



**MEYER PLC**

**UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE 1ST QUARTER ENDED**

**31 MARCH 2022**

## **DIRECTORS, ADVISORS AND REGISTERED OFFICE**

### **Corporate information**

#### **Chairman of the Board**

Mr. Kayode Falowo

#### **Directors**

Mr. Osa Osunde  
Erelu Angela Adebayo  
Mr. Tony Uponi  
Mr. Oluwatoyin Okeowo  
Mrs Ochee Vivienne Bamgboye  
Mr. Rotimi Alashe

#### **Registered office**

No 32 Billings way,  
Oregon 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

#### **Auditors**

BDO Professional Services  
(Chartered Accountants)  
ADOL House  
15, CIPM Avenue  
Central Business District  
Alausa, Ikeja  
Lagos.

#### **Major Bankers**

Access Bank Plc  
First Bank of Nigeria Limited  
Zenith Bank Plc  
Stanbic IBTC Bank Limited  
Guaranty Trust Bank Limited  
Providus Bank Plc

MEYER PLC  
CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MARCH, 2022

		GROUP		COMPANY	
	Notes	31/03/2022 N'000	31/03/2021 N'000	31/03/2022 N'000	31/03/2021 N'000
Revenue	9	341,804	223,473	341,804	223,473
Cost of sales	10	(252,075)	(145,155)	(252,075)	(145,155)
<b>Gross profit</b>		<b>89,729</b>	<b>78,318</b>	<b>89,729</b>	<b>78,318</b>
Other operating income	11(a)	26,906	13,904	26,906	13,904
Selling and distribution expenses	12	(9,484)	(7,635)	(9,484)	(7,635)
Administrative expenses	13	(114,836)	(99,844)	(114,836)	(99,844)
<b>Loss from operating activities</b>		<b>(7,685)</b>	<b>(15,257)</b>	<b>(7,685)</b>	<b>(15,257)</b>
Profit from disposal of building	11(b)	-	-	-	-
Finance income	14	15,177	23,979	15,177	23,979
Finance costs	14	(356)	(612)	(356)	(612)
<b>Net finance income</b>		<b>14,821</b>	<b>23,367</b>	<b>14,821</b>	<b>23,367</b>
<b>Profit before taxation</b>	15	<b>7,136</b>	<b>8,110</b>	<b>7,136</b>	<b>8,110</b>
Taxation	16(a)	(2,319)	(2,433)	(2,319)	(2,433)
<b>Profit for the period</b>		<b>4,817</b>	<b>5,677</b>	<b>4,817</b>	<b>5,677</b>
<b>Other comprehensive income:</b>					
Items that will not be reclassified to profit or loss		-	-	-	-
Items that may be reclassified to profit or loss		-	-	-	-
<b>Other comprehensive income for the period, net of tax</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive profit for the period</b>		<b>4,817</b>	<b>5,677</b>	<b>4,817</b>	<b>5,677</b>
<b>Profit for the year attributable to:</b>					
Owners of the parent		4,817	5,677	4,817	5,677
Non-controlling interest		(4)	(4)	-	-
<b>Profit for the period</b>		<b>4,813</b>	<b>5,673</b>	<b>4,817</b>	<b>5,677</b>
<b>Total comprehensive Profit attributable to:</b>					
Owners of the parent		4,817	5,677	4,817	5,677
Non-controlling interest		(4)	(4)	-	-
<b>Total comprehensive Profit for the period</b>		<b>4,813</b>	<b>5,673</b>	<b>4,817</b>	<b>5,677</b>
Basic earnings per share (kobo)	31	1	1	1	1
Diluted earnings per share (kobo)	31	1	1	1	1

MEYER PLC  
CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH, 2022

	Notes	GROUP		COMPANY	
		2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>Non-current assets</b>					
Property, plant and equipment	17	274,333	276,677	274,333	276,675
Right of use assets	17(c)	51,482	61,135	51,482	61,135
Deferred tax assets	16(d)	5,956	5,956	5,956	5,956
<b>Total Non-Current Assets</b>		<b>331,771</b>	<b>343,768</b>	<b>331,771</b>	<b>343,766</b>
<b>Current assets</b>					
Inventory	20	83,134	89,854	83,134	89,854
Trade and other receivables	21	190,330	194,267	159,500	157,641
Cash and cash equivalents	22	1,258,528	1,395,436	1,258,344	1,395,252
		<b>1,531,991</b>	<b>1,679,557</b>	<b>1,500,977</b>	<b>1,642,747</b>
		<b>1,531,991</b>	<b>1,679,557</b>	<b>1,500,977</b>	<b>1,642,747</b>
<b>Current liabilities</b>					
Short term borrowings	23(i)	6,114	6,614	6,114	6,614
Trade and other payables	25	770,396	476,424	791,050	491,568
Taxation	16(b)	2,319	458,768	2,319	458,484
		<b>778,829</b>	<b>941,806</b>	<b>799,483</b>	<b>956,666</b>
<b>Net current assets</b>		<b>753,162</b>	<b>737,751</b>	<b>701,494</b>	<b>686,081</b>
<b>Total assets less current liabilities</b>		<b>1,084,933</b>	<b>1,081,519</b>	<b>1,033,265</b>	<b>1,029,847</b>
<b>Non-current liabilities</b>					
Deferred tax liability	16(d)	-	-	-	-
Long term borrowings	24(iii)	-	-	-	-
Decommissioning cost	26	9,600	9,600	9,600	9,600
Employment benefits	24	15,690	17,089	15,690	17,089
		<b>25,290</b>	<b>26,689</b>	<b>25,290</b>	<b>26,689</b>
<b>Net assets</b>		<b>1,059,643</b>	<b>1,054,830</b>	<b>1,007,975</b>	<b>1,003,158</b>
<b>Equity</b>					
Share capital	27	248,864	248,864	248,864	248,864
Share premium	28	53,173	53,173	53,173	53,173
Revenue reserve	29(i)	755,166	750,349	705,938	701,121
Non controlling interest	29(ii)	2,440	2,444	-	-
<b>Total equity</b>		<b>1,059,643</b>	<b>1,054,830</b>	<b>1,007,975</b>	<b>1,003,158</b>

