Publication	425	-	425	
Other expenses	-	125		125
	140,682	114,836	140,682	114,836

14	**Finance income and costs**	**N'000**	**N'000**	**N'000**	**N'000**
(i)	Finance income:				
	Interest received on bank deposit	39,679	15,177	39,679	15,177
(ii)	Finance costs:	**N'000**	**N'000**	**N'000**	**N'000**
	Finance expense on lease	822	356	822	356
		822	356	822	356

15 **(Loss)/profit before taxation is arrived at after charging:**

	N'000	N'000	N'000	N'000
Depreciation of property, plant and equipment	3,066	2,652	3,066	2,652
Depreciation of Right of use assets	11,001	9,653	11,001	9,653
Profit on disposal of property, plant and equipment	-	24,980	-	24,980
Auditors remuneration	1,344	1,209	1,344	1,209

16	**Tax expense**	**N'000**	**N'000**	**N'000**	**N'000**
(a)	**Per profit and loss account**				
	Income tax payable on results for the year:				
	Company Income tax	-	2,141	-	2,141
	Minimum tax	16,930	-	16,930	-
	Capital gain tax	-	-	-	-
	Police Trust Fund	-	-	-	-
	NASENI levy	-	-	-	-
	Education tax	1,411	178	1,411	178
	Deferred tax expense (written back)	-	-	-	-
	Overprovision of Income tax in prior y	-	-	-	-
		18,341	2,319	18,341	2,319

5(b) Per statement of financial position

	GROUP		COMPANY	
	2023	2022	2023	2022
Balance at 1 January	N'000	N'000	N'000	N'000
Income tax	9,991	451,893	9,991	451,893
Education tax	254	6,591	254	6,591
	10,245	458,484	10,245	458,484
Payments during the year:				
Income tax	-	-	-	-
Education tax	-	(3,140)	-	(3,140)
Withholding tax utilised	-	(23,758)	-	(23,758)
Nigeria Police Trust Fund levy	-	(3)	-	(3)
Capital Gain Tax	-	-	-	-
Provision for the year:				
Income tax	-	-	-	-
Education tax	1,411	254	1,411	254
Minimum tax	16,930	7,724	16,930	7,724
Capital Gain Tax	-	2,268	-	2,268
NASENI levy	-	-	-	-
Nigeria Police Trust Fund levy	-	-	-	-
Overprovision of Income tax in prior y	-	(431,584)	-	(431,584)
Balance at 31 March	28,586	10,245	28,586	10,245

16(c) ***Income tax recognised in profit or loss***

Company income tax is calculated at 30% of the estimated taxable profit for the year. The charge for taxation in these financial statements is based on the provisions of the Company Income Tax Act, CAP C21 LFN, 2004.

The charge for education tax is based on the provision of the Education Tax Act which is 2.5% of the assessable profit for the year.

Nigeria police trust fund levy is based on the provisions of the Nigeria Police Trust Fund (Establishment) Act 2019 which is 0.0005% of the net profit before tax for the year.

16(d) **Deferred taxation**

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
	N'000	**N'000**	**N'000**	**N'000**
Deferred tax liabilities	4,530	4,530	4,530	4,530
Deferred tax assets	-	-	-	-
	4,530	4,530	4,530	4,530
Deferred tax				
Movement in deferred tax				
At 1 January	4,530	(5,956)	4,530	(5,956)
Expense/(write back) during the year	-	10,486	-	10,486
At 31 March 2023	4,530	4,530	4,530	4,530

The tax rate used for 2023 and 2022 reconciliation above is the corporate tax rate of 30% and 2.5% (for tertiary education tax) payable by corporate entities in Nigeria on taxable profits under tax laws in the Country, for the year ended 31 March 2023.

