

AUSTIN LAZ & COMPANY PLC.
REFRIGERATION, THERMOPLASTIC & ALUMINUM INDUSTRIES.
► National Merit Award Winner for Engineering Designer & Fabrication
► Nigeria's Premier Ice Plant Manufacturers
RC 48127



AUSTIN LAZ & CO. PLC

STATEMENT OF AFFAIRS FOR THE YEAR

ENDED 31 DECEMBER, 2019

FACTORY/HEAD OFFICE:
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+234 803 574 9739, 0808 718 6108.
Tel: 0802 536 6995, 0802 338 5979.
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BRANCHES
89, Palm Avenue Mushin, Lagos 08087186100. 6, Akinremi Street Amifowose, Ibadan. 08087186101.
km 37, Lagos-Abeokuta Express Way, Dalimu Bus-Stop, Opp. Tevaco AfterGateway Hotels, 08023076227.
Shop 7, Karu Corner Shop, off Karu Market, Near Min of Agric. Qtrs, Karu, Abuja. 08023567653.
30a Orazi Road, off Rumuola Road, by Ebony Road, Port Harcourt. 08025366949.
7/9, Kingsley Amu Crescent, Off DBS Road, off Summit Road, Asaba. 08087186106.

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CORPORATE INFORMATION

DIRECTORS

PROF. PAT UTOMI – CHAIRMAN
DR. A. L. ASIMONYE – VICE CHAIRMAN/CEO
BARR. (MRS.) C. O. ASIMONYE – DIRECTOR
BARR. IFANYI OFOR – DIRECTOR
ENGR. CHARLES ODITA – DIRECTOR
DR. OGUIKE TEMPE - DIRECTOR

HEAD OFFICE ADDRESS

KM 8, SAPELE ROAD
BENIN CITY, EDO STATE.

BANKERS

UNION BANK PLC
FIRST BANK OF NIGERIA PLC
ACCESS BANK PLC
UNITED BANK FOR AFRICA PLC
ZENITH BANK OF NIGERIA PLC

AUDITORS

DAVID UGIAGBE & CO.
(CERTIFIED NATIONAL ACCOUNTANTS)
82, 1ST EAST CIRCULAR ROAD,
BENIN CITY.

COMPANY SECRETARY

IFEANYI OFOR & ASSOCIATES
WARRI,
DELTA STATE.

REPORT OF THE DIRECTORS

The Directors have the pleasure to present their statement of affairs of the company for the year ended 31st December, 2019.

PRINCIPAL ACTIVITIES

The principal activities of the company during the year were manufacture of Austin Lazarus Ice Block Machines and Aluminun Long Spam Roofing Sheet. Nevertheless, operating activities of the company had been suspended meanwhile, beginning from the third quarter, 2019. Hence the statement of affairs.

RESULT FOR THE YEAR

The summary of business transactions for the year ended 31st December, 2019:-

	2019	2018
	N'000	N'000
Profit/(Loss)Before Taxation	<u>(84,217)</u>	<u>(15,341)</u>
Taxation	(151)	(889)
Profit After Taxation	(84,368)	(16,230)
Profit/(Loss) Brought Forward	<u>(195,957)</u>	<u>(179,727)</u>
Profit/(Loss) carried forward	<u>(280,325)</u>	<u>(195,957)</u>

DIVIDEND

The Directors do not recommend payment of any dividend to members.

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The board of directors has pleasure in submitting to member their report together with financial statement for the year ended 31 December, 2019

1. INCORPORATION AND LEGAL STATUS OF THE COMPANY

The company was incorporated as privately owned company in 1982 and was converted to a public company in 2011 quoted on the stock exchange in 2012. The company is domiciled in Nigeria and its shares are listed on the Nigeria Stock Exchange (NSE).

The company started as pioneer manufacturer of ICE machine. Because of growth opportunities in the company's region, it diversified into other division which includes: Thermoplastic Industry for the production of coolers and other plastic products (2002), Aluminium factory for the corrugation of long span Aluminium roofing sheets (2005). Manufacturing goods for both domestic and industrial use. Currently, about 1,079,860 shares are held by about 370 Nigerians.