The financial statements and notes to the financial statements were approved by the Board of directors on 26 April, 2022 and signed on its behalf by:



Kayode Falowo  
Chairman  
FRC/2014/CISN/00000007051



Oluwatoyin Okeowo  
Director  
FRC/2013/IODN/00000002638



Rotimi Alashe  
Managing Director  
FRC/2013/ICAN/00000002335

## MEYER PLC

## CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH, 2022

	Notes	GROUP		COMPANY	
		2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>Cash flows from operating activities</b>					
Profit after taxation		4,817	33,668	4,817	33,673
<b>Adjustments for:</b>					
Depreciation of property, plant and equipment	17	2,652	15,731	2,652	15,732
Depreciation of Right of use assets	17 (c)	9,653	39,048	9,653	39,048
Finance income	14	(15,177)	(83,407)	(15,177)	(83,407)
Finance charges	14	356	1,003	356	1,003
Profit on disposal of property, plant and equipment	11(a)	(24,955)	(1,628)	(24,955)	(1,628)
Profit on disposal of Building	11(b)	-	-	-	-
Impairment of investment in subsidiary	19	-	-	-	-
Decommissioning cost	26	-	-	-	-
Income tax expense	16(a)	2,319	26,598	2,319	26,598
		(20,335)	31,013	(20,335)	31,019
Decrease in inventory	20	6,720	5,296	6,720	5,296
(Increase)/decrease in trade and other receivables	21	3,937	(18,562)	-1,859	-18,358
(Decrease)/increase in trade and other payables	25	293,980	(108,356)	299,492	-108,566
Decrease in employee benefits	24(a)	(1,399)	-	(1,399)	-
<b>Cash absorbed in operating activities</b>		282,903	(90,609)	282,620	(90,609)
Tax paid	16(b)	(458,484)	(219,621)	(458,484)	(219,621)
<b>Net cash outflow from operating activities</b>		(175,581)	(310,230)	(175,864)	(310,230)
<b>Cash flows from investing activities</b>					
Additions to property, plant and equipment	17(a)	(1,366)	(13,409)	(1,366)	(13,408)
Additions to Right of use assets	17(c)	-	(3,000)	-	(3,000)
Finance income	14	15,177	83,407	15,177	83,407
Proceeds from disposal of property, plant and equipment		26,000	12,003	26,000	12,003
<b>Net cash inflow from investing activities</b>		39,812	79,001	39,812	79,002
<b>Cash flows from financing activities</b>					
Long term loan repaid	22(ii)	(500)	(14,514)	(500)	(14,514)
Additional loan - short term	22(ii)	-	-	-	-
Dividend paid		-	(746,591)	-	(746,591)
Finance charges	14	(356)	(1,003)	(356)	(1,003)
<b>Net cash (outflow)/inflow from financing activities</b>		(856)	(762,108)	(856)	(762,108)
<b>Net (Decrease)/ increase in cash and cash equivalents</b>		(136,909)	(993,337)	(136,909)	(993,336)
Cash and cash equivalents at the beginning of the period		1,395,436	2,388,772	1,395,252	2,388,588
Cash and cash equivalents at the end of the period		1,258,528	1,395,436	1,258,343	1,395,252
<b>Cash and cash equivalents comprise:</b>					
Cash at Bank and in hand	23	1,258,528	1,395,436	1,258,343	1,395,252
		0	(0)	1	-

MEYER PLC  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH, 2022

	Share capital N'000	Share premium N'000	Revenue reserve N'000	Non controlling interest N'000	Total equity N'000
Balance as at 1 January 2022	248,864	53,173	750,349	2,444	1,054,830
<b><i>Comprehensive Income for the period</i></b>					-
Profit for the period	-	-	4,817	(4)	4,813
<i>Other comprehensive income</i>	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	4,817	(4)	4,813
<b>Contributions by and distributions to owners :</b>					
Issued share capital	-	-	-	-	-
Share premium	-	-	-	-	-
Dividend Paid	-	-	-	-	-
Balance as at 31 March, 2022	248,864	53,173	755,166	2,440	1,059,643
Balance as at 1 January, 2021	248,864	53,173	1,463,166	2,448	1,767,651
<b><i>Comprehensive Income for the period</i></b>					
Loss for the period	-	-	33,668	(4)	33,664
<i>Other comprehensive income</i>	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	33,668	(4)	33,664
<b>Contributions by and distributions to owners:</b>					
Share issue expenses	-	-	-	-	-
Issued share capital	-	-	-	-	-
Share premium	-	-	-	-	-
Dividend Paid	-	-	(746,591)	-	(746,591)
Balance as at 31 December, 2021	248,864	53,173	750,243	2,444	1,054,724

MEYER PLC  
SEPERATE STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR PERIOD ENDED 31 MARCH, 2022

	Share capital N'000	Share premium N'000	Retained earnings N'000	Total equity N'000
Balance at 1 January, 2022	248,864	53,173	701,121	1,003,158
<b><i>Comprehensive Income for the period</i></b>				
Profit for the period	-	-	4,817	4,817
<i>Other comprehensive income</i>	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	4,817	4,817
<b>Contributions by and distributions to owners :</b>				
Issued share capital	-	-	-	-
Share premium	-	-	-	-
Dividend paid	-	-	-	-
Balance as at 31 March, 2022	248,864	53,173	705,938	1,007,975
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Balance as at 1 January, 2021	248,864	53,173	1,414,039	1,716,076
<b><i>Comprehensive Income for the period</i></b>				
Loss for the period	-	-	33,673	33,673
<i>Other comprehensive income</i>	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	33,673	33,673
<b>Contributions by and distributions to owners:</b>				
Share issue expenses	-	-	-	-
Issued share capital	-	-	-	-
Share premium	-	-	-	-
Dividend paid	-	-	(746,591)	(746,591)
Balance as at 31 December, 2021	248,864	53,173	701,121	1,003,158

**MEYER PLC**  
**FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH, 2022**  
**NOTES TO THE FINANCIAL STATEMENTS**

**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, 6.03% by Osa Osunde, 5.16% by Kayode Falowo and 26.45% by Nigerian citizens.

