

GlaxoSmithKline Consumer Nigeria Plc
Financial Statements
For the year ended 31 December 2012

Statements of comprehensive income

		GROUP		COMPANY	
	Note	2012 N'000	2011 N'000	2012 N'000	2011 N'000
Revenue		25,308,159	21,525,803	25,127,000	21,148,210
Cost of sales		<u>(15,080,461)</u>	<u>(12,537,935)</u>	<u>(14,990,778)</u>	<u>(12,314,048)</u>
Gross profit		10,227,698	8,987,868	10,136,222	8,834,162
Other operating income	5	135,408	23,304	133,523	507,303
Selling and distribution costs		<u>(4,936,641)</u>	<u>(4,297,230)</u>	<u>(4,941,225)</u>	<u>(4,307,310)</u>
Administrative expenses		<u>(1,414,112)</u>	<u>(1,230,949)</u>	<u>(1,405,093)</u>	<u>(1,224,832)</u>
Other operating expenses	7	<u>(36,736)</u>	<u>(38,252)</u>	<u>(36,736)</u>	<u>(33,670)</u>
Operating profit		3,975,617	3,444,741	3,886,691	3,775,653
Finance costs	8	<u>(151)</u>	<u>(1,787)</u>	<u>(151)</u>	<u>(16,062)</u>
Finance income	9	<u>196,199</u>	<u>49,666</u>	<u>184,148</u>	<u>40,245</u>
Profit before tax		4,171,665	3,492,620	4,070,688	3,799,836
Income tax expense	12	<u>(1,348,139)</u>	<u>(1,197,632)</u>	<u>(1,315,825)</u>	<u>(1,135,405)</u>
Profit for the year		<u>2,823,526</u>	<u>2,294,988</u>	<u>2,754,863</u>	<u>2,664,431</u>
Other comprehensive income					
Actuarial gains on defined benefit plans	21	7,353	28,335	7,353	28,335
Income tax effect	12	<u>(2,206)</u>	<u>(8,501)</u>	<u>(2,206)</u>	<u>(8,501)</u>
Other comprehensive income for the year, net of tax		<u>5,147</u>	<u>19,834</u>	<u>5,147</u>	<u>19,834</u>
Total comprehensive income for the year, net of tax		<u>2,828,673</u>	<u>2,314,822</u>	<u>2,760,010</u>	<u>2,684,265</u>
Earnings per share					
Basic and diluted, profit for the year attributable to ordinary equity holders of the parent	13	<u>295</u>	<u>240</u>	<u>288</u>	<u>279</u>

The notes on pages 15 to 56 form an integral part of these financial statements.

GlaxoSmithKline Consumer Nigeria Plc
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Statements of financial position