17(a) **Property, plant and equipment - Group**

Cost:	Buildings N'000	Plant & machinery N'000	Office equipment N'000	Furniture & fittings N'000	Motor vehicles N'000	Capital Work In Progress N'000	Total N'000
At 1 January 2022	2,529	224,888	37,634	11,754	154,615	244,549	675,969
Additions	-	-	3,408	2,441	446	7,741	14,036
Transfer (Note 17(c))	-	-	-	-	-	-	-
Disposals	(2,016)	-	-	-	(4,170)	-	(6,186)
Reclassifications	-	-	-	-	-	-	-
At 31 December 2022	513	224,888	41,042	14,195	150,891	252,290	683,819
At 1 January 2023	513	224,888	41,042	14,195	150,891	252,290	683,819
Additions	-	5,807	1,748	-	-	-	7,555
Reclassifications		3,400				(3,400)	-
Disposals	-	-	-	-	-	-	-
At 31 March 2023	513	234,095	42,790	14,195	150,891	248,890	691,374
Accumulated depreciation and impairment:							
At 1 January 2022	1,157	208,868	34,586	11,640	143,041	-	399,292
Charge for the year	14	2,665	2,401	179	5,590	-	10,849
Eliminated on disposals	(971)	-	-	-	(4,170)	-	(5,141)
Transfer (Note 17(c))	-	-	-	-	-	-	-
At 31 December 2022	200	211,533	36,987	11,819	144,461	-	405,000
At 1 January 2023	200	211,533	36,987	11,819	144,461	-	405,000
Charge for the year	3	783	714	166	1,403	-	3,068
Eliminated on disposals	-	-	-	-	-	-	-
At 31 March 2023	203	212,316	37,701	11,985	145,864	-	408,068
Carrying amounts as at:							
31 March 2023	310	21,780	5,089	2,210	5,027	248,890	283,307
31 December 2022	313	13,355	4,055	2,376	6,430	252,290	278,819

b) **Property, plant and equipment - Company**

Cost:	Leasehold Property N'000	Plant & machinery N'000	Office equipment N'000	Furniture and fittings N'000	Motor Vehicles N'000	Capital Work-in Progress N'000	Total N'000
At 1 January 2022	2,529	216,388	37,634	11,754	154,615	244,549	667,469
Additions	-	-	3,408	2,441	446	7,741	14,036
Transfer (Note 17(c))	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
On disposal	(2,016)	-	-	-	(4,170)	-	(6,186)
At 31 December 2022	513	216,388	41,042	14,195	150,891	252,290	675,319
At 1 January 2023	513	216,388	41,042	14,195	150,891	252,290	675,319
Additions	-	5,807	1,748	-	-	-	7,555
Reclassification		3,400				(3,400)	-
On disposal	-	-	-	-	-	-	-
At 31 March 2023	513	225,595	42,790	14,195	150,891	248,890	682,874
Accumulated depreciation and impairment:							
At 1 January 2022	1,157	200,370	34,587	11,640	143,040	-	390,794
Charge for the year	14	2,665	2,401	179	5,590	-	10,849
Transfer	-	-	-	-	-	-	-
On disposal	(971)	-	-	-	(4,170)	-	(5,141)
At 31 December 2022	200	203,035	36,988	11,819	144,460	-	396,502
At 1 January 2023	200	203,035	36,988	11,819	144,460	-	396,502
Charge for the period	3	783	713	166	1,402	-	3,066
On disposal	-	-	-	-	-	-	-
At 31 March 2023	203	203,818	37,701	11,985	145,862	-	399,568
Carrying amount as at:							
31 March 2023	310	21,778	5,089	2,210	5,029	248,890	283,307
31 December 2022	313	13,353	4,054	2,376	6,431	252,290	278,817

i **Assets pledged as security**

None of the Company's assets is pledged as collateral for loans (2021: Nil)

ii **Contractual commitments**

At 31 March 2023, the Company had no contractual commitments for the acquisition of property, plant and equipment