Its registered office is at No 32, Billings 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.

**(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.

Standard/Interpretation		Date Issued by IASB	Effective date periods beginning on or after
IFRS 16	COVID-19 Related Rent Concessions	28 May 2020	1 June 2020
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform	27 August 2020	1 January 2021

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

The following are the new standards and interpretations that have been issued, but are not mandatory for the financial year ended 31 March, 2022. They have not been adopted in preparing the financial statements for the March ended 31 March, 2022.

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 ,2022, the following standards and interpretations were in issue but not yet effective:



**MEYER PLC**  
**FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH, 2022**  
**NOTES TO THE FINANCIAL STATEMENTS**

Standard/Interpretation		Date issued by IASB	Effective date periods beginning on or after
IAS 37	Onerous Contracts - Cost of Fulfilling a Contract	14 May 2020	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	14 May 2020	1 January 2022
IFRS 3	Reference to the Conceptual Framework	14 May 2020	1 January 2022
IAS 1	Classification of Liabilities as Current or Non-current	23 January 2020	1 January 2023
IFRS 17	Insurance Contracts	June 2020	1 January 2023
IAS 1	Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	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

\*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.

**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.

**MEYER PLC**  
**FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH, 2022**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**(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 recognized: 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 period. 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.

**MEYER PLC**  
**FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH, 2022**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**(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.

Building	36-76 years
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.

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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.

**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 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.

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(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 unconditional 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(b).

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.

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To measure the expected credit losses, trade receivables has been grouped based on shared credit risk

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 March, 2022 or 1 April 2022 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.



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**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.

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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 determining 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.

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**(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:

	2022	2021
	N'000	N'000
Trade receivables (Note 21)	116,445	113,576
Cash and cash equivalents (Note 22)	1,258,344	1,395,252
	1,374,789	1,508,828

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	-	123
Zenith Bank Plc	732	-
Union Bank of Nigeria Plc	99	99
Access Bank Plc	7,583	918
Eco Bank Plc	430	3
Guaranty Trust Bank Plc	3,276	45
Stanbic IBTC Bank Plc	17	16
First Bank of Nigeria Limited	22	47
Greenwich Asset Management Limited	547,602	569,983
Providus Bank Plc	635,236	823,974
Greenwich Merchant Bank	59,237	-
	1,254,234	1,395,208

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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.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 March 2022 or 1 January 2022 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.

On that basis, the loss allowance as at 31 March 2022 and 31 December 2021 was determined as follows for both trade receivables and contract assets:

	1 - 30 days	31 - 60 days past due	61 - 90 days past due	91 - 180 days past due	181 - 360 days past due	Above 360 days	Total
<b>31 March, 2022</b>							
Expected loss rate - Corporate	0.0%	0%	0%	0%	0%	0%	
Expected loss rate - Others	0.0%	0%	0%	10%	50%	100%	
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Gross carrying amount - trade receivables	59,346	33,686	2,002	14,918	6,493	36,155	152,600
Gross carrying amount - contract assets	-	-	-	-	-	-	-
<b>Loss allowance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,155</b>	<b>36,155</b>
<b>31 December, 2021</b>							
Expected loss rate - Corporate	0.0%	0%	0%	0%	0%	0%	
Expected loss rate - Others	0.0%	0%	0%	0%	0%	100%	
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Gross carrying amount - trade receivables	56,477	33,686	2,002	14,918	6,493	36,155	149,731
Gross carrying amount - contract assets	-	-	-	-	-	-	-
<b>Loss allowance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,155</b>	<b>36,155</b>

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**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, 2022	Book value N'000	Contractual cashflow N'000	One year or less N'000	1-5 years N'000
Borrowings	6,114	-	6,114	-
Trade and other payables	791,050	-	791,050	-
	<u>797,164</u>	<u>-</u>	<u>797,164</u>	<u>-</u>

As at 31 December 2021

	Book value N'000	Contractual cashflow N'000	One year or less N'000	1-5 years N'000
Borrowings	6,614	-	6,614	-
Trade and other payables	491,568	-	491,568	-
	<u>498,182</u>	<u>-</u>	<u>498,182</u>	<u>-</u>

**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 Marh, 2022	Effective interest	one year or less	1-5 years	Total
Cash and cash equivalents	-	1,258,344	-	1,258,344
Borrowings	-	(6,114)	-	(6,114)
	<u>-</u>	<u>1,252,230</u>	<u>-</u>	<u>1,252,230</u>

**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 2022 and at 31 December 2021 were as follows:

	2022 N'000	2021 N'000
Trade and other payables	791,050	491,568
Borrowings	6,114	6,614
Less: cash and cash equivalents	(1,258,344)	(1,395,252)
Net debt	<u>(461,179)</u>	<u>(897,070)</u>
Total equity	<u>1,007,975</u>	<u>1,003,158</u>
Debt to adjusted capital ratio (%)	<u>-46%</u>	<u>-89%</u>

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**9 Revenue from contracts with customers**