PRINCIPAL ACTIVITIES

The principal activities of the company are the manufacturing and sale of ice block machines and aluminum long spam roofing sheets

2. Business Review and future Development

The Company has been running into losses over the years. Board has decided to put operations on hold, make a complete overhaul of the entire system with a view to eliminating areas of possible lapses that hinder operational progress. The result of this action is strongly believed would bring the organisation into operational profitability.

3. Operating Results

	2019	2018
	N'000	N'000
Turnover	205,757	393,038
Gross Profit	(30,725)	93,316
(Loss)/Profit before Tax	<u>(84,217)</u>	<u>(15,341)</u>
Tax	(151)	(889)
Profit/(loss) for the Year	(84,368)	(16,230)
Profit/(Loss) brought down	<u>(195,957)</u>	<u>(179,727)</u>
Profit/(Loss) Carried Forward	<u>(280,325)</u>	<u>(195,957)</u>

4. DIVIDEND

In respect of the financial performance of the company in recent years, no dividend is being recommended by the Directors. The Directors are making serious efforts to introduce capital funds into the company which will enhance financial capability of company

5. Share Capital History.

Details of the authorized and issued share capital are set on below.

DETAILS OF SHARE CAPITAL HISTORY AND SHARE HOLDING ANALYSIS

	AUTHORIZED		ISSUED AND PAID UP	
	N		N	
YEAR	INCREASED CUMULATIVE		CUMULATIVE	CONSIDERATION
1982	50,000	50,000	50,000	CASH
2003	-	50,000	50,000	-
2004	-	50,000	50,000	-
2005	-	50,000	50,000	-
2006	19,950,00	20,000,000	20,000,000	CASH
2007	-	20,000,000	20,000,000	-
2008	587,550,000	607,550,000	485,930,000	BONUS
2008		607,550,000	485,930,000	-
2010	142,450,000	750,000,000	539,930,000	BONUS

DIRECTOR INTEREST IN SHARE

The interest of director, direct and indirect, in the share of the company as recorded in the register of directors' shareholding or as notified by them for purpose of section 275 and 276 of the company and allied matter act, cap C20 LFN 2004 is as follows.

	2019	NATIONALITY	DESIGNATION
Prof. Pat Utomi	1,500,000	NIGERIAN	CHAIRMAN
Bar. Ifeanyi Ofor	100,000	NIGERIAN	DIRECTOR
Bar. Obiageli C. Asimonye	8,000,000	NIGERIAN	DIRECTOR
Dr. Oguike Temple	100,000	NIGERIAN	DIRECTOR
Dr. Austin Asimonye	544,874,000	NIGERIAN	M.D
Engr. Charles Odita	16,240,000	NIGERIAN	DIRECTOR

DIRECTORS INTEREST IN SHARES.

	2019	2018
Prof. Pat Utomi	1,500,000	1500,00
Bar.lfeanyi Ofor	100,000	100,000
Bar.Obiageli C. Asimonye	8,000,000	800,000
Dr. Oguike Temple	100,000	100000
Dr. Austin Asimonye	544,874,000	544,874,000
Engr. Charles Odita	16,240,000	16,240,000

The interest of directors, direct and indirect in the share of the company as recorded in the register of directors' shareholding or as notified by them for purpose of section 275 and 276 of the company and allied matter act, cap c20 LFN 2004 is as follows.

SHARE HOLDING RAGE ANALYSIS

In Annual Report Change to: Substantial Interest in Shares

No. of Holding	No. of shareholding	unit of shares	%
1-1,000	287	173,380	0.02
1,001-5,000	50	119,920	0.01
5,001-10,000	13	92,700	0.01
10,001-50,000	5	82,700	0.01
50,001-100,000	2	200,000	0.02
100,001-500,000	1	150,000	0.01
500,001-1,000,000	1	1,000,000	0.09
1,00,001-5,000,000	2	5,500,000	0.51
5,000,001-10,000,000	3	24,681	2.29
10,000,001-50,000,000	0	0	0
Above 50,000,000	6	1,047,860,000	97.03

Substantial Shareholders Interest

On the record of the register of members as at December 31, 2019 the following:

Shareholders	No of shares
Arin Labs Int'l Ltd	100,000,000
Unibake Ltd	100,000,000
Resort Securities Ltd	100,000,000

Donations & Charitable Contributions

Due to the suspension of operational activities in the year, the company was unable to partake in its usual contributions to charitable purposes of public interest.