17(c) **Right of use assets -Group**

Cost:	**Motor Vehicles N'000**	**Leased Building N'000**	**Total N'000**
At 1 January 2022	-	115,834	115,834
Additions	21,570	-	21,570
Transfer	-	-	-
At 31 December, 2022	**21,570**	115,834	137,404
At 1 January 2023	21,570	115,834	137,404
Additions	-	-	-
At 31 March, 2023	**21,570**	115,834	137,404
Depreciation:			
At 1 January 2022	-	54,699	54,699
Charge for the year	-	38,611	38,611
Transfer	-	-	-
At 31 December , 2022	**-**	93,310	93,310
At 1 January 2023	-	93,310	93,310
Charge for the period	1,348	9,653	11,001
At 31 March , 2023	**1,348**	102,963	104,311
Carrying amount :			
At 31 March 2023	20,222	12,871	33,093
At 31 December 2022	21,570	22,524	44,094

Right of use assets -Company

Cost	**Motor Vehicles N'000**	**Leased Building N'000**	**Total N'000**
At 1 January 2022	21,570	115,834	137,404
Additions	-	-	-
Transfer	-	-	-
At 31 December, 2022	**21,570**	**115,834**	**137,404**
At 1 January 2023	21,570	115,834	137,404
Additions (Note 17)	-	-	-
At 31 March, 2023	**21,570**	**115,834**	**137,404**
Depreciation			
At 1 January 2022	-	54,699	54,699
Charge for the year	-	38,611	38,611
Transfer (Note 17)	-	-	-
At 31 December , 2022	**-**	**93,310**	**93,310**
At 1 January 2023	-	93,310	93,310
Charge for the period	1,348	9,653	11,001
At 31 March , 2023	**1,348**	**102,963**	**104,311**
Carrying amount			
At 31 March 2023	**20,222**	**12,871**	**33,093**
At 31 December 2022	**21,570**	**22,524**	**44,094**

18	Investment in subsidiary	GROUP 2023 ₦'000	GROUP 2022 ₦'000	COMPANY 2023 ₦'000	COMPANY 2022 ₦'000
	Carrying amount at cost	-	9,600	-	9,600
	Provision for Impairment	-	(9,600)	-	(9,600)
		-	-	-	-

Details of the Company subsidiary at the end of the reporting period is as stated below:

Name of the company	Principal activity	Place of incorporation	Proportion of ownership interest and voting power held by the Company 2023	2022
DNM Construction Limited	Construction and rehabilitation of buildings	Nigeria	96%	96%

The Company's owns 96% of the DNM Construction Limited

The remaining 4% shares attributable to non controlling interest is as detailed below:

	Cost N'000	%
Mr. Kayode Falowo	100	1
Mr. Oluwatoyin Okeowo	100	1
Alhaji Ibrahim Suleman	100	1
Arc. Ayoola Onajide	100	1
	400	4

Two out of the four shareholders are directors of Meyer Plc.

19	Inventory	GROUP 2023 ₦'000	GROUP 2022 ₦'000	COMPANY 2023 ₦'000	COMPANY 2022 ₦'000
	Raw Materials	61,008	77,224	61,008	77,224
	Work-in-progress	6,192	7,947	6,192	7,947
	Finished goods	57,385	48,858	57,385	48,858
	Consumables	513	363	513	363
		125,098	134,392	125,098	134,392

(i) The carrying amount of the inventory is the lower of cost and net realisable value as at the reporting dates.

	GROUP		COMPANY	
20 **Trade and other receivables**	**2023**	**2022**	**2023**	**2022**
	₦'000	**₦'000**	**₦'000**	**₦'000**
Trade receivables	179,381	154,878	149,055	124,552
Allowance for doubtful debts (i)	(39,323)	(39,321)	(39,323)	(39,321)
Trade receivables - net	140,058	115,557	109,732	85,231
Amount due from related parties	-	4,304	-	4,304
WHT claimable	27,522	27,522	27,522	27,522
Prepayments (iv)	5,868	7,042	5,868	7,042
Sundry debtors	597	630	199	230
Other debit balances	-	-	-	-
Deferred charges	-	-	-	-
	174,045	155,055	143,321	124,329
Provision for doubtful balances	-	-	-	-
Total trade and other receivables	174,045	155,055	143,321	124,329

