



AFROMEDIA PLC

MANAGEMENT REPORT

FOR THE FOURTH QUARTER ENDED

30 SEPTEMBER 2020

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AFROMEDIA PLC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2020

	Notes	THE GROUP		THE COMPANY		2019 AUDITED	
		Q4, 2020 N'000	Q4, 2019 N'000	Q4, 2020 N'000	Q4, 2019 N'000	The Group N'000	The Company N'000
Turnover	1	293,968	352,712	293,968	352,712	347,316.00	347,316.00
Cost of Sales	2	(143,364)	(179,993)	(143,364)	(179,993)	(216,999)	(216,999)
Gross Profit / (loss)		150,603	172,720	150,603	172,720	130,317	130,317
Other Operating Income	3	10,282	546,699	10,282	546,699	599,313	599,313
Administrative Expenses	4	(136,422)	(313,241)	(136,422)	(313,241)	(147,439)	(146,919)
Distribution expenses	5	(12,251)	(11,677)	(12,251)	(11,677)	(15,219)	(15,219)
Other operating expenses	6	(9,374)	(9,374)	(9,374)	(9,374)	(11,453)	(11,453)
Operating Loss		2,838	385,126	2,838	385,126	555,519	556,039
Finance Income	7	-	-	-	-	-	-
Finance Costs	8	(382.3)	(863)	(382)	(863)	(160)	(160)
Profit or (Loss) before taxation		2,455	384,263	2,455	384,263	555,359	555,879
Income Tax expense		(737)	(34,584)	(737)	(34,584)	29,589	29,589
Profit or (Loss) after Taxation		1,719	349,679	1,719	349,679	584,948	585,468
Dividend received							
Other Comprehensive Income							
Total comprehensive income or (loss) for the period, net of tax		1,719	349,679	1,719	349,679	584,948	585,468

AFROMEDIA PLC
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020

		THE GROUP		THE COMPANY	
	Notes	Q4, 2020 N'000	2019 audited N'000	Q4, 2020 N'000	2019 audited N'000
ASSETS					
Non-Current Assets					
Property Plants and Equipment	9	1,252,943	1,310,412	1,252,943	1,310,412
Intangible Assets	10	0	-	0	-
Available for sale investment	11	20,336	20,336	20,336	20,336
Deferred Costs	12	51,978	51,978	51,978	51,978
Investment in subsidiary	13	-	-	1,000	1,000
		1,325,258	1,382,726	1,326,258	1,383,726
Current Assets					
Inventories	14	-	-	-	-
Trade and other receivables	15	567,339	681,629	567,339	686,644
Prepayments	16	17,302	10,930	17,302	7,984
Loans and Receivables	17	-	-	-	-
Deposit for Investment	18	-	-	-	-
Cash equivalents	19	3,435	32,152	3,112	31,829
		588,076	724,711	587,753	726,457
Total Assets		1,913,333	2,107,437	1,914,010	2,110,183
Equity and Liabilities					
Equity					
Issued Share Capital	20	2,219,524	2,219,524	2,219,524	2,219,524
Share Premium		537,754	537,754	537,754	537,754
Revaluation Reserve		2,853,605	2,853,605	2,853,605	2,853,605
Available for sale reserve					
Retained Earnings		(9,525,804)	(9,527,524)	(9,516,742)	(9,518,462)
Total Equity		(3,914,922)	(3,916,642)	(3,905,860)	(3,907,580)

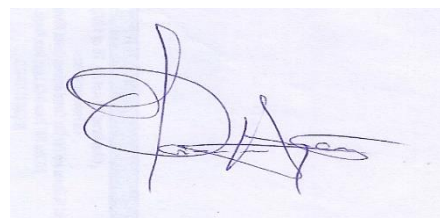
AFROMEDIA PLC
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020

	Notes	THE GROUP		THE