In compliance with section 38(2) of the companies Allied Matters Act.2004 the company did not make any donation or gift to any political party, political association or for any political purpose during the year.

BOARD COMMITTEES

As at the date of this report, the company has in place the following board committees;

FINANCIAL AND GENERAL PURPOSE COMMITTEE

The finance and general purpose assist the board of Directors in performing its guidance and oversight functions effectively and efficiently by specifically determining its financial and operation priorities, making recommendation regarding the company dividend policy and evaluating the long term productivity of the company's operations.

The committee is chaired by Mr. Emmanuel Ugboh. The

Members of the committee are

Dr. I. C. Oguike

Dr. Austin Asimonye

AUDIT COMMITTEE

The Audit committee was established in compliance with section 359(3) of the CAMA, which requires every listed company to have an Audit committee. In accordance with section 359(3) and (4) of the CAMA, the audit committee is made up of six members, three non- executive directors and three shareholders of the company.

The members of the Audit Committee are not required to be independent. The Audit Committee members meet at least three times a year and the meetings are attended by the appropriate executives of the company including the Group Chief Finance officer and the Head Internal Control and Audit.

The duties of the committee include keeping under reviews the scope and results of the external audit, as well as the independence and objectivity of the Auditors. The committee also keeps under review internal financial controls, compliance with laws and regulations and the safeguarding of the assets and the adequacy of the plan of the internal audit and review its audit report.

The committee is chaired by Rev. Dr. Israel Ogbechie.

The members of the committee are:

Engr. Charles Odita	-	Director
Mr Emmanuel Ugboh	-	Director
Barr. Mrs. C.O. Asimonye	-	Director
Engr. Ojogbo	-	Shareholder
Mrs Scholar Osemena	-	Shareholder

AUSTIN LAZ & CO PLC
For the year ended 31st December, 2019

Contractual Arrangement

The company's business operation utilizes many suppliers and arrangements are in place to ensure that the business is not totally reliant on a single supplier for key materials or components.

Policy on payment of suppliers

It is the policy of the company to agree to terms of payment prior to commencing business with a supplier and to abide by those terms on the timely submission of satisfactory invoices

Property, Plant & Equipment

Information relating to changes in the company property, plant and equipment is given in Note 16 to the consolidated and separate financial statement in the value shown in the consolidated and separate financial statement.

Human Resources

The company recognizes human capital as one of the most critical factors. The Board has created a favourable work environment that encourages innovation and meritocracy and relations with employees have continued to improve significantly.

Employment of Disabled Person

We do not discriminate against disabled person in the company.

Health and Safety

All efforts are geared towards proving a safe and conducive working environment for employees, to this end, there is a written health and safety policy supported by system and procedures for ensuring that safe working practices are complied with in the performance of all company functions. In the event of accident or accident occurring at the work place, there are adequate provision for medical care in our agent clinic which are well stocked and competently managed by qualified medical personnel. Furthermore, all employee of the company are provided for free medical care.

AUDITORS

In accordance with section 357 (2) of the Companies and Allied Matters Act of 1990, Messrs David Ugiagbe & Co. (Certified National Accountants) having expressed their willingness may continue in office as the Company's Auditors

By Order of the Board



Barr. Ofor John Ifeanyi

FRC/2016/NBA/0000001416

Secretary

Benin City

Edo State

17th February, 2020.

AUSTIN LAZ & CO PLC
Statement of Financial Affairs
For the year ended 31st December, 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF FINANCIAL STATEMENTS

The Companies and Allied Matters Act, CAP C20 Laws of Federation of Nigeria 2004, requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Company at the end of the year and of its profit or loss. The responsibilities include ensuring that the company:

- (a) Keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act, CAP C20 LFN 2004.
- (b) Establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- (c) Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, and are consistently applied.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with,

- Relevant International Financial Reporting Standards issued by the International Accounting Standards Board (IASB)
- The requirements of the Companies and Allied Matters Act, CAP C20 LFN 2004
- Financial Reporting Council of Nigeria Act No.6, 2011.