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

(i) *Movement in allowance for doubtful debts is as analysed below:*

	₦'000	**₦'000**	**₦'000**	**₦'000**
Balance at the beginning of 2022	39,321	36,155	39,321	36,155
Addition during the year	-	3,166	-	3,166
Provision no longer required	-	-	-	-
Balance at the end of 2022	39,321	39,321	39,321	39,321

Trade receivables represents receivables from customers for goods sold and other trading services rendered to them. Trade receivables are stated at amortised cost as at the statement of financial position date. The movement in the impairment allowance for trade receivables has been included in administrative expenses line in the consolidated statement of profit or loss and other comprehensive income.

(iv) **Prepayments**

	₦'000	**₦'000**	**₦'000**	**₦'000**
Prepaid rent	1,023	2,304	1,023	2,304
Prepaid expenses	3,696	3,609	3,696	3,609
Prepaid insurance	1,148	1,129	1,148	1,129
Total prepayments	5,868	7,042	5,868	7,042

		GROUP		COMPANY	
21	**Cash and cash equivalents**	**2023**	**2022**	**2023**	**2022**
		N'000	**N'000**	**N'000**	**N'000**
	Cash and bank balances	132,888	3,087	132,705	2,904
	Short term investments	1,362,057	1,323,138	1,362,057	1,323,138
		1,494,945	1,326,225	1,494,762	1,326,042

For the purposes of the statement of cashflows, cash and cash equivalents include cash on hand and in banks and short term investments with an original maturity of three months or less, net of outstanding bank overdraft. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as above.

(i) **Short term investments**

These represent cash held in fixed deposits in various banks. These Investments are placed in short term deposits and are continuously rolled over throughout the period.

22	**Borrowings**	**N'000**	**N'000**	**N'000**	**N'000**
	GTL Registrars	1,813	1,813	1,813	1,813
	Finance lease obligations (Note 22(i)(a))	16,360	18,275	16,360	18,275
		18,173	20,088	18,173	20,088
(i)	**Finance lease obligations**	**N'000**	**N'000**	**N'000**	**N'000**
(a)	The movement in the finance lease obligations is as follows:				
	Balance at the beginning of year	18,275	4,801	18,275	4,801
	Additions during the year	-	18,275	-	18,275
	Repayments	(1,915)	(4,801)	(1,915)	(4,801)
	Balance at the end of 31 March	16,360	18,275	16,360	18,275

(b) Finance lease liabilities represent the asset financing facility obtained during the year for the purchase of a Motor vehicle. Future minimum finance lease payments at the end of each reporting period under review were as follows:

Minimum lease payment	**Total**	**Within 1 year**	**Within 1 to 2 years**
31 March 2023	**N'000**	**N'000**	**N'000**
Lease payment	18,275	9,138	9,138
31 December 2022			
Lease payment	18,275	9,138	9,138

(ii)	The movement in loan is as follows:	**N'000**	**N'000**	**N'000**	**N'000**
	Balance at the beginning of the year	20,088	6,614	20,088	6,614
	Additions during the year	-	18,275		18,275
	Repayments	(1,915)	(4,801)	(1,915)	(4,801)
		18,173	20,088	18,173	20,088
	Amount due within one year	(9,138)	(9,138)	(9,138)	(9,138)
	Less payment during the year	1,916	-	1,916	-
		(7,222)	(9,138)	(7,222)	(9,138)
	Amount due after one year	10,951	10,951	10,951	10,951

This current position relates to amount that will fall due to Greenwich Assets Management Limited (GAML).
Lease facility from GAML, a related party, was for the purchase of a Motor Vehicle in the year 2022 at a lease rate of interest of 18% Per annum and spread over 24 months. The discounted Present value of the liabilities commenced in January 2023.

		GROUP		COMPANY	
		2023	2022	2023	2022
23	**Employment benefits**	N'000	N'000	N'000	N'000
	Balance as at 1 January	14,989	17,089	14,989	17,089
	Payment for the period	(373)	(2,100)	(373)	(2,100)
	Balance 31 March	14,616	14,989	14,616	14,989
24	**Trade and other payables**	₦'000	₦'000	₦'000	₦'000
	Trade payables	267,831	153,881	261,996	148,046
	Amount due to related parties (Note 31(i))	839	839	29,008	29,008
	Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	268,670	154,720	291,004	177,054
	Other payables and accruals (Note 24(a))	277,734	273,925	276,152	272,343
	Total trade and other payables	546,404	428,645	567,156	449,397
(a)	***Other payables and accruals***	N'000	N'000	N'000	N'000
	Value Added Tax (VAT)	65,458	54,459	65,458	54,459
	Withholding tax payable	31,514	38,805	31,471	38,762
	Pay As You Earn (PAYE)	794	880	794	880
	Accruals	22,890	26,995	22,890	26,995
	Industrial Training Fund	322	2,732	322	2,732
	National Housing Fund	65	65	65	65
	Sundry creditors	3,348	3,892	1,809	2,353
	Customer deposits	28,355	40,482	28,355	40,482
	Pension scheme	3,483	3,489	3,483	3,489
	Technical managenet fee	19,379	-	19,379	-
	Unclaimed dividend	102,126	102,126	102,126	102,126
		277,734	273,925	276,152	272,343

(i) In accordance with Pension Reform Act, 2014 the employees of the Company are members of a pension scheme which is managed by pension fund administrators of their choice. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Company with respect to the defined contribution plan is to make the specified contributions.

		2023	2022	2023	2022
25	**Dismantlement and restoration**	N'000	N'000	N'000	N'000
	Balance as at 1 January	11,650	9,600	11,650	9,600
	Provision for the period	-	2,049	-	2,049
	Balance as at 31 March	11,650	11,650	11,650	11,650

This represents the initial estimate of the cost of dismantling and removing items and restoring the site(Leased building) in respect of Right of use assets as disclosed in Note 17 (c).

The Group makes full provision for the future cost of decommissioning and dismantling the leased warehouse based on estimated cost of decommissioning the plant, equipment and facilities. It relates to the removal of assets as well as their associated restoration costs. This obligation is recorded in the period in which the liability meets the definition of a ‘‘probable future sacrifice of economic benefits arising from a present obligation,’’ and in which it can be reasonably measured. The provision represents the estimated value of future expenditure to be incurred when the plant facilities will be dismantled or relocated to a new location. The estimate is reviewed regularly to take into account any material changes to the assumptions.

		GROUP		COMPANY	
26	**Share Capital**	**2023**	**2022**	**2023**	**2022**
	Authorised Share capital	**₦'000**	**₦'000**	**₦'000**	**₦'000**
	497,728,563 (2022:497,728,563) Ordinary share of 50k each	248,864	248,864	248,864	248,864

On 27 July 2022 . At the meeting of the Board of Directors, a resolution was approved for the Company's unissued ordinary shares of 802,272,438 Ordinary shares of 50k each amounting to N401,136,219 should be cancelled. The transaction was filed with the Corporate Affairs Commission (CAC).

	Issued and fully paid:				
	497,727,563 ordinary shares of 50k each	248,864	248,864	248,864	248,864
27	**Share Premium**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning and end of the year	53,173	53,173	53,173	53,173
28(i)	**Revenue reserve**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	1,143,962	750,349	1,094,738	701,121
	Transfer (from)/to statement of profit or loss	38,093	393,613	38,093	393,617
	Dividend Paid during the period	-	-	-	-
	Balance at the end of the period	1,182,055	1,143,962	1,132,831	1,094,738
(ii)	**Non controlling interest**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
	Balance as at 1 January	2,440	2,444	-	-
	Transfer from profit or loss	(4)	(4)	-	-
	Balance at 31 March	2,436	2,440	-	-

29 **Basic earnings per ordinary share**

Basic earnings per ordinary shares of ₦0.50k each is calculated on the Group's (loss)/earnings after taxation based on the number of shares in issue at the end of the year.

	₦'000	**₦'000**	**₦'000**	**₦'000**
Profit for the year attributable to shareholders	38,089	4,813	38,093	4,817
Basic earnings per share of ₦0.50k each	8	1	8	1
Diluted earnings per share (kobo)	8	1	8	1

30 **<u>Reconciliation of statement of cash flows</u>**

For the purpose of the statement of cash flows, cash comprises cash at bank and in hand, net of overdraft facilities. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	₦'000	**₦'000**	**₦'000**	**₦'000**
Cash and bank balances	1,494,945	1,326,225	1,494,762	1,326,042

31 **Related Parties Disclosures**

(a) **Transactions with related parties**

The Company enters into various transactions with its related Companies and with other key management personnel in the normal course of business. The sales to and purchases from related parties are made at normal market price. Details of the significant transactions carried out during the year with the related parties are as follows:

i) Related parties	Nature of transaction	Transaction value for the year			
		GROUP		COMPANY	
		2023	2022	2023	2022
		₦'000	₦'000	₦'000	₦'000
Greenwich Trust Limited	Sales of paints	-	-	-	-
GTL Properties Limited	Sales and Application of Paints	1,147	11,918	1,147	12,101
Greenwich Asset Management Limited	Lease of vehicles	18,250	18,250	18,250	18,250
		19,397	30,168	19,397	30,351
Due to related parties:		₦'000	₦'000	₦'000	₦'000
DNM Construction Limited		-	-	28,169	28,169
Greenwich Trust Limited		-	-	-	-
Greenwich Registrar & Data Sol Limited		839	839	839	839
		839	839	29,008	29,008
Due from related parties:		₦'000	₦'000	₦'000	₦'000
Greenwich Trust Limited		4,304	4,304	4,304	4,304
GTL Properties Limited		-	-	-	-
		4,304	4,304	4,304	4,304

(ii) **Identity of related parties**

The related parties to the Company include:

DNM Construction Limited - A 96% owned subsidiary of the Company involved in the business and trade of builders, architects and contractors for construction of any kind and for demolition of any structure.

Greenwich Capital Limited- A major shareholder of the Company having 31.43% holdings of the issued share capital as at 31 December 2022 provides management support services to the Company.

Greenwich Asset Management Limited (GAML) - A non-banking financial institution and also a member of the Greenwich group where the Company placed deposit for Money market Investment which amounted to N101 million as at year end (2021: N788.8 million). GAML granted the Company a lease facility during the year for the sum of N18.25 million for 24 months to purchase a Motor Vehicle. The facility was secured on the money market Investment with GAML.

Greenwich Merchant Bank Limited- A Banking financial institution and also a member of the Greenwich group where the Company placed deposit for Money market Investment which amounted to N1.219 billion million as at year end (2021: Nil).

(b) **Transactions with key management personnel**

Key management staff are those persons who have authority and responsibility for planning, directing and controlling the activities of the Company.

There is no any key management personnel compensation in the category of post employment benefits, other long term benefits, terminal benefits, and share-based payment for the periods under review.

32 **Contingent liabilities**

There are several ongoing legal actions against the Company arising out of its normal business operations amounting to N211.284 million (2021: N211.284 million). The directors believe that ,based on currently available information and advice of counsels, none of the outcomes that may result from such proceedings will have material effect on the financial position of the Company. Consequently, no provision has been made in these financial statements in respect of any contingent liabilities.

33 **Guarantees and other financial commitments charges on assets**

There were no guarantees and other financial commitments at periodr end. (2023: Nil)).

34 **Capital expenditure**

Capital expenditure authorised by the Directors but not contracted was nil (2023: nil)

35 **Comparative figures**

Where necessary comparative figures have been adjusted to conform to changes in presentation in the current year in accordance with International Accounting Standard (IAS)1.

36 **Events after the reporting date**

There are no significant events after reporting period, which could have had a material effect on the state of affairs of the Company as at 31 March, 2023 that have not been adequately provided for or disclosed in the financial statements.