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

31 March 2022	GROUP Application			COMPANY Application		
	Paint N'000	of paint N'000	Total N'000	Paint N'000	of paint N'000	Total N'000
<b>Customer category</b>						
Private	213,581	9,331	222,912	213,581	9,331	222,912
Wholesale	107,614	-	107,614	107,614	-	107,614
Retail	11,278	-	11,278	11,278	-	11,278
<b>Sum Total</b>	<b>332,473</b>	<b>9,331</b>	<b>341,804</b>	<b>332,473</b>	<b>9,331</b>	<b>341,804</b>
<b>Product category</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Decorative	252,687	9,331	262,018	252,687	9,331	262,018
Auto & Wood	1,602	-	1,602	1,602	-	1,602
Industrial and Marine	78,184	-	78,184	78,184	-	78,184
<b>Sum Total</b>	<b>332,473</b>	<b>9,331</b>	<b>341,804</b>	<b>332,473</b>	<b>9,331</b>	<b>341,804</b>
<b>Region-Wise</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
East	53,802	9,331	63,133	53,802	9,331	63,133
West	185,272	-	185,272	185,272	-	185,272
North	93,399	-	93,399	93,399	-	93,399
<b>Sum Total</b>	<b>332,473</b>	<b>9,331</b>	<b>341,804</b>	<b>332,473</b>	<b>9,331</b>	<b>341,804</b>
31 March 2021	Application			Application		
	Paint N'000	of paint N'000	Total N'000	Paint N'000	of paint N'000	Total N'000
<b>Customer category</b>						
Private	119,465	712	120,177	119,465	712	120,177
Wholesale	96,614	-	96,614	96,614	-	96,614
Retail	6,682	-	6,682	6,682	-	6,682
<b>Sum Total</b>	<b>222,761</b>	<b>712</b>	<b>223,473</b>	<b>222,761</b>	<b>712</b>	<b>223,473</b>
<b>Product category</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Decorative	175,289	712	176,001	175,289	712	176,001
Auto & Wood	731	-	731	731	-	731
Industrial and Marine	46,741	-	46,741	46,741	-	46,741
<b>Sum Total</b>	<b>222,761</b>	<b>712</b>	<b>223,473</b>	<b>222,761</b>	<b>712</b>	<b>223,473</b>
<b>Region-Wise</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
East	30,569	-	30,569	30,569	-	30,569
West	130,207	712	130,919	130,207	712	130,919
North	61,985	-	61,985	61,985	-	61,985
<b>Sum Total</b>	<b>222,761</b>	<b>712</b>	<b>223,473</b>	<b>222,761</b>	<b>712</b>	<b>223,473</b>
10	<b>Cost of sales</b>		<b>N'000</b>	<b>GROUP N'000</b>	<b>COMPANY N'000</b>	<b>N'000</b>
	Paints		245,753	144,655	245,753	144,655
	Application of paints		6,322	500	6,322	500
			<b>252,075</b>	<b>145,155</b>	<b>252,075</b>	<b>145,155</b>

**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.

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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	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>Segment Revenue and results</b>				
Paints	332,473	222,761	332,473	222,761
Painting services	9,331	712	9,331	712
	<u>341,804</u>	<u>223,473</u>	<u>341,804</u>	<u>223,473</u>
<b>Segment results</b>				
Other gains and losses	26,906	13,904	26,906	13,904
Finance costs	(356)	(30,866)	(356)	(612)
Profit before tax	<u>7,136</u>	<u>8,110</u>	<u>7,136</u>	<u>8,110</u>

**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.

11a		GROUP		COMPANY	
		2022 N'000	2021 N'000	2022 N'000	2021 N'000
	<b>Other operating income</b>				
	Profit on disposal of property, plant and equipment	24,955	1,855	24,955	1,855
	Rental income	-	-	-	-
	Sale of scraps	981	596	981	596
	Bad debt recovered (Note 21(i))	-	-	-	-
	Long over due credit balances	-	-	-	-
	Sundry income	970	11,453	970	11,453
	Canteen takings	-	-	-	-
	Insurance Claim	-	-	-	-
	Provision no longer required	-	-	-	-
		<u>26,906</u>	<u>13,904</u>	<u>26,906</u>	<u>13,904</u>



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12 Selling and distribution expenses	GROUP		COMPANY	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Carriage inward	6,749	4,939	6,749	4,939
Sales promotion/commission	1,129	1,391	1,129	1,391
Dev.& Product Testing	503	1,065	503	1,065
Delivery Van Expense	1,103	240	1,103	240
	<u>9,484</u>	<u>7,635</u>	<u>9,484</u>	<u>7,635</u>
<b>13 Administrative expenses</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Basic salary	22,829	18,849	22,829	18,849
Overtime	103	153	103	153
Fringe costs	12,361	10,235	12,361	10,235
Christmas bonus	1,665	1,591	1,665	1,591
NSITF	227	213	227	213
Pension scheme	2,945	2,248	2,945	2,248
Casual labour	1,772	2,252	1,772	2,252
Canteen expenses	3,564	3,505	3,564	3,505
Medical expenses	18	1,237	18	1,237
Maintenance - mechanical	442	1,460	442	1,460
Security guards expenses	424	819	424	819
Computer charges	356	726	356	726
Building rents and rates	725	808	725	808
Repairs and maintenance general	1,106	1,318	1,106	1,318
Depreciation -land and building	6	13	6	13
Depreciation - vehicles	1,391	2,958	1,391	2,958
Depreciation - office equipment	584	591	584	591
Depreciation - furniture and fittings	12	20	12	20
Depreciation - Right of use asset	9,653	8,404	9,653	8,404
Advert and publicity expenses	420	148	420	148
Fuel and lubricants	1,687	1,623	1,687	1,623
Vehicle running expenses	4,315	2,705	4,315	2,705
Travelling	588	1,729	588	1,729
Directors fees and board expenses	6,348	4,593	6,348	4,593
Insurance expenses	940	786	940	786
Legal and professional fees	4,379	1,486	4,379	1,486
Printing and photocopy	256	690	256	690
Telephone	389	868	389	868
AGM expenses	750	750	750	750
Courier/postage	32	-	32	-
Audit fees	1,209	1,209	1,209	1,209
Bank charges - local	-	-	-	-
Performance cost	8,275	8,105	8,275	8,105
Staff training	-	-	-	-
Provision for Impairment of Investment	-	-	-	-
Bad debt	-	-	-	-
Clearing licence renewal	2,106	1,322	2,106	1,322
Industrial training fund	-	-	-	-
	<u>91,877</u>	<u>83,414</u>	<u>91,877</u>	<u>83,414</u>