The Directors are of the opinion that the financial statements present fairly, in all material respects, the financial position and the financial performance of the company as at and for the year ended 31 December, 2019. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.


Dr. Austin L. Asimonye
Vice Chairman/CEO
FRC/2017/IODN/00000016208


Barr. Ofor John Ifeanyi
Director
FRC/2016/NBA/0000001416


U. Osamede
Chief Finance Officer
FRC/2013/ANAN/00000004916

INDEPENDENT AUDITORS' REPORT



DAVID UGIAGBE & CO.
(CERTIFIED NATIONAL ACCOUNTANTS AND TAX CONSULTANTS)

Benin Office: 82, 1st East Cir. Road,
P.O. Box 5758 Post Code- 300001 Kings Square, Benin City
Tel: 0812441870, 08060482528
Abuja Office: Abaku House 1, Victory Street,
Off Suleja Road.
Email: ugiagbe425@gmail.com

INDEPENDENT AUDITOR'S REPORT
TO MEMBERS OF AUSTIN LAZ & COMPANY PLC

Report on the audit of the Financial Statements

Our opinion
In our opinion, the financial statements present fairly, in all material respects, the Financial Affairs of Austin Laz & Company Plc as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004 and the Financial Reporting Council of Nigeria Act No. 6, 2011.

What we have audited

- The statement of financial affairs as at 31 December, 2019
- The statement of Profit or Loss and other comprehensive income for the year then ended
- The statement of changes in equity for the year ended
- The statement of cash flow for the year then ended; and
- The notes to the financial statements, which include a summary of significant accounting policies.

Basis of opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key Audit Matter
Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the Financial Statements of the current period. These matters were addressed in the context of the audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

Adoption of full annual depreciation rate	
See note 1 to the Financial Statements	
Key audit matter The adoption of full annual depreciation rate on Property, Plant and Equipment There is a risk of not applying the full annual rate of depreciation on Property, Plant and Equipment because of the fact that operations were suspended at the middle of the year.	How our audit addressed the matter ▪ We reviewed the depreciation provisions made on each category of the Property, Plant and Equipment in accordance with the company's accounting policies on annual depreciation of PPE ▪ We assessed the PPE that are duly owned or leased on finance lease on which the company's depreciation accounting policies are affected. IAS 8, IAS 17, IAS 16 ▪ We ensured that depreciation was provided adequately in accordance with the company's depreciation policies for all relevant Property, Plant and Equipment for the full year irrespective of the fact that operations were suspended in the year. IAS 16

Other information

The directors are responsible for the other information. The other information comprises the Directors' report, Statement of Directors' responsibilities, Report of the Board Audit Committee, Statement of Value Added, Five year financial summary (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and Corporate governance report which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the corporate governance report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of those charged with governance for the financial statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004 and the Financial Reporting Council of Nigeria Act No. 6, 2011 and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

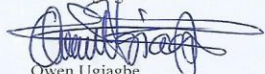
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of Schedule 6 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, we confirm that:

- i) We have obtained all the information and explanations which to the best of our knowledge and beliefs were necessary for the purpose of our audit;
- ii) In our opinion, proper books of account have been kept by the Company, so far as it appears from our examination of those books;
- iii) The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

David Ugiagbe & Co.

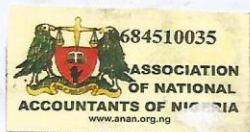


Owen Ugiagbe

(Certified National Accountant & Tax Consultant)

FRC/2013/ANAN/00000004916

17th February, 2020



**REPORT OF THE AUDIT COMMITTEE
TO MEMBERS OF AUSTIN LAZ & CO. PLC**

In accordance with section 350 sub – sections (3) and (6) of the Companies and Allied Matters Act Cap C20 LFN 2004, we confirm that we have received the Auditors' Report for the year ended 31 December, 2019.

In our opinion, the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices.

We reviewed the scope and planning of audit requirements and of the external Auditors' Management Report for the year under review as well as Management response thereon.