		GROUP			COMPANY		
		31 December 2012 N'000	31 December 2011 N'000	1 January 2011 N'000	31 December 2012 N'000	31 December 2011 N'000	1 January 2011 N'000
	Note						
Assets							
Non-current assets							
Property, plant and equipment	14	8,835,060	7,282,265	6,905,024	8,835,060	7,282,265	6,905,024
Investment in subsidiary	15	-	-	-	160	160	160
		<u>8,835,060</u>	<u>7,282,265</u>	<u>6,905,024</u>	<u>8,835,220</u>	<u>7,282,425</u>	<u>6,905,184</u>
Current assets							
Inventories	16	4,555,302	4,689,175	4,380,927	4,508,804	4,657,354	4,361,915
Trade and other receivables	17	3,498,073	1,596,807	1,538,378	3,692,678	2,082,210	1,512,105
Prepayments		538,300	388,282	313,892	537,731	387,766	313,368
Cash and short- term deposits	18	<u>4,365,986</u>	<u>3,983,627</u>	<u>1,127,226</u>	<u>3,996,835</u>	<u>3,302,572</u>	<u>1,072,888</u>
		<u>12,957,661</u>	<u>10,657,891</u>	<u>7,360,423</u>	<u>12,736,048</u>	<u>10,429,902</u>	<u>7,260,276</u>
Total assets		<u>21,792,721</u>	<u>17,940,156</u>	<u>14,265,447</u>	<u>21,571,268</u>	<u>17,712,327</u>	<u>14,165,460</u>
Equity and liabilities							
Equity							
Issued share capital	19	478,351	478,351	478,351	478,351	478,351	478,351
Share premium	19	51,395	51,395	51,395	51,395	51,395	51,395
Retained earnings		<u>10,133,314</u>	<u>8,452,682</u>	<u>7,282,901</u>	<u>9,972,881</u>	<u>8,360,912</u>	<u>6,821,688</u>
Total equity		<u>10,663,060</u>	<u>8,982,428</u>	<u>7,812,647</u>	<u>10,502,627</u>	<u>8,890,658</u>	<u>7,351,434</u>
Non-current liabilities							
Employee benefit liability	21	128,162	111,065	143,896	128,162	111,065	143,896
Deferred tax liability	12	<u>1,490,927</u>	<u>1,275,624</u>	<u>899,920</u>	<u>1,490,927</u>	<u>1,275,624</u>	<u>899,920</u>
		<u>1,619,089</u>	<u>1,386,689</u>	<u>1,043,816</u>	<u>1,619,089</u>	<u>1,386,689</u>	<u>1,043,816</u>
Current liabilities							
Trade and other payables	22	8,297,445	6,717,584	4,911,687	8,287,748	6,657,105	4,836,542
Other current financial liabilities	23	-	-	-	-	-	520,015
Income tax payable	12	<u>1,213,127</u>	<u>853,455</u>	<u>497,297</u>	<u>1,161,804</u>	<u>777,875</u>	<u>413,653</u>
		<u>9,510,572</u>	<u>7,571,039</u>	<u>5,408,984</u>	<u>9,449,552</u>	<u>7,434,980</u>	<u>5,770,210</u>
Total liabilities		<u>11,129,661</u>	<u>8,957,728</u>	<u>6,452,800</u>	<u>11,068,641</u>	<u>8,821,669</u>	<u>6,814,026</u>
Total equity and liabilities		<u>21,792,721</u>	<u>17,940,156</u>	<u>14,265,447</u>	<u>21,571,268</u>	<u>17,712,327</u>	<u>14,165,460</u>

The financial statements on pages 10 to 56 were approved by the Board of Directors on 25 March 2013 and signed on its behalf by:

Chief Olusegun O. Osunkeye, OFR, OON

Chidi Okoro

The notes on pages 15 to 56 form an integral part of these financial statements.

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Consolidated statement of changes in equity

For the year ended 31 December 2012	Note	Issued share capital N'000	Share premium N'000	Retained earnings N'000	Total equity N'000
At 1 January 2012	19	478,351	51,395	8,452,682	8,982,428
Profit for the year		-	-	2,823,526	2,823,526
Other comprehensive income		-	-	5,147	5,147
Total comprehensive income				2,828,673	2,828,673
Dividend	20	-	-	(1,148,041)	(1,148,041)
At 31 December 2012		478,351	51,395	10,133,314	10,663,060

For the year ended 31 December 2011		Issued share capital N'000	Share premium N'000	Retained earnings N'000	Total equity N'000
At 1 January 2011	19	478,351	51,395	7,282,901	7,812,647
Profit for the year		-	-	2,294,988	2,294,988
Other comprehensive income		-	-	19,834	19,834
Total comprehensive income				2,314,822	2,314,822
Dividend	20	-	-	(1,148,041)	(1,148,041)
Unclaimed dividend now statute barred		-	-	3,000	3,000
At 31 December 2011		478,351	51,395	8,452,682	8,982,428

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GlaxoSmithKline Consumer Nigeria Plc
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Company statement of changes in equity