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	GROUP		COMPANY	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
	91,877	83,414	91,877	83,414
General stores and consumables	423	1,071	423	1,071
Entertainment	861	482	861	482
Factory relocation expenses	-	-	-	-
Management fees expenses	17,430	11,459	17,430	11,459
Loss on sale of non-conforming products	-	-	-	-
Provision for doubtful receivables (Note 22(i))	-	-	-	-
Light and Water Expenses	624	735	624	735
Site & office cleaning	-	340	-	340
Subscriptions	2,672	234	2,672	234
General quality assurance expense	165	741	165	741
Free goods and sample	174	211	174	211
Forklift expense	220	80	220	80
Stock taking expense	58	717	58	717
* Rducdancy expense	-	119	-	119
Staff recruitment	78*	62	78*	62
Long service award	132	-	132	-
Canteen takings	-	4	-	4
Unifor and laundry	75	175	75	175
Stationary	125	-	125	-
	<b>114,836</b>	<b>99,844</b>	<b>114,836</b>	<b>99,844</b>
<b>14 Finance income and costs</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
(i) Finance income:				
Interest received on bank deposit	15,177	23,979	15,177	23,979
(ii) Finance costs:	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Interest on bank overdraft and loans	-	-	-	-
Finance expense on lease	356	612	356	612
	<b>356</b>	<b>612</b>	<b>356</b>	<b>612</b>
<b>15 Profit before taxation is arrived at after charging:</b>				
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Depreciation of property, plant and equipment	2,652	3,582	2,652	3,582
Depreciation of Right of use assets	9,653	8,404	9,653	8,404
Profit on disposal of property, plant and equipment	24,955	-	24,955	-
Auditors remuneration	1,209	1,209	1,209	1,209
<b>16 Tax expense</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
a) <b>Per profit and loss account</b>				
Income tax payable on results for the year:				
Minimum tax	-	-	-	-
Capital Gain Tax	-	-	-	-
Company Income tax	2,141	2,433	2,141	2,433
Police Trust Fund	-	-	-	-
NASENI levy	-	-	-	-
Education tax	178	-	178	-
Deferred tax written back	-	-	-	-
	<b>2,319</b>	<b>2,433</b>	<b>2,319</b>	<b>2,433</b>

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b) Per statement of financial position

	GROUP		COMPANY	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>Balance as at 1 January</b>				
Minimum tax				
Income tax	456,627	647,886	456,343	647,602
Capital Gain	2,141	-	2,141	-
Education tax	-	3,451	-	3,451
	<u>458,768</u>	<u>651,337</u>	<u>458,484</u>	<u>651,053</u>
<b>Payments during the year:</b>				
Income tax reclassified	(458,768)	(21,817)	(458,484)	(21,817)
Education tax	-	-	-	-
Withholding tax utilised	-	(42,416)	-	(42,416)
Capital Gain Tax	-	(155,388)	-	(155,388)
<b>Provision for the period</b>				
Income tax	2,141	23,758	2,141	23,758
Minimum tax	-	-	-	-
Capital Gain tax	-	-	-	-
Education tax	178	3,140	178	3,140
NASENI levy	-	151	-	151
Nigeria Police Trust Fund levy	-	3	-	3
<b>Balance at 31 March, 2022</b>	<u>2,319</u>	<u>458,768</u>	<u>2,319</u>	<u>458,484</u>

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% 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.

The income tax expense for the year can be reconciled to the accounting profit as per the statement of comprehensive income as follows:

d) **Deferred taxation**

	GROUP		COMPANY	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Deferred tax liabilities	5,614	5,614	5,614	5,614
Deferred tax assets	(11,570)	(11,570)	(11,570)	(11,570)
	<u>(5,956)</u>	<u>(5,956)</u>	<u>(5,956)</u>	<u>(5,956)</u>

The tax rate used for 2022 and 2021 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 period ended 31 March, 2022.

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17a 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
As at 1 January 2021	2,529	209,944	39,279	11,754	138,512	246,084	648,102
Additions	-	13,409	-	-	-	-	13,409
Disposals	-	-	(1,645)	-	(15,956)	-	(17,601)
Transfer (Note 17 (c))	-	-	-	-	32,059	-	32,059
Reclassification	-	1,535	-	-	-	(1,535)	-
<b>As at 31 December, 2021</b>	<b>2,529</b>	<b>224,888</b>	<b>37,634</b>	<b>11,754</b>	<b>154,615</b>	<b>244,549</b>	<b>675,969</b>
As at 1 January, 2022	2,529	224,888	37,634	11,754	154,615	244,549	675,969
Additions	-	-	920	-	446	-	1,366
Transfer (Note 17(c))	-	-	-	-	-	-	-
Disposals	(2,016)	-	-	-	(3,900)	-	(5,916)
Reclassifications	-	-	-	-	-	-	-
<b>As at 31 March, 2022</b>	<b>513</b>	<b>224,888</b>	<b>38,554</b>	<b>11,754</b>	<b>151,161</b>	<b>244,549</b>	<b>671,418</b>
<b>Accumulated depreciation and impairment:</b>							
As at 1 January, 2021	1,106	206,144	33,902	11,560	130,728	-	383,440
Charge for the period	51	2,724	2,330	80	10,547	-	15,732
Transfer (Note 17(c))	-	-	-	-	7,347	-	7,347
Eliminated on disposals	-	-	(1,645)	-	(5,581)	-	(7,226)
<b>As at 31 December, 2021</b>	<b>1,157</b>	<b>208,868</b>	<b>34,587</b>	<b>11,640</b>	<b>143,041</b>	<b>-</b>	<b>399,293</b>
As at 1 January, 2022	1,157	208,868	34,587	11,640	143,041	-	399,293
Charge for the period	6	670	584	12	1,391	-	2,662
Eliminated on disposals	(971)	-	-	-	(3,900)	-	(4,871)
Transfer (Note 17(c))	-	-	-	-	-	-	-
<b>As at 31 March 2022</b>	<b>192</b>	<b>209,538</b>	<b>35,171</b>	<b>11,652</b>	<b>140,532</b>	<b>-</b>	<b>397,084</b>
<b>Carrying amounts as at</b>							
As at 31 March 2022	321	15,350	3,383	102	10,629	244,549	274,333
As at 31 December, 2021	1,372	16,020	3,047	114	11,574	244,549	276,677