We are satisfied with Management responses to Auditors' findings and are impressed with the Management and state of affairs at Austin Laz & Co Plc.

Members of the audit committee

- | | |
|----------------------------|----------|
| • Omoruyi Nosakhare | Chairman |
| • Engr. Charles Odita | Member |
| • Mr. Emmanuel Ugboh | Member |
| • Bar. Mrs. C. O. Asimonye | Member |
| • Engr. Ojogbo | Member |

Secretary to the Committee

- Mrs. Scholar Osemena



Omoruyi Nosakhare

Chairman

FRC/2014/ANAN/00000009145

17th February, 2020

AUSTIN LAZ & CO PLC
For the year ended 31st December, 2019

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR
THE YEAR ENDED 31ST DECEMBER, 2019**

The following is a summary of the significant accounting policies adopted by the company in the year

1. BASIS OF PREPARATION

(a) Statement of compliance

These financial statements, for the year ended 31st December, 2019, are prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). The Company has consistently applied the accounting policies used in the preparation of its financial statements throughout all periods presented.

(b) Basis of measurement

The financial statements have been prepared in accordance with the going concern principle under the historical cost convention except where otherwise stated.

2. TURNOVER

Turnover represents the value of goods and services sold to third party during the year.

3. FIXED ASSETS

Fixed Assets are stated at deemed cost less depreciation.

4. DEPRECIATION

Depreciation is calculated to write-off the cost of Fixed Assets over their expected useful life

	%
Land and Building	2
Plant and Machinery	10
Motor Vehicles	10
Furniture and Fittings and Equipment	10

5. INVENTORIES

Stocks are stated at the lower of cost or estimated fair value.

6. TRADE RECEIVABLES

Trade receivables are stated at their face value.

AUSTIN LAZ & COMPANY PLC
FINANCIAL REPORT FOR THE YEAR
ENDED 31ST DECEMBER, 2019

STATEMENT OF AFFAIRS AS AT 31ST DECEMBER, 2019

	NOTE	2019 N'000	2018 N'000
ASSETS			
Non Current Assets			
Property, Plant & Equipment	1	1,332,870	1,429,500
Intangibles	2	<u>151,835</u>	<u>151,835</u>
		<u>1,484,705</u>	<u>1,581,335</u>
CURRENT ASSETS			
Inventories	3	25,830	40,490
Trade receivables	4	22,261	31,982
Cash and Cash Equivalent	5	<u>1,057</u>	<u>4,894</u>
		<u>49,148</u>	<u>77,366</u>
Total Assets		<u>1,533,853</u>	<u>1,658,701</u>
EQUITY AND LIABILITIES:			
EQUITY			
Authorized Share Capital		750,000	750,000
Paid up Share Capital		539,930	539,930
Capital Reserves		1,224,776	1,224,776
Retained Earnings		<u>(280,325)</u>	<u>(195,957)</u>
Equity attributable to owners of company		<u>1,484,381</u>	<u>1,568,749</u>
NON-CURRENT LIABILITIES:			
Long Term Borrowing		42,644	80,057
CURRENT LIABILITIES			
	8		
Trade Payable		1,857	7,942
Other Payable		<u>4,971</u>	<u>1,953</u>
		<u>6,828</u>	<u>9,895</u>
Total Equity and Liabilities		<u>1,533,853</u>	<u>1,658,701</u>



Director's Signature

Dr. Austin L. Asimonye

FRC/2017/IODN/00000016208



Director's Signature

Barr. Ofor John Ifeanyi

FRC/2016/NBA/0000001416

The notes to the accounts form an integral part of these Statements of Affairs

AUSTIN LAZ & COMPANY PLC
FINANCIAL REPORT FOR THE YEAR
ENDED 31ST DECEMBER, 2019

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	NOTE	2019 N'000	2018 N'000
Revenue	10	205,757	393,038
Cost of Sales	12	(236,482)	(299,722)
Gross Profit/(Loss)		(30,725)	93,316
Administration Expenses	14	(42,588)	(77,421)
Distribution Expenses	13	(4,533)	(7,926)
Finance Cost	15	(6,371)	(23,310)
Profit before Tax		(84,217)	(15,341)
Tax Provision		(151)	(889)
Profit after Tax		(84,368)	(16,230)
DISCONTINUED OPERATION			
Gain/(Loss) on discontinued operation net of tax		-	-
Net Profit for the Period		(84,368)	(16,230)
OTHER COMPREHENSIVE INCOME NET OF TAX		-	-
Total Comprehensive income for the Period		<u>(84,368)</u>	<u>(16,230)</u>
Earning Per Share		(0.08)	(0.02)
Diluted Earning per Share		(0.08)	(0.02)

The notes to the accounts form an integral part of these Financial Statements

AUSTIN LAZ & COMPANY PLC
FINANCIAL REPORT FOR THE YEAR
ENDED 31ST DECEMBER, 2019

STATEMENT OF CHANGE IN EQUITY

	SHARE CAPITAL N'000	SHARE PREMIUM N'000	REVALUATION RESERVE N'000	RETAINED EARNINGS N'000	TOTAL EQUITY N'000
As at 1 January 2018	539,930		1,224,776	(179,727)	1,584,979
Adjustment made in the period	-	-	-	-	-
Balance after adjustment	539,930	-	1,224,776	(179,727)	1,584,979
Share Issued	-				
Total comprehensive income for the period				(16,230)	(16,230)
As at 31 DECEMBER, 2018	539,930		1,224,776	(195,957)	1,568,749
As at 1 January 2019	539,930		1,224,776	(195,957)	1,568,749
Adjustment made in the period	-	-	-	-	-
Balance after adjustment	539,930	-	1,224,776	(195,957)	1,568,749
Share Issued	-				
Total comprehensive income for the period				(84,368)	(84,368)
As at 31 DECEMBER, 2019	539,930	-	1,224,776	(280,325)	1,484,381

AUSTIN LAZ & COMPANY PLC
FINANCIAL REPORT FOR THE YEAR
ENDED 31ST DECEMBER, 2019

STATEMENT OF CASHFLOW

	2019	2018
	N'000	N'000
Cashflow from Operating Activities		
Profit/(Loss) before tax	(84,217)	(15,341)
Add depreciation	192,314	192,314
Impairment	-	-
Interest on finance	6,371	23,310
Net Cashflow from operation before Working Capital Changes	114,468	200,283
<u>WORKING CAPITAL CHANGES</u>		
(Increase)/Decrease in Inventories	14,660	22,777
(Increase)/Decrease in Account Receivable	9,721	24,593
(Increase)/Decrease in Account Payables	<u>3,067</u>	<u>(3,883)</u>
	141,916	243,770
Tax paid	-	-
Interest Paid	(1,521)	(23,310)
Net Cashflow from Operating activities	140,395	220,460
CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of Assets	(95,684)	(199,013)
Proceed from sale of assets		
Net Cashflow from Investing activities	(95,684)	(199,013)
CASHFLOW FROM FINANCING ACTIVITIES		
Loan	(48,548)	(21,168)
Net Cashflow from Financing activities	(48,548)	(21,168)
Increase/(decrease) in cash & cash equivalent	(3,837)	279
Cash & Cash equivalent as at 01/01/2019	<u>4,894</u>	<u>4,615</u>
Cash & Cash equivalent as at 31/12/2019	<u>1,057</u>	<u>4,894</u>

AUSTIN LAZ & COMPANY PLC
FINANCIAL REPORT FOR THE YEAR
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NOTE TO THE ACCOUNTS

1. PROPERTY, PLANT & EQUIPMENT

	LAND & BUILDING	PLANT & MACHINERY	MOTOR VEHICLE	FURN. & FITTINGS & EQUIPMENT	TOTAL
	N'000	N'000	N'000	N'000	N'000
As at 1/1/2019	1,289,068	1,839,444	21,850	5,468	3,155,830
Additional Asset		95,684		-	95,684
As at 31/12/2019	1,289,068	1,935,128	21,850	5,468	3,251,514
Depreciation:					
As at 1/1/2019	182,129	1,526,569	12,164	5,468	1,726,330
For the Period	17,188	174,962	164	-	192,314
As at 31/12/2019	199,317	1,701,531	12,328	5,468	1,918,644
NBV as at 31/12/2019	1,089,751	233,597	9,522	0	1,332,870
NBV as at 31/12/2018	1,106,939	312,875	9,686	0	1,429,500

2. INTANGIBLES:

	2019 N'000	2018 N'000
Intangible Asset	151,835	151,835
Less Impairment for the year	<u>-</u>	<u>-</u>
	<u>151,835</u>	<u>151,835</u>

3. INVENTORIES

Finished Goods	6,849	14,721
Raw Materials	3,827	13,152
Work In Progress	<u>15,154</u>	<u>12,617</u>
	<u>25,830</u>	<u>40,490</u>

4. TRADE RECEIVABLES

Trade Receivables	21,386	30,353
Other Receivables	<u>875</u>	<u>1,629</u>
	<u>22,261</u>	<u>31,982</u>

5. CASH & CASH EQUIVALENT

Cash at Bank	1,057	4,873
Cash at Hand		<u>21</u>
	<u>1,057</u>	<u>4,894</u>

AUSTIN LAZ & COMPANY PLC
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ENDED 31ST DECEMBER, 2019

NOTE TO THE ACCOUNTS CONT'D

	2019	2018
	N'000	N'000
6. SHARE CAPITAL		
Authorized Share Capital @ N1.00 per share	<u>750,000</u>	<u>750,000</u>
Paid up Share Capital	<u>539,930</u>	<u>539,930</u>
7. LONG TERM LOAN	<u>42,644</u>	<u>80,057</u>
8. OTHER PAYABLE		
Audit Fees	557	400
Accrued Salaries	2,710	
Taxation	1,704	<u>1,553</u>
	<u>4,971</u>	<u>1,953</u>
9. TRADE PAYABLES		
Trade Creditors	<u>1,857</u>	<u>7,942</u>
10. TURNOVER		
Aluminium Section	142,073	207,610
Ice Plant Section	<u>63,684</u>	<u>185,428</u>
	<u>205,757</u>	<u>393,038</u>
11. PRODUCTION COST		
Opening Inventories Raw Materials	13,152	11,627
Add Purchase of raw materials	<u>43,002</u>	<u>102,692</u>
	56,154	114,319
Less Closing Inventories raw materials	(3,827)	(13,152)
Carriage Inwards	85	178
Prime Cost:	52,412	101,345
Add factory overheads:		
Factory/Manufacturing Expenses	2,082	5,495
Wages and Salaries	1,527	2,618
Depreciation of Plant	175,126	174,962
Add Opening W.I.P	12,617	20,128
Total Production cost	243,764	304,548
Less closing W.I.P	(15,154)	(12,617)
Less amount consumed for self construction	-	-
Production cost to be transferred to Trading account	228,610	291,931
12. COST OF SALES		
Opening Finished Stock	14,721	22,512
Add Production cost	<u>228,610</u>	<u>291,931</u>
	243,331	314,443
Less closing stock	<u>(6,849)</u>	<u>(14,721)</u>
	<u>236,482</u>	<u>299,722</u>

AUSTIN LAZ & COMPANY PLC
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NOTE TO THE ACCOUNTS CONT'D

13. DISTRIBUTION COST	2019	2018
	N'000	N'000
Transport & Travelling	1,219	2,458
Carriage outward	309	471
Advertisement & Promotion	61	152
Salaries & Commission	2,875	4,760
Installation Expenses	0	44
Discount Allowances	57	0
Entertainment	<u>12</u>	<u>41</u>
	<u>4,533</u>	<u>7,926</u>
 14. ADMINISTRATION EXPENSES		
Wages & Salaries	7,451	13,161
Motor Vehicle Maintenance	1,345	3,341
Printing & Stationery	100	260
Telephone & Postage	217	635
Medical Expenses	38	216
Power and Electricity	842	2,056
General Repairs	988	2,863
Rent & Rates	43	119
Entertainment	5	35
Audit Fees	200	400
Maintenance of Office Equip	1,870	5,315
Generator Running	3,466	6,832
Legal & Professional fees	15	100
Education & Training	40	280
Sanitation & Cleaning	41	69
Admin Expenses	388	944
Directors Expenses	61	120
Depreciation	17,188	17,352
Security Expenses	254	644
Forklift Expenses	2,397	6,054
Computer/Internet Services	35	100
Levies & Rates	48	153
Equipment Repairs & Maintenance	2,601	7,633
Newspaper and Periodical	22	48
Fuel and Diesel	2,601	7,912
Local Transport	<u>332</u>	<u>779</u>
	<u>42,588</u>	<u>77,421</u>
 15. FINANCE COST		
Bank Charges	573	1,196
Interest Charges	<u>5,798</u>	<u>22,114</u>
	<u>6,371</u>	<u>23,310</u>