For the year ended 31 December 2012	Note	Issued share capital N000	Share premium N000	Retained Earnings N000	Total equity N000
As at 1 January 2012	19	478,351	51,395	8,360,912	8,890,658
Profit for the year		-	-	2,754,863	2,754,863
Other comprehensive income		-	-	5,147	5,147
Total comprehensive income		-	-	2,760,010	2,760,010
Dividend	20	-	-	(1,148,041)	(1,148,041)
At 31 December 2012		478,351	51,395	9,972,881	10,502,627

For the year ended 31 December 2011		Issued share capital N000	Share premium N000	Retained Earnings N000	Total equity N000
As at 1 January 2011	19	478,351	51,395	6,821,688	7,351,434
Profit for the year		-	-	2,664,431	2,664,431
Other comprehensive income		-	-	19,834	19,834
				2,684,265	2,684,265
Dividend	20	-	-	(1,148,041)	(1,148,041)
Unclaimed dividend now statute barred		-	-	3,000	3,000
At 31 December 2011		478,351	51,395	8,360,912	8,890,658

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GlaxoSmithKline Consumer Nigeria Plc
Financial Statements
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Statements of cash flows

		GROUP		COMPANY	
	Note	2012 N'000	2011 N'000	2012 N'000	2011 N'000
Operating activities					
Profit before tax		4,171,665	3,492,620	4,070,688	3,799,836
Non-cash adjustment to reconcile profit before tax to net cash flows					
Depreciation of property, plant and equipment	14	810,553	738,861	810,553	738,861
Gain on disposal of property, plant and equipment	5	(7,904)	(6,197)	(7,904)	(6,197)
Finance income	9	(167,823)	(35,145)	(155,772)	(25,724)
Exchange Loss	7	27,031	9,113	27,031	9,113
Finance costs	8	151	1,787	151	16,062
Dividend income		-	-	-	(484,000)
Net charge on defined benefit obligations (Net recovery) /impairment of trade receivables	21	24,830	24,992	24,830	24,992
	17	(11,182)	19,416	(9,297)	14,834
Working capital adjustments:					
Decrease/(increase) in inventories		133,873	(308,248)	148,550	(295,439)
Increase in trade receivables		(1,890,084)	(77,845)	(1,601,170)	(584,939)
Increase in prepayments		(150,018)	(74,390)	(149,965)	(74,398)
Increase in trade and other payables		1,560,178	1,799,784	1,610,960	1,814,450
		4,501,270	5,584,748	4,768,655	4,947,451
Defined benefit obligation paid	21	(380)	(29,488)	(380)	(29,488)
Interest paid	8	(151)	(1,787)	(151)	(16,062)
Income tax paid		(775,369)	(474,271)	(718,799)	(403,980)
Net cash flows from operating activities		3,725,370	5,079,202	4,049,325	4,497,921
Investing activities					
Proceed from sale of property, plant and equipment		12,818	11,646	12,818	11,646
Interest received		167,823	35,145	155,772	25,724
Dividend received		-	-	-	484,000
Purchase of property, plant and equipment	14	(2,368,262)	(1,121,551)	(2,368,262)	(1,121,551)
Net cash flows used in investing activities		(2,187,621)	(1,074,760)	(2,199,672)	(600,181)
Financing activities					
Repayment of borrowings		-	-	-	(520,015)
Dividends paid to equity holders of the parent	20	(1,148,041)	(1,148,041)	(1,148,041)	(1,148,041)
Net cash flows used in financing activities		(1,148,041)	(1,148,041)	(1,148,041)	(1,668,056)
Net increase in cash and cash equivalents		389,708	2,856,401	701,612	2,229,684
Cash and cash equivalents at 1 January		3,983,627	1,127,226	3,302,572	1,072,888
Exchange loss on cash and cash equivalents		(7,349)	-	(7,349)	-
Cash and cash equivalents at 31 December		4,365,986	3,983,627	3,996,835	3,302,572

The notes on pages 15 to 56 form an integral part of these financial statements.