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

<b>Cost</b>	<b>Leasehold Property N'000</b>	<b>Plant &amp; machinery N'000</b>	<b>Office equipment N'000</b>	<b>Furniture and fittings N'000</b>	<b>Motor Vehicles N'000</b>	<b>Capital Work- in Progress N'000</b>	<b>Total N'000</b>
<b>As at 1 January 2021</b>	2,529	201,445	39,279	11,754	138,512	246,084	639,603
Additions	-	13,408	-	-	-	-	13,408
Disposal	-	-	(1,645)	-	(15,956)	-	(17,601)
Transfer (Note 17©)	-	-	-	-	32,059	-	32,059
Reclassification	-	1,535	-	-	-	(1,535)	-
<b>As at 31 December 2021</b>	<b>2,529</b>	<b>216,388</b>	<b>37,634</b>	<b>11,754</b>	<b>154,615</b>	<b>244,549</b>	<b>667,469</b>
<b>As at 1 January 2022</b>	<b>2,529</b>	<b>216,388</b>	<b>37,634</b>	<b>11,754</b>	<b>154,615</b>	<b>244,549</b>	<b>667,469</b>
Additions	-	-	920	-	446	-	1,366
Transfer (Note 17(c))	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
Disposal	(2,016)	-	-	-	(3,900)	-	(5,916)
<b>As at 31 March, 2022</b>	<b>513</b>	<b>216,388</b>	<b>38,554</b>	<b>11,754</b>	<b>151,161</b>	<b>244,549</b>	<b>662,918</b>
<b>Accumulated depreciation and impairment</b>							
<b>As at 1 January, 2021</b>	1,106	197,646	33,902	11,560	130,727	-	374,941
Charge for the period	51	2,724	2,330	80	10,547	-	15,732
Disposal	-	-	(1,645)	-	(5,581)	-	(7,226)
Transfer (Note 17(c))	-	-	-	-	7,347	-	7,347
<b>As at 31 December, 2021</b>	<b>1,157</b>	<b>200,370</b>	<b>34,587</b>	<b>11,640</b>	<b>143,040</b>	<b>-</b>	<b>390,794</b>
<b>As at 1 January, 2022</b>	<b>1,157</b>	<b>200,370</b>	<b>34,587</b>	<b>11,640</b>	<b>143,040</b>	<b>-</b>	<b>390,794</b>
Charge for the period	6	670	584	12	1,391	-	2,662
Transfer	-	-	-	-	-	-	-
Disposal	(971)	-	-	-	(3,900)	-	(4,871)
Transfer (Note 18)	-	-	-	-	-	-	-
<b>At 31 March, 2022</b>	<b>192</b>	<b>201,040</b>	<b>35,171</b>	<b>11,652</b>	<b>140,531</b>	<b>-</b>	<b>388,585</b>
<b>Carrying amount as at</b>							
<b>31 March, 2022</b>	<b>321</b>	<b>15,348</b>	<b>3,383</b>	<b>102</b>	<b>10,630</b>	<b>244,549</b>	<b>274,333</b>
<b>31 December, 2021</b>	<b>1,372</b>	<b>16,018</b>	<b>3,047</b>	<b>114</b>	<b>11,575</b>	<b>244,549</b>	<b>276,675</b>

**i Assets pledged as security**

None of the Company's assets is pledged as collateral for loans (2020: Nil)

**ii Contractual commitments**

As at 31 March 2022, the Company had no contractual commitments for the acquisition of property, plant and equipment .

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17(c) Right of use assets -Group

	Motor Vehicles N'000	Leased Building N'000	Total N'000
<b>Cost</b>			
As at 1 January, 2022	-	115,834	115,834
Additions	-	-	-
As at 31 March, 2022	<u>-</u>	<u>115,834</u>	<u>115,834</u>
<b>Depreciation</b>			
As at 1 January, 2022	-	54,669	54,669
Charge for the year	-	9,653	9,653
As at 31 March , 2022	<u>-</u>	<u>64,322</u>	<u>64,322</u>
<b>Carrying amount</b>			
As at 31 March, 2022	<u>-</u>	<u>51,512</u>	<u>51,512</u>
As at 31 December, 2021	<u>-</u>	<u>61,135</u>	<u>61,135</u>

Right of use assets -Company

	Motor Vehicles N'000	Leased Building N'000	Total N'000
<b>Cost</b>			
As at 1 January, 2021	32,059	112,834	144,893
Additions	-	3,000	3,000
Transfer	(32,059)		(32,059)
As at 31 December, 2021	<u>-</u>	<u>115,834</u>	<u>115,834</u>
As at 1 January, 2022	-	115,834	115,834
Additions (Note 17)	-	-	-
Transfer	-	-	-
As at 31 March, 2022	<u>-</u>	<u>115,834</u>	<u>115,834</u>
<b>Depreciation</b>			
As at 1 Januar,y 2021	-	15,651	15,651
Charge for the period	-	39,048	39,048
As at 31 December , 2021	<u>-</u>	<u>54,699</u>	<u>54,699</u>
As at 1 January ,2022	-	54,699	54,699
Charge for the period	-	9,653	9,653
Transfer (Note 17)	-	-	-
As at 31 March , 2022	<u>-</u>	<u>64,352</u>	<u>64,352</u>
<b>Carrying amount</b>			
As at 31 March, 2022	<u>-</u>	<u>51,482</u>	<u>51,482</u>
As at 31 December, 2021	<u>-</u>	<u>61,135</u>	<u>61,135</u>

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 NOTES TO THE FINANCIAL STATEMENTS

18	Intangible asset	Tetra 2000	Web Site	Payroll	Sage	Total
(i) Cost		N'000	N'000	N'000	N'000	N'000
	At 1 January, 2022	398	478	315	2,966	4,157
	Additions	-	-	-	-	-
	At 31 March, 2022	<b>398</b>	<b>478</b>	<b>315</b>	<b>2,966</b>	<b>4,157</b>
	<b>Amortisation</b>					
	At 1 January, 2022	398	478	315	2,966	4,157
	Charge for the period	-	-	-	-	-
	At 31 March , 2022	<b>398</b>	<b>478</b>	<b>315</b>	<b>2,966</b>	<b>4,157</b>
	<b>Carrying amount</b>					
	At 31 March, 2022	-	-	-	-	-
	At 31 December, 2021	-	-	-	-	-

