



...every bite, a promise kept

Tantalizers PLC (RC 314076)

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TANTALIZERS PLC

MANAGEMENT ACCOUNT

PERIOD ENDED 30TH JUNE 2018

TANTALIZERS PLC

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

In Million NGN	Notes	Year to	Year to	01 April 2018	01 April 2017
		30th. June 2018	30th. June 2017	30 June 2018	30 June 2017
Revenue		810,392,530	926,329,381	410,301,285	435,033,299
Cost of Sales		(475,728,570)	(599,583,267)	(244,222,540)	(271,596,921)
Gross Profit		334,663,960	326,746,114	166,078,745	163,436,378
Administrative Expenses		(594,610,626)	(700,118,212)	(288,244,022)	(349,220,305)
Distribution Expenses		(19,537,539)	(10,740,111)	(9,433,538)	(5,951,125)
Other Operating Incomes	1	148,897,626	216,145,996	76,857,092	79,227,356
Operating profit before change in fair value of					
Biological Assets		(130,586,579)	(167,966,213)	(54,741,723)	(112,507,695)
Gain / (Loss) from changes in fair value of biological assets					
Operating profit including gain from biologicals assets		(130,586,579)	(167,966,213)	(54,741,723)	(112,507,695)
Financial Expenses	3	(91,523,925)	(152,941,803)	(44,988,715)	(83,170,996)
Exchange gain / (Loss)		-	-	-	-
Results before tax		(222,110,504)	(320,908,016)	(99,730,438)	(195,678,691)
Income tax expense	4				
RESULT OF THE PERIOD	2	(222,110,504)	(320,908,016)	(99,730,438)	(195,678,691)
Other comprehensive income:					
Actuarial gain / (Loss) on defined benefit plans		-	-	-	-
Other comprehensive income, net of tax		-	-	-	-
TOTAL COMPREHENSIVE INCOME OF THE PERIOD		(222,110,504)	(320,908,016)	(99,730,438)	(195,678,691)
Basic		(7k)	(32k)	(3k)	(6k)
Diluted		(7k)	(32k)	(3k)	(6k)

TANTALIZERS PLC

CONDENSED STATEMENT OF FINANCIAL POSITION

		30/06/2018	31/12/2017
In Million NGN	Notes	Unaudited	audited
ASSETS			
Non - current assets		2,725,359,127	2,969,426,527
Property, plant and equipment	5	2,554,774,357	2,781,243,455
Other non - current assets		170,584,770	188,183,072
Current assets		957,982,732	1,071,551,486
Inventories	6	83,927,244	105,925,920
Trade and other receivables	7	853,550,904	839,881,620
Cash and Cash Equivalents	8	20,504,584	125,743,946
TOTAL ASSETS		3,683,341,859	4,040,978,013
EQUITY AND LIABILITIES			
Equity		459,797,510	665,537,944
Share Capital	14	1,605,813,953	1,605,813,953
Share Premium	15	2,071,077,399	2,071,077,399
Retained earnings		(3,394,711,686)	(3,169,317,323)
Other revenues		177,617,844	157,963,915
Non - current liabilities		408,435,814	593,961,434
Provision & Deferred Income	10	93,287,612	162,029,147
Borrowings:			
Term Loans	11	315,148,202	431,932,287
Current Liabilities		2,815,108,534	2,781,778,635
Trade and other payables	9	1,566,185,057	1,522,427,507
Provision & Deferred Income	10	181,500,377	384,072,803
Borrowings:			
Overdrafts	12	37,106,725	2,309,074
Term Loans	13	713,279,033	551,350,884
Taxation		317,037,342	321,618,367
TOTAL EQUITY AND LIABILITIES		3,683,341,858	4,041,278,013

APPROVED BY THE BOARD OF DIRECTORS ON THE 25TH JULY 2018 AND THE DIRECTORS BELOW

ARE AUTHORISED TO SIGN.

Mrs Abosede Ayeni

Managing Director

FRC/2016/IODN00000015675

Mr Bamidele Oke

Finance Director

FRC/204/ICAN/0000007239

TANTALIZERS PLC

FINANCIAL STATEMENTS, 30 JUNE 2018

Statement of Changes in Equity

	Ordinary Share Capital	Share Premium	Revaluation Reserve	Retained Deficit	Total
	N	N	N	N	N
At 1st January, 2018	1,605,813,953	2,071,077,399	157,963,915	(3,169,317,323)	665,537,944
Profit/(Loss) for the Year	-	-	-	(222,110,504)	(222,110,504)
Movement in Revaluation Reserve during the Year	-	-	19,653,929	(3,283,859)	16,370,070
At 30th June, 2018	1,605,813,953	2,071,077,399	177,617,844	(3,394,711,686)	459,797,510
At 1st January, 2017	1,605,813,953	2,071,077,399	674,273,256	(3,612,687,402)	738,477,206
Loss for the Year	-	-	-	(320,908,015)	(320,908,015)
Movement in Revaluation Reserve during the Year	-	-	(67,788,505.00)	-	(67,788,505)
At 30th June, 2017	1,605,813,953	2,071,077,399	606,484,751	(3,933,595,417)	349,780,686

TANTALIZERS PLC

**STATEMENT OF CASH FLOWS
FOR THE YEAR PERIOD 30TH JUNE 2018**

	Jun-18	Dec-17
	N	N
<u>CASH FLOW FROM OPERATING ACTIVITIES:</u>		
Cash received from customers	1,017,891,680	2,344,556,615
Cash paid to suppliers and employees	(755,378,865)	(1,730,476,905)
Tax paid	-	(317,906)
Interest received	-	-
Interest paid	(91,523,925)	(269,481,057)
Net cash (used in)/generated from operating activities	170,988,890	344,280,748
<u>CASH FLOW FROM INVESTING ACTIVITIES:</u>		
Interest Received		1,163,098
Purchase of Property, plant and equipment	(9,147,300)	(57,452,630)
Proceeds from disposal of Property, plant and equipment	-	1,102,364,672
Net cash used in investing activities	(9,147,300)	1,046,075,140
<u>CASHFLOW FROM FINANCING ACTIVITIES:</u>		
Repayments of borrowings	(55,008,859)	(861,978,396)
Proceeds of borrowings	-	-
Net cash provided by financing activities	(55,008,859)	(861,978,396)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	106,832,731	528,377,492
Effect of Exchange Rate Changes		(1,109,811)
Cash & Cash Equivalents at beginning of the year	123,434,872	(403,832,808)
Cash & Cash Equivalents at year end 2018	(16,602,141)	123,434,872
<u>REPRESENTED BY:-</u>		
Cash at Bank and in Hand	20,504,584	125,743,946
Bank Overdraft	(37,106,725)	(2,309,074)
Cash & Cash Equivalents	(16,602,141)	123,434,872

TANTALIZERS PLC

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH JUNE 2018

1	<u>OTHER INCOMES</u>	Jun-18	Jun-17
		N	N
	Rent income	51,718,214	67,455,897
	Other income	8,889,034	11,362,565
	Advert Income	240,000	523,000
	Franchise Income	88,050,378	84,840,961
	Interest Income	-	28,932
	Profit on disposal of fixed assets	-	51,791,130
	Uncollected Gift Card Balances	-	143,511
		148,897,626	216,145,996
2	<u>OPERATING PROFIT/(LOSS)</u>	Jun-18	Jun-17
		N	N
	is arrived at after charging/(crediting)		
	Directors' emoluments:		
	Fees	3,350,000	1,675,000
	Other emoluments	53,400,000	26,700,000
	Depreciation	107,050,328	136,539,113
	Auditors' Remuneration	3,500,000	1,750,000
	(Profit)/Loss on sale of fixed assets	-	(51,791,130)
3	<u>FINANCE COSTS</u>	Jun-18	Jun-17
		N	N
	This comprises of		
	Interest on Term Loan	88,580,669	121,326,808
	Interest on leases	0	0
	Interest on overdraft	0	0
	Other Charges (COT etc)	2,943,256	3,527,769
		91,523,925	124,854,577
4	<u>TAXATION</u>	Jun-18	Jun-17
	(i) Per Profit and loss account		
	Income Tax	-	-
	Education Tax	-	-
	(ii) Per Statement of Financial position		
	As at the beginning of the year	321,618,367	315,722,555
	provision for the year	-	-
		321,618,367	315,722,555
	Payment During the year	(4,581,025)	(1,358,918)
		317,037,342	314,363,637