AUSTIN LAZ & COMPANY PLC
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STATEMENT OF VALUE ADDED

	2019		2018	
	N'000	%	N'000	%
Turnover	205,757		393,038	
Bought in goods and services	<u>(90,209)</u>		<u>(202,904)</u>	
Value Added	<u>115,548</u>	<u>100</u>	<u>190,134</u>	<u>100</u>

Applied as follows:

To Employees

Salaries and Wages	7,451	6	13,161	7
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To Government

Taxation	151	0	889	0
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Retained for Expansion

Depreciation	192,314	166	192,314	101
Profit/(Loss)	<u>(84,368)</u>	<u>(73.0)</u>	<u>(16,230)</u>	<u>(9)</u>
	<u>115,548</u>	<u>100</u>	<u>190,134</u>	<u>100</u>

The value added represents the wealth created through the use of the company's assets by its employees.

AUSTIN LAZ & COMPANY PLC
FINANCIAL REPORT FOR THE YEAR
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FIVE YEARS FINANCIAL SUMMARY

	2019	2018	2017	2016	2015
	N'000	N'000	N'000	N'000	N'000
<u>ASSETS</u>					
<u>Non Current Assets</u>					
Property, Plant & Equipment	1,332,870	1,429,500	1,422,801	1,051,273	1,214,712
Intangibles	<u>151,835</u>	<u>151,835</u>	<u>151,835</u>	<u>167,166</u>	<u>167,166</u>
	<u>1,484,705</u>	<u>1,581,335</u>	<u>1,574,636</u>	<u>1,218,439</u>	<u>1,381,878</u>
<u>CURRENT ASSETS</u>					
Inventories	25,830	40,490	63,267	360,418	239,866
Trade receivables	22,261	31,982	56,575	180,819	242,004
Cash and Cash Equivalent	<u>1,057</u>	<u>4,894</u>	<u>4,615</u>	<u>1,099</u>	<u>4,240</u>
	<u>49,148</u>	<u>77,366</u>	<u>124,457</u>	<u>542,336</u>	<u>486,110</u>
Total Assets	<u>1,533,853</u>	<u>1,658,701</u>	<u>1,699,093</u>	<u>1,760,775</u>	<u>1,867,988</u>
<u>EQUITY AND LIABILITIES:</u>					
<u>EQUITY</u>					
Authorized Share Capital	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>
Paid up Share Capital	539,930	539,930	539,930	539,930	539,930
Capital Reserves	1,224,776	1,224,776	1,224,776	1,224,776	1,224,776
Retained Earnings	<u>(280,325)</u>	<u>(195,957)</u>	<u>(179,727)</u>	<u>(180,042)</u>	<u>(33,916)</u>
Equity attributable to owners of company	<u>1,484,381</u>	<u>1,568,749</u>	<u>1,584,979</u>	<u>1,584,664</u>	<u>1,730,790</u>
<u>NON-CURRENT LIABILITIES:</u>					
Long Term Borrowing	42,644	80,057	101,225	161,216	119,655
<u>CURRENT LIABILITIES</u>					
Trade Payable	1,857	7,942	11,925	13,914	16,235
Other Payable	4,971	1,953	964	981	1,308
Short Term Borrowing	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>6,828</u>	<u>9,895</u>	<u>12,889</u>	<u>14,895</u>	<u>17,543</u>
Total Equity and Liabilities	<u>1,533,853</u>	<u>1,658,701</u>	<u>1,699,093</u>	<u>1,760,775</u>	<u>1,867,988</u>