**Significant intangible assets**

The Company currently uses sage accounting package line 1000 in collating and preparing accounting information for decision making. The carrying amount of the sage accounting package is Nil as at the period

**MEYER PLC**  
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**NOTES TO THE FINANCIAL STATEMENTS**

19 Investment in subsidiary	GROUP		COMPANY	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Carrying amount at cost	-	9,600	-	9,600
Provision for Impairment	-	(9,600)	-	(9,600)
Balance 31 March	-	-	-	-

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	
			2022	2021
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
	<u>400</u>	<u>4</u>

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

20 Inventory	GROUP		COMPANY	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Raw Materials	48,043	48,281	48,043	48,281
Work-in-progress	18,925	7,227	18,925	7,227
Finished goods	16,166	34,120	16,166	34,120
Consumables	-	226	-	226
	<u>83,134</u>	<u>89,854</u>	<u>83,134</u>	<u>89,854</u>

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



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21 Trade and other receivables	GROUP		COMPANY	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Trade receivables	182,926	185,957	152,600	149,731
Allowance for doubtful debts (i)	(36,155)	(36,155)	(36,155)	(36,155)
Trade receivables - net	146,771	149,802	116,445	113,576
Amount due from related parties (Note 32)	-	-	-	-
WHT claimable	35,398	35,398	35,398	35,398
Prepayments (iv)	2,857	4,087	2,857	4,087
Sundry debtors	963	612	459	212
Other debit balances	-	27	-	27
Deferred charges	4,341	4,341	4,341	4,341
	190,330	194,267	159,500	157,641
Provision for doubtful balances (ii)	-	-	-	-
<b>Total trade and other receivables</b>	<b>190,330</b>	<b>194,267</b>	<b>159,500</b>	<b>157,641</b>

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:*

	N'000	N'000	N'000	N'000
Balance at the beginning of the period	36,155	33,015	36,155	33,015
Addition during the	-	3,140	-	3,140
Provision no longer required	-	-	-	-
Provision written off	-	-	-	-
Balance at the end of the period	36,155	36,155	36,155	36,155

(ii) *Movement in provision for doubtful balances*

	N'000	N'000	N'000	N'000
Balance at the beginning of the period	-	939	-	939
Write off during the year	-	(939)	-	(939)
Balance at the end of the year	-	-	-	-

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.

(iii) *The age analysis of trade receivables is as follows:*

	N'000	N'000
Past due < 90days	95,034	92,165
Past due 90-180 days	14,918	14,918
Past due 180-360 days	3,297	3,297
Past due 360 days and above	39,351	39,351
	152,600	149,731

(iv) **Prepayments**

	N'000	N'000	N'000	N'000
Prepaid rent	483	1,208	483	1,208
Prepaid expenses	1,982	2,795	1,982	2,795
Insurance in advance	392	84	392	84
<b>Total prepayments</b>	<b>2,857</b>	<b>4,087</b>	<b>2,857</b>	<b>4,087</b>

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22 Cash and cash equivalents	GROUP		COMPANY	
	2022	2021	2022	2021
	N'000	N'000	N'000	N'000
Cash and bank balances	16,452	640	16,268	456
Short term investments	1,242,075	1,394,796	1,242,075	1,394,796
	<u>1,258,528</u>	<u>1,395,436</u>	<u>1,258,344</u>	<u>1,395,252</u>

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. This investments are placed in short term deposits and are continuously rolled over throughout the period.

23 **Borrowings**

(i) Short term borrowings	N'000	N'000	N'000	N'000
GTL Registrars	1,813	1,813	1,813	1,813
Finance lease obligations	4,301	4,801	4,301	4,801
	<u>6,114</u>	<u>6,614</u>	<u>6,114</u>	<u>6,614</u>

(ii) **Finance lease obligations**

(a) The movement in the finance lease obligations is as follows:	N'000	N'000	N'000	N'000
Balance at the beginning of period	4,801	19,315	4,801	19,315
Additions during the period	-	-	-	-
Repayments	(500)	(14,514)	(500)	(14,514)
Balance at the end of the period	<u>4,301</u>	<u>4,801</u>	<u>4,301</u>	<u>4,801</u>

(b) Finance lease liabilities are secured by the related motor vehicles as disclosed in Note 17(c). 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
	N'000	N'000	N'000
<b>31 March, 2022</b>			
Lease payment	<u>4,301</u>		<u>4,301</u>
<b>31 December, 2021</b>			
Lease payment	<u>4,801</u>		<u>-</u>

(iii) The movement in loan is as follows:	N'000	N'000	N'000	N'000
Balance at the beginning of the period	6,614	21,128	6,614	21,128
Additions during the period	-	-	-	-
Repayments	(500)	(14,514)	(500)	(14,514)
	<u>6,114</u>	<u>6,614</u>	<u>6,114</u>	<u>6,614</u>
Amount due within one period	<u>(6,114)</u>	<u>(6,614)</u>	<u>(6,114)</u>	<u>(6,614)</u>
Amount due after one period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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This current position relates to amount that will fall due in the next 12 months to Greenwich Assets Management Limited (GAML).

Lease facility from GAML, a related party, was for the purchase of 8 Motor Vehicles brought forward to the period at a lease rate of interest of 24% Per annum and spread over 18 months which ended in July 202. The liabilities is over due within the period.