TANTALIZERS PLC

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH JUNE 2018

PROPERTY, PLANT AND EQUIPMENT

	LAND	BUILDING	ASSET IN PROGRESS	RESTAURANT FURNITURE & EQUIPMENT	OFFICE FURNITURE & EQUIPMENT	PLANT & MACHINERY	MOTOR VEHICLES	SOFTWARE EQUIPMENT	TOTAL
	N	N	N	N	N	N	N	N	N
COST									
As At 1st January 2018	1,262,756,052	2,282,778,298	0	1,618,977,919	270,425,792	0	290,983,606	295,092,678	6,748,947,510
Additions during the period	-	276,400	-	2,700,100	477,400	5,693,400	-	-	9,147,300
Reclassification	-	-	-	-	-	-	-	-	0
Revaluation	-	-	-	-	-	-	-	-	0
Disposal during the period	(70,520,000)	(78,572,866)	-	-	-	-	-	-	(149,092,866)
As at 30th JUNE 2018	1,192,236,052	2,204,482,032	0	1,621,678,019	270,903,192	0	290,983,606	295,092,678	6,609,002,145
DEPRECIATION									
As At 1st January 2018	-	1,158,923,262	0	1,547,161,851	269,587,499	0	290,983,604	68,550,049	3,967,704,055
Charge for the period	-	81,262,109	-	8,418,554	1,158,943	8,845,769	-	7,364,952	107,050,328
Disposal in the period	-	(20,526,595)	-	-	-	-	-	-	(20,526,595)
As at 30th JUNE 2018	-	1,219,658,766	-	1,555,580,405	270,746,442	641,343,569	290,983,604	75,915,002	4,054,227,788
NET BOOK VALUE AS									
As at 30th JUNE 2018	1,192,236,052	984,823,266	27,612,689	66,097,614	156,750	0	1	219,177,676	2,554,774,357
NET BOOK VALUE @ AT 31st December 2017	1,262,756,052	1,123,855,046	27,612,689	71,816,068	838,294	67,552,877	1	226,542,629	2,780,973,455

TANTALIZERS PLC

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH JUNE 2018

6	<u>INVENTORIES</u>	Jun-18	Dec-17
		N	
	Raw Materials & Finished Products	35,681,051	50,246,809
	Printing & Stationery	2,602,689	4,061,579
	Engineering, kitchen & Staff uniform	16,547,612	15,492,915
	Packaging Materials	2,585,578	5,758,791
	Gift cards	21,534,870	25,240,000
	Work-in-Progress	1,212,664	843,191
	Gas & Diesel	3,762,780	4,282,635
		<u>83,927,244</u>	<u>105,925,920</u>
7	<u>TRADE AND OTHER RECEIVABLES</u>	Jun-18	Dec-17
		N	
	non - current		
	Rent prepaid	170,584,770	188,183,072
	This consist of rents paid in advance on outlets that would last more than 12 months.		
	current		
	Trade receivables	671,753,029	666,878,053
	Rent prepaid	48,889,776	53,952,552
	Amortization	72,844,759	86,376,558
	Advance to contractors	-	-
	Prepaid IT subscription	519,179	-
	Others	15,135,428	-
	Withholding Tax Receiveable	32,750,674	27,822,173
	Staff Debtors	11,658,059	4,852,284
		<u>853,550,904</u>	<u>839,881,620</u>
	Trade Receivables are mostly Royalties and Other Charges due from Franchisee		
8	<u>CASH AND CASH EQUIVALENTS</u>	Jun-18	Dec-17
		N	N
	Cash Balances	12,268,775	9,075,580
	Bank Balances	8,235,809	116,668,366
	Cash & Cash equivalents	20,504,584	125,743,946
	Bank Overdrafts	(37,106,725)	(2,309,074)
	Cash and cash equivalents in cashflow state	<u>(16,602,141)</u>	<u>123,434,872</u>

TANTALIZERS PLC

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH JUNE 2018

9	<u>TRADE AND OTHER PAYABLES</u>	Jun-18	Dec-17
		N	N
	Trade Creditors	390,379,319	159,783,785
	Creditors (Directors)	0	0
	Other payables	<u>1,175,805,738</u>	<u>1,362,643,722</u>
		<u>1,566,185,057</u>	<u>1,522,427,507</u>

The company's policy on payment of creditors is to agree terms of payment prior to commencing trade with a supplier and to abide by those terms on the timely submission of invoices and other required confirmation of supply documents.

10	<u>PROVISIONS AND DEFERRED INCOME</u>	Jun-18	Dec-17
		N	N
	non - current		
	Deferred income	3,517,490	117,089,104
	Retro-Franchise Deposits	<u>89,770,122</u>	<u>44,940,043</u>
		<u>93,287,612</u>	<u>162,029,147</u>
	This relates to amounts received as rental income for unutilized spaces in various outlets that would expire after 12 months.		
	current		
	Provisions & Accruals	21,805,756	281,164,938
	Provision for Directors fee	33,320,000	0
	Retro-Franchise Deposits	46,373,804	36,018,226
	Deposit on Rent	75,500,817	62,389,639
	Refundable Deposit on Rent	4,500,000	4,500,000
	Deferred income	<u>-</u>	<u>0</u>
		<u>181,500,377</u>	<u>384,072,803</u>

Deferred income relates to amounts received as rental income for unutilized spaces in various outlets that would expire within 12 months.

Provision for Directors fee of N15,075,000 has been outstanding for the past four years. Directors are yet to be paid.

11	<u>BORROWINGS</u>	Jun-18	Dec-17
		N	N
	non - current Secured Loans		
	Guaranty Trust Bank Plc Loan due year 2017		
	Bank of Industry/(Skye bank plc) Loan due year 2018		32,783,072
	IFC Loan due year 2019	0	0
	Eco-Bank plc Restructured Loan due year 2020	180,000,000	180,000,000
	Eco-Bank plc Restructured Loan due year 2019	131,287,476	211,910,757
	Eco-Bank plc Restructured Loan due year 2018	0	0
	Wema Bank Loan	<u>3,860,725.87</u>	<u>6,938,457</u>
		<u>315,148,202</u>	<u>431,632,286</u>

TANTALIZERS PLC

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH JUNE 2018

	Jun-18	Dec-17
12 Bank Overdrafts	37,106,725	2,309,074
13 current Secured Loans		
Eco-Bank plc Restructured Loan due year 2019	0	
Eco-Bank plc Restructured Loan due year 2019	180,990,745	31,918,030
Eco-Bank plc Restructured Loan due year 2020	98,247,705	151,791,365
Bank of Industries/(Skye bank plc) Loan due year 2018	434,040,582	367,641,489
IFC Loan due year 2016	0	0
	<u>713,279,033</u>	<u>551,350,884</u>

IFC LOAN (PRINCIPAL & INTEREST) FULLY SETTLED IN SEPT 2017

14 SHARE CAPITAL	Jun-18	Dec-17
	N	N
1. Authorised:		
5,000,000,000 Ordinary Shares of 50k each	<u>2,500,000,000</u>	<u>2,500,000,000</u>
2. Issued and fully paid:	N	N
3,211,627,906 Ordinary Shares of 50k each	<u>1,605,813,953</u>	<u>1,605,813,953</u>

15 **SHARE PREMIUM**

This represents the excess of consideration paid over the nominal value of the 1,026,630,526 shares issued during the private placement offer in year 2008 and the 261,627,906 shares issued during the special placement offer in year 2010.

TANTALIZERS PLC

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH JUNE 2018

16	<u>REVENUE RESERVE</u>	<u>Jun-18</u>	<u>Dec-17</u>
		<u>N</u>	<u>N</u>
	At 1st January 2018	(3,169,317,323)	(3,612,687,402)
	Prior year adjustments	(3,283,858)	
	Profit for the period	<u>(222,110,505)</u>	<u>443,370,079</u>
	Balance Transferred to Balance Sheet	<u>(3,394,711,686)</u>	<u>(3,169,317,323)</u>