



Unilever Nigeria Plc
Unaudited Interim Financial Statements
For the Six Months ended 30 June 2019

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Income Statement

For three months ended 30 June 2019

		2019	2018
	Note	N'000	N'000 Restated *
Revenue	6	23,421,705	23,827,217
Cost of sales		(15,944,837)	(15,230,209)
Gross profit		7,476,868	8,597,008
Selling and distribution expenses		(1,048,430)	(993,456)
Marketing and administrative expenses		(3,878,256)	(4,722,278)
Impairment loss on trade receivables		(17,396)	-
Other income		2,575	-
Operating profit		2,535,361	2,881,274
Finance income		397,981	1,040,765
Finance costs		(262,923)	(76,695)
Profit before taxation		2,670,419	3,845,344
Taxation		(676,254)	(982,579)
Profit from continuing operations		1,994,165	2,862,765
Discontinued operation			
Loss from discontinued operations	21(b)	-	(42,931)
Attributable to:			
Equity holders		1,994,165	2,819,834
Earnings per share for profit attributable to equity holders:			
Basic and diluted earnings per share (Naira)		0.35	0.49

The notes on pages 9 to 19 form an integral part of these financial statements.

* The prior year comparative figures have been restated to reflect the impact of discontinued operations as a single amount in the income statement (Note 21 (b)).

Income Statement

For six months ended 30 June 2019

	Note	2019 N'000	2018 N'000
Continuing operations			
Revenue	6	42,657,499	48,125,098
Cost of sales		(31,311,411)	(32,802,928)
Gross profit		11,346,088	15,322,170
Selling and distribution expenses		(1,907,893)	(2,083,363)
Marketing and administrative expenses	7	(5,396,101)	(7,029,416)
Impairment loss on trade receivables		(217,803)	-
Other income	8	28,910	-
Operating profit		3,853,201	6,209,391
Finance income	9	1,201,911	1,505,804
Finance costs	10	(357,316)	(169,415)
Profit before taxation		4,697,796	7,545,780
Taxation	11	(1,183,000)	(1,946,375)
Profit from continuing operations		3,514,796	5,599,405
Discontinued operation			
Profit from discontinued operations	21(a)	-	119,679
Profit for the period		3,514,796	5,719,084
Attributable to:			
Equity holders		3,514,796	5,719,084
Earnings per share for profit attributable to equity holders:			
Basic and diluted earnings per share (Naira)		0.61	1.00

The notes on pages 9 to 19 form an integral part of these financial statements.

Statement of Other Comprehensive Income For three months ended 30 June 2019

	2019 N'000	2018 N'000
Items that will not be reclassified to income statement:		
Remeasurement on post employment benefit obligations	-	-
Tax effect	-	-
Other comprehensive income	-	-
Profit for the period	1,994,165	2,819,834
Total comprehensive income	1,994,165	2,819,834
Attributable to:		
Equity holders	1,994,165	2,819,834

Statement of Other Comprehensive Income For six months ended 30 June 2019

	2019 N'000	2018 N'000
Items that will not be reclassified to income statement:		
Remeasurement on post employment benefit obligations	-	-
Tax effect	-	-
Other comprehensive income	-	-
Profit for the period	3,514,796	5,719,084
Total comprehensive income	3,514,796	5,719,084
Attributable to:		
Equity holders	3,514,796	5,719,084

The notes on pages 9 to 19 form an integral part of these financial statements.

Statement of Financial Position As at 30 June 2019

	Note	30 June 2019 N'ooo	31 December 2018 N'ooo
Assets			
Non-current assets			
Property, plant and equipment	12	31,063,857	29,677,539
Intangible assets		337,162	448,488
Other non- current assets		23,386	48,353
Employee loan receivable		50,124	65,531
Retirement benefit surplus	17	300,274	293,219
		<u>31,774,803</u>	<u>30,533,130</u>
Current assets			
Inventories	13	10,614,142	13,928,867
Trade and other receivables	14	50,487,292	30,188,189
Employee loan receivable		37,484	49,005
Cash and bank balances	15	30,613,855	57,144,182
		<u>91,752,773</u>	<u>101,310,243</u>
Total assets		<u>123,527,576</u>	<u>131,843,373</u>
Liabilities			
Current liabilities			
Trade and other payables	16	38,470,043	38,610,839
Income tax		2,406,153	4,555,820
Loans and borrowings		394	394
		<u>40,876,590</u>	<u>43,167,053</u>
Non-current liabilities			
Deferred tax liabilities		2,517,349	3,652,125
Retirement benefit obligations	17	2,170,436	2,021,360
Long service award obligations	17	231,145	209,510
Other employee benefits		41,645	-
Loans and borrowings		3,579	3,782
		<u>4,964,154</u>	<u>5,886,777</u>
Total liabilities		<u>45,840,745</u>	<u>49,053,830</u>

Statement of Financial Position (continued) As at 30 June 2019

	Note	30 June 2019 N'000	31 December 2018 N'000
Equity			
Ordinary share capital	20	2,872,503	2,872,503
Share premium	20	56,812,810	56,812,810
Retained earnings		18,001,518	23,104,230
Total equity		<u>77,686,831</u>	<u>82,789,543</u>
Total equity and liabilities		<u><u>123,527,576</u></u>	<u><u>131,843,373</u></u>

The financial statements on pages 2 to 19 were approved for issue by the Board of Directors on 18 July 2019 and signed on its behalf by:



His Majesty N.A. Achebe CFR, MNI
Chairman
FRC/2013/NIM/00000001568



Yaw Nsarkoh
Managing Director
FRC/2014/IODN/00000007035



Adesola Sotande-Peters
Finance Director
FRC/2015/ICAN/00000010834

The notes on pages 9 to 19 form an integral part of these financial statements.

Statement of Changes in Equity For six months ended 30 June 2019

	Share capital N'ooo	Share premium N'ooo	Retained earnings N'ooo	Total N'ooo
Balance at 1 January 2018	2,872,503	56,812,810	16,223,062	75,908,375
Total comprehensive income for the period				
Profit for the period	-	-	5,719,084	5,719,084
Other comprehensive income				
Remeasurement on post employment benefit obligations, net of tax	-	-	-	-
	-	-	5,719,084	5,719,084
Transactions with owners				
Dividend declared	-	-	(2,872,503)	(2,872,503)
Balance at 30 June 2018	<u>2,872,503</u>	<u>56,812,810</u>	<u>19,069,643</u>	<u>78,754,956</u>
Balance at 1 January 2019	2,872,503	56,812,810	23,104,230	82,789,543
Total comprehensive income for the period				
Profit for the period	-	-	3,514,796	3,514,796
Other comprehensive income				
Remeasurement on post employment benefit obligations, net of tax	-	-	-	-
	-	-	3,514,796	3,514,796
Transactions with owners				
Dividend declared	-	-	(8,617,508)	(8,617,508)
Balance at 30 June 2019	<u>2,872,503</u>	<u>56,812,810</u>	<u>18,001,518</u>	<u>77,686,831</u>

The notes on pages 9 to 19 form an integral part of these financial statements.

Statement of Cash Flows For six months ended 30 June 2019

		30 June 2019 N'000	30 June 2018 N'000
Cash flows from operating activities			
Cash(used in)/ generated from operations	18	(11,795,618)	3,456,921
Retirement benefits paid		(35,643)	(1,871,213)
Long service award obligations paid		(41,645)	(31,218)
Tax paid		(4,168,785)	-
Net cash flow (used in)/ generated from operating activities		(16,041,691)	1,554,490
Cash flows from investing activities			
Interest received		1,201,911	1,505,804
Purchase of property, plant and equipment	12	(2,715,521)	(1,924,674)
Proceeds from sale of property, plant and equipment		-	-
Net cash used in investing activities		(1,513,610)	(418,870)
Cash flows from financing activities			
Drawdown of long-term loan		-	-
Repayment of long-term loan		(203)	(669,953)
Repayment of short-term loan		-	-
Interest payment		(357,316)	(169,415)
Dividend paid		(8,617,508)	(2,872,503)
Net cash flow used in financing activities		(8,975,027)	(3,711,871)
Net (decrease)/increase in cash and cash equivalents		(26,530,327)	(2,576,251)
Cash and cash equivalents at the beginning of the period		57,144,182	50,493,595
Cash and cash equivalents at the end of the period	15	30,613,855	47,917,344

The notes on pages 9 to 19 form an integral part of these financial statements.

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1. General information

Unilever Nigeria Plc is incorporated in Nigeria under the Companies and Allied Matters Act 1990 as a public limited liability company and is domiciled in Nigeria. The Company's shares are listed on the Nigerian Stock Exchange (NSE). The Company is principally involved in the manufacture and marketing of foods and food ingredients, and home and personal care products. It has manufacturing plants in Lagos and Agbara.

2. Basis of preparation

These interim financial statements for the six months ended 30 June 2019 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2018, which have been prepared in accordance with IFRS.

3. Significant accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

3.1 New Accounting Standards

A number of standards have recently become effective namely a) IFRS 16: Leases . b) IFRS 15: Revenue from Contracts with Customers and c) IFRS 9: Financial Instruments

IFRS 16: Leases - IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e the Customer ("lessee") and the Supplier ("lessor"). The Standard eliminates the classification of leases as either operating leases or finance leases and introduces a single balance sheet lessee accounting model. All leases are now treated in a similar way to finance leases. The new standard is effective for annual periods beginning on or after January 1 2019. The extent of the impact of this standard is ongoing and the company would quantify the cumulative effects in the 2019 financial statements

IFRS 15: Revenue from Contracts with Customers - IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces previous recognition guidelines. Under IFRS 15, revenue is recognised when a Customer obtains control of the goods or services. Revenue is recognised to the extent that it is highly probable that significant returns from cumulative revenue recognised will not occur. Management is required to make a reasonable estimate of returns and adjust revenue for expected returns. Applicable estimates and adjustments have been made in the financial statements

IFRS 9: Financial Instruments - IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items As a result of the adoption of IFRS 9, the Company has adopted consequential amendments to IAS 1 Presentation of Financial Statements which require impairment of financial assets to be presented in a separate line item in the income statement and OCI

4. Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2018.

5. Financial risk management

Financial risk factors

Unilever's activities expose it to a variety of financial risks: market risk (foreign exchange risk), credit risk and liquidity risk. Unilever's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on Unilever's financial performance.

Risk management is carried out by a Treasury Department under policies approved by the Finance Director. Unilever's Treasury Department identifies, evaluates and manages financial risks in close co-operation with Unilever's operating units. These policies are mostly Unilever Global Policies adapted for local use.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Company's annual financial statements as at 31 December 2018. There have been no changes in the risk management structure since year end or in any risk management policy.

5.1. Financial risk factors

(a) Market risk

(i) Foreign exchange risk

Unilever is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro and USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities.

The Company manages this risk mainly by hedging foreign exchange currency contracts.

(ii) Cash flow and fair value interest rate risk

Unilever's interest rate risk arises from bank overdrafts and bank loans. Overdrafts issued at variable rates expose Unilever to cash flow interest rate risk. Borrowings issued at fixed rates expose Unilever to fair value interest rate risk.

Unilever analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, Unilever calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

5. Financial risk management (continued)

5.1. Financial risk factors

(ii) Cash flow and fair value interest rate risk

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Unilever analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, Unilever calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

The following table shows the split in fixed and floating rate exposures:

	2019 N'000	2018 N'000
Fixed rate (bank loans)	3,973	4,176
Floating rates (bank overdrafts)	-	-
	<u>3,973</u>	<u>4,176</u>

(b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only parties classified as "International Golden Circle" (preferred choice for the Unilever group) are accepted. Exposure limit with the banks is set at a maximum of N34 billion. Risk control assesses the credit quality of wholesale customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board or external ratings. The utilisation of credit limits is regularly monitored.

Concentration of credit risk with respect to trade receivables is limited, due to the Company's customer base being diverse. Credit terms for customers are determined on individual basis. Credit risk relating to trade receivables is managed by reference to the customers' credit limit, inventory balance, cash position and secondary sales to final consumers.

(c) Liquidity risk

Liquidity risk is the risk that Unilever will face difficulty in meeting its obligations associated with its financial liabilities. Unilever's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine Unilever's credibility, impair investor confidence and also restrict Unilever's ability to raise funds.

Where current liabilities exceed current assets, the Company seeks to manage its liquidity requirements by maintaining access to bank lending which are renewable annually.

At the reporting date, Unilever held cash in bank was N30.1 billion (2018: N57.1 billion).

6. Segment reporting

The chief operating decision-maker has been identified as the Leadership Team (LT) of Unilever Nigeria Plc. The Leadership Team reviews Unilever's monthly financial and operational information in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The Leadership Team consider the business from a product category perspective. Unilever is segmented into Food Products (FP) and Home & Personal Care Products (HPC).

Foods – including sale of tea and savoury.

Home & Personal Care – including sale of fabric care, household cleaning, skin care and oral care products.

There are no intersegmental sales and Nigeria is the Company's primary geographical segment as it comprises 99% of the company's sales.

The Leadership Team assesses the performance based on operating profits for each operating segment that is reviewed. Total financing (including interest income and expense), income taxes and retirement benefit obligations are managed on an entity-wide basis and are not allocated to operating segments.

The following represents the Company's segment report from continuing operations

	Food Products	Home & Personal Care	Total
	N'000	N'000	N'000
3 months ended 30 June 2019			
Revenue	12,101,017	11,320,688	23,421,705
Depreciation and amortisation	1,465,240	1,370,754	2,835,994
Segmental operating loss	1,309,915	1,225,446	2,535,361
Finance income			397,981
Finance cost			(262,923)
Loss before taxation			<u>2,670,419</u>
3 months ended 30 June 2018			
Revenue	11,382,417	12,444,800	23,827,217
Depreciation and amortisation	374,057	381,341	755,398
Segmental operating profit	1,376,403	1,504,871	2,881,274
Finance income			1,040,765
Finance cost			(76,695)
Profit before taxation			<u>3,845,344</u>
6 months ended 30 June 2019			
Revenue	21,355,799	21,301,700	42,657,499
Depreciation and amortisation	2,253,828	2,248,118	4,501,946
Segmental operating profit	1,929,044	1,924,157	3,853,201
Finance income			1,201,911
Finance cost			(357,316)
Profit before taxation			<u>4,697,796</u>
6 months ended 30 June 2018			
Revenue	22,035,511	26,089,587	48,125,098
Depreciation and amortisation	1,405,104	1,663,613	3,068,717
Segmental operating profit	2,843,155	3,366,236	6,209,391
Finance income			1,505,804
Finance cost			(169,415)
Profit before taxation			<u>7,545,780</u>

6. Segment reporting (continued)

Turnover by geographical location

	Domestic (within Nigeria) N'000	Export (outside Nigeria) N'000	Total N'000
3 months ended 30 June 2019	23,063,386	358,319	23,421,705
3 months ended 30 June 2018	23,186,222	640,995	23,827,217
6 months ended 30 June 2019	42,134,037	523,462	42,657,499
6 months ended 30 June 2018	46,755,436	1,369,661	48,125,097

The company has 135 customers, and no single customer accounted for more than 10% of the company's revenue.

7. Marketing and administrative expenses

	2019 N'000	2018 N'000
Brand and marketing	1,717,895	1,745,531
Overheads	3,137,230	4,599,328
Service Fees	540,976	684,557
	<u>5,396,101</u>	<u>7,029,416</u>

8. Other income

	2019 N'000	2018 N'000
(Loss)/ Gain on sale of property plant and equipment	(4,415)	
Transitional Service Agreement income	33,325	
	<u>28,910</u>	<u>-</u>

9. Finance income

	2019 N'000	2018 N'000
Interest on call deposits and bank accounts	1,200,532	1,450,623
Exchange gain on bank accounts	1,379	35,140
Interest income from employee loans	-	20,041
	<u>1,201,911</u>	<u>1,505,804</u>

10 Finance cost

	2019 N'000	2018 N'000
Interest on third party bank loans	65,798	50,678
Exchange loss difference on bank accounts	291,518	-
Interest cost on defined benefit plans	-	118,737
	<u>357,316</u>	<u>169,415</u>

11 Income Taxes

Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the period. The estimated average tax rate used for the period ended 30 June 2019 is 25.18% (the estimated tax rate for the six months ended 30 June 2018 was 26%).

12. Property, plant and equipment (PPE)

	Capital work-in- progress N'000	Lease hold land N'000	Buildings N'000	Plant and machinery N'000	Furniture and equipment N'000	Motor vehicles N'000	Total N'000
Cost							
At 1 January 2018	3,571,572	434,433	9,530,572	28,697,718	2,068,838	830,161	45,133,294
Additions	5,395,511	-	-	-	-	-	5,395,511
Transfers	(4,679,565)	19,557	720,343	3,183,851	265,068	490,746	-
Disposals	(56,790)	(20,350)	(497,436)	(2,438,863)	(227,788)	(9,840)	(3,251,067)
Reclassification between asset class	17,478	0	-	(17,478)	0	-	-
At 31 December 2018	4,248,206	433,640	9,753,479	29,425,228	2,106,118	1,311,067	47,277,738
Additions	2,715,521	-	-	-	-	-	2,715,521
Transfers	(2,628,236)	-	125,271	2,331,820	46,275	124,870	-
Disposals/write-off	-	(20,350)	(5,041)	(639)	(439)	(36,849)	(63,319)
At 30 June 2019	4,335,491	413,290	9,873,709	31,756,409	2,151,954	1,399,088	49,929,940
Depreciation / impairment							
At 1 January 2018	-	15,531	1,492,118	12,447,578	755,448	541,915	15,252,590
Depreciation charge for the year	-	-	271,560	2,024,821	188,826	187,038	2,672,245
Disposals	-	(12,341)	(183,249)	(118,085)	(9,321)	(1,640)	(324,636)
							0
At 31 December 2018	-	3,190	1,580,429	14,354,314	934,953	727,313	17,600,199
Depreciation charge for the period	-	2,299	144,989	945,684	99,539	122,377	1,314,888
Disposals/write-off	-	(13,025)	(5,041)	(37)	(73)	(30,827)	(49,004)
At 30 June 2019	-	-7,537	1,720,377	15,299,961	1,034,419	818,863	18,866,083
Net book value:							
At 1 January 2018	3,571,572	418,902	8,038,454	16,250,140	1,313,390	288,246	29,880,704
At 31 December 2018	4,248,206	430,450	8,173,050	15,070,914	1,171,165	583,754	29,677,539
At 30 June 2019	4,335,491	420,827	8,153,332	16,456,448	1,117,535	580,224	31,063,857

13. Inventories

	2019 N'000	2018 N'000
Raw and packaging materials	6,899,783	7,028,110
Work in progress	576,680	534,586
Goods in transit	566,629	846,054
Finished goods	1,540,215	3,652,134
Engineering spares and other inventories	1,030,835	1,024,329
Right to recover returned goods	-	843,654
	<u>10,614,142</u>	<u>13,928,867</u>

14. Trade and other receivables

	2019 N'000	2018 N'000
Trade receivables: gross	24,264,542	18,225,511
Less impairment	<u>(703,549)</u>	<u>(485,746)</u>
Trade receivables: net	23,560,993	17,739,765
Advances and prepayments	10,863,446	4,395,920
Unclaimed dividend held with registrar	475,448	475,448
Interest receivable	132,885	434,345
Other receivables	1,495,496	2,581,949
Due from related parties (Note 19(iii))	7,216,342	4,307,325
Deposit for imports	6,742,682	253,437
Derivative assets	-	-
	<u>50,487,292</u>	<u>30,188,189</u>

Advances and prepayments include insurance premium and advances to vendors.

15. Cash and cash equivalents

	2019 N'000	2018 N'000
Cash at bank and in hand	18,564,120	24,055,755
Fixed deposit	12,049,735	33,088,427
	<u>30,613,855</u>	<u>57,144,182</u>

16. Trade and other payables

	2019 N'000	2018 N'000
Trade payables	6,856,080	13,138,613
Amount due to related companies (Note 19(iii))	14,657,453	14,611,870
Dividend payable (Note 16(i))	3,171,439	3,171,439
Accrued liabilities	1,476,144	1,175,636
Accrued brand and marketing expenses	525,642	366,892
Accrued shipping and freight charges	1,740,264	1,609,344
Refund liabilities	-	1,071,360
Non trade payables	<u>10,043,021</u>	<u>3,465,685</u>
	<u>38,470,043</u>	<u>38,610,839</u>

16. Trade and other payables (continued)

	2019 N'000	2018 N'000
(i) Dividend payable		
As at 1 January	3,171,439	2,891,042
Dividend declared	8,617,508	2,872,503
Dividend paid to Registrar	(8,617,508)	(2,872,503)
Payment made from cash with Registrar	-	280,397
As at 30 June/31 December	<u>3,171,439</u>	<u>3,171,439</u>

17. Retirement benefit obligations

The amounts recognised in the statement of financial position are determined as follows:

	2019 N'000	2018 N'000
Present value of funded retirement benefit obligations	(1,550,619)	(1,584,886)
Fair value of plan assets	1,850,893	1,878,105
Retirement benefit surplus	300,274	293,219
Present value of unfunded retirement benefit obligations	(2,170,436)	(2,021,360)
Long service award obligations	(231,145)	(209,510)
Net liability in the statement of financial position	<u>(2,101,307)</u>	<u>(1,937,651)</u>

The amounts recognised within the income statement were as follows:

	Current Service Cost N'000	Net Interest Cost N'000	Total N'000
3 Months Ended 30 June 2019	56,173	151,917	208,090
3 Months Ended 30 June 2018	73,378	80,521	153,899
6 Months Ended 30 June 2019	56,173	151,917	208,090
6 Months Ended 30 June 2018	84,847	123,165	208,012

18. Cash flows from operating activities

	2019 N'000	2018 N'000
Profit before tax	4,697,796	7,707,509
Adjustment for non-cash items:		
- Depreciation of fixed assets	1,314,888	1,357,834
- Amortisation of intangible assets	111,325	117,117
- Loss on disposals on fixed assets	-	-
- Finance income	(1,201,911)	(1,505,804)
- Finance expense	357,316	169,415
- Net charge in retirement benefit obligations	177,665	174,901
- Change in employee loan receivable	26,928	103,848
- Long service award obligations	30,426	33,111
- Other employee benefits	41,645	(31,217)
- Deferred Income	-	(62,781)
Changes in working capital:		
- Increase in trade and other receivables	(20,550,592)	(10,473,465)
- Decrease /(Increase) in inventory	3,314,725	(1,416,423)
- (Decrease) /Increase in trade and other payables	(140,796)	7,238,831
- Decrease in other non-current assets	24,967	44,045
Cash(used in)/ generated from operations	<u>(11,795,618)</u>	<u>3,456,921</u>

19. Related party transactions

(i) Sale of finished goods to related parties

	2019 N'000	2018 N'000
Unilever Ghana Limited	216,537	627,200
Unilever Cote D'Ivoire	306,924	742,461
	<u>523,461</u>	<u>1,369,661</u>

(ii) Purchases of finished goods for resale from related parties

	2019 N'000	2018 N'000
Unilever Ghana Limited	24,231	1,589,600
Unilever Gulf Free Zone Establishment	-	18,461
Unilever Asia Private Limited	233,823	72,399
Unilever South Africa (Pty) Limited	26,750	-
	<u>284,804</u>	<u>1,680,460</u>

(iii) Outstanding related party balances as at 30 June were:

	2019 N'000	2018 N'000
<i>Receivables from related parties:</i>		
Unilever Cote D'Ivoire	3,083,565	5,457,650
Unilever Ghana Limited	4,733,538	-
Other related parties	750,323	239,605
	<u>8,567,426</u>	<u>5,697,255</u>
Less impairment	(1,351,084)	(1,389,930)
	<u>7,216,342</u>	<u>4,307,325</u>

	2019 N'000	2018 N'000
<i>Payables to related parties:</i>		
Unilever UK Plc	3,472,554	2,423,562
Unilever Cote D'Ivoire	105,177	125,328
Unilever Ghana Limited	2,537,736	2,373,529
Unilever Asia Private	3,640,168	5,876,661
Unilever NV	2,167,302	2,394,533
Unilever Gulf Free Zone Establishment	-	333
Other related parties (settlement on behalf of the Company)	2,734,516	1,417,924
	<u>14,657,453</u>	<u>14,611,870</u>

20. Share capital and share premium

	Number of ordinary shares (thousands)	Ordinary shares N'000	Share premium N'000
Balance as at 31 December 2018 and 30 June 2019	5,745,005	2,872,503	56,812,810

The authorised number of ordinary shares is 6,053,274,000 with a par value of 50kobo per share. Of these, 5,745,005,000 ordinary shares have been issued and fully paid.

21. Discontinued Operations

In July 2018, Unilever Nigeria Plc concluded the sale of its entire spreads business (Blueband margarine). In line with the Unilever Group's directive, the Company committed to a plan to sell this business since its announcement in December 2017.

		2019	2018
		N'000	N'000
a	For six months ended 30 June 2018		
	Income Statement		
	Turnover		2,344,435
	Cost of sales		(1,814,954)
	Gross Profit	-	529,481
	Selling and Distribution expenses		(123,044)
	Marketing and administrative expenses		
	Brand and marketing		(85,753)
	Overheads		(224,058)
	Operating profit	-	96,626
	Finance income		73,356
	Finance cost		(8,253)
	Profit Before tax	-	161,729
	Taxation		(42,050)
	Profit for the year from discontinued operations	-	119,679
b	For three months ended 30 June 2018		
	Income Statement		
	Turnover		824,689
	Cost of sales		(711,235)
	Gross Profit	-	113,454
	Selling and Distribution expenses		(59,021)
	Marketing and administrative expenses		
	Brand and marketing		(44,075)
	Overheads		(113,336)
	Operating loss	-	(102,978)
	Finance income		44,269
	Finance cost		(2,454)
	Loss Before tax	-	(61,163)
	Taxation		18,232
	Loss for the year from discontinued operations	-	(42,931)