	GROUP		COMPANY	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>24 Employment benefits</b>				
Balance as at 1 January	17,089	17,089	17,089	17,089
Payment for the period	(1,399)	-	(1,399)	-
Balance 31 March	15,690	17,089	15,690	17,089
<b>25 Trade and other payables</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Trade payables	75,144	213,959	69,309	208,124
Amount due to related parties (Note 32)	18,533	17,253	46,703	39,522
<b>Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost</b>	93,678	231,212	116,012	247,646
Other payables and accruals (Note 25(a))	676,718	245,212	675,038	243,922
<b>Total trade and other payables</b>	<b>770,396</b>	<b>476,424</b>	<b>791,050</b>	<b>491,568</b>
<b>(a) Other payables and accruals</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Income tax reclassified	458,768	-	458,484	-
Value added tax	59,141	60,935	59,141	60,935
Withholding tax payable	31,532	36,566	31,490	36,524
Pay As You Earn (PAYE)	1,195	1,250	1,195	1,250
Accruals	39,220	62,496	39,220	62,496
Industrial Training Fund	311	2,476	311	2,476
National Housing Fund	65	65	65	65
Rent receivable in advance	-	-	-	-
Sundry creditors	20,848	15,258	19,494	14,010
Customer deposits	60,733	60,368	60,733	60,368
Pension scheme	4,904	5,798	4,904	5,798
	676,718	245,212	675,038	243,922

(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.

	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>26) Decommissioning cost</b>				
Balance as at 1 January	9,600	9,600	9,600	9,600
Provision for the year	-	-	-	-
Balance as at 31 March	9,600	9,600	9,600	9,600

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)

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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	
	2022	2021	2022	2021
<b>27 Share Capital</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Authorised Share capital</b>				
1,300,000,000 Ordinary share of 50k each	650,000	650,000	650,000	650,000
<b>Issued and fully paid:</b>				
497,728,000 ordinary shares of 50k each	248,864	248,864	248,864	248,864
<b>28 Share Premium</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Balance at the beginning and end of the period	53,173	53,173	53,173	53,173
<b>29(i) Revenue reserve</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Balance at the beginning of the year	750,349	1,463,272	701,121	1,414,039
Transfer from statement of profit or loss	4,817	33,668	4,817	33,673
Dividend Paid during the year 2021	-	(746,591)	-	(746,591)
Balance at the end of the Period	755,166	750,349	705,938	701,121
<b>(ii) Non controlling interest</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Balance as at 1 January	2,444	2,448	-	-
Transfer from profit or loss	(4)	(4)	-	-
Balance at 31 March	2,440	2,444	-	-
<b>30 Basic earnings per ordinary share</b>				
Basic earnings per ordinary share of ₦0.50k each is calculated on the Group's earnings/(loss) after taxation based on the number of shares in issue at the end of the year.				
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Profit for the year attributable to shareholders	4,817	5,677	4,817	5,677
Basic earnings per share of ₦0.50k each	1	1	1	1
Diluted earnings per share (kobo)	1	1	1	1
<b>31 Reconciliation of statement of cash flows</b>				
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 period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:				
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Cash and bank balances	1,258,528	1,395,436	1,258,344	1,395,252

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32 **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) <b>Related parties</b>	<b>Nature of transaction</b>	<b>Transaction value for the year</b>			
		<b>GROUP</b>		<b>COMPANY</b>	
		<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Greenwich Trust Limited	Sales of paints	-	-	-	0
GTL Properties Limited	Sales and Application of Paints	-	-	-	-
Greenwich Asset Management Limited	Lease of vehicles	-	-	-	-
		-	-	-	-
		-	-	-	-
Due to related parties:		<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
DNM Construction Limited		-	-	22,269	22,269
DNM Construction Receivables				5,900	
Greenwich Trust Limited		18,533	17,253	18,533	17,253
		<u>18,533</u>	<u>17,253</u>	<u>46,703</u>	<u>39,522</u>
Due From related parties:		<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Cedar Express Limited		-	-	-	-
GTL Properties Limited		-	-	-	-
		-	-	-	-

(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 March 2022 provides management support services to the Company.

Greenwich Asset Management Limited (GAML) - A non-banking financial institution where the Company placed deposit for Money market Investment which amounted to N547.6 million as at period ended 2022. GAML granted the Company a lease facility for the sum of N31.12 million for 18 months to purchase 8 Motor Vehicles. The facility was secured on the money market Investment with GAML.

Cedar Express Limited- A member of the Greenwich group provides logistics solutions and also share office space with the Company.

Hoakland Ventures Nigeria Limited: Included in trade payables is Nil (2021 : N201 million) due to Hoakland Ventures Nigeria Limited a major supplier of raw materials to the Company in which one of the directors of Meyer Plc has an interest.

(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.

Key management includes directors (executive and non-executive) and members of the Executive Committee. The compensation paid or payable to key management for employee services is shown below:

**MEYER PLC**  
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**ACCOUNTS**

The Directors are pleased to submit the Unaudited Financial Statements for the period ended 31 March, 2022.

**LEGAL STATUS**

The Company commenced operations in Nigeria in 1960 after it was incorporated as a private limited liability company and 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 Constructio	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 year.
- ii. The Authorised share capital of the Company is N650,000,000 divided into 1,300,000,000 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% and above for period ended March 2022

S/N	NAMES	2022 SHAREHOLDING	%
1	Greenwich Capital Limited	156,419,326	31.43
2	Bosworth Investments & Service Limited	153,961,094	30.93
3	Mr. Usa Usunde	30,001,500	6.03
4	Mr. Kayode Falowo	25,688,982	5.16

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No individual shareholder other than as stated above held more than 5% of the issued share capital of the Company as at 31 March 2022.

**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 2022 for the purposes of section 301 of the Companies and Allied Matters Act, 2021 are as follows :

S/N	Name of Director	Direct shareholding	Indirect shareholding	Direct shareholding	Indirect shareholding
		2022	2022	2021	2021
1	Mr. Kayode Falowo	25,688,982	Nil	25,688,982	Nil
2	Mr. Osa Osunde	30,001,500	Nil	30,001,500	Nil
3	Erelu Angela Adebayo	Nil	Nil	Nil	Nil
4	Mr. Tony Uponi	3,298,804	Nil	3,298,804.00	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 disabled persons**

It is the policy of the Company that there is no discrimination in considering applications for employment including those from disabled persons. All employees whether or not disabled are given equal opportunities to develop their experience and knowledge and to qualify for promotion in furtherance of their careers. As at 31 March 2022 there was no disabled 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 organization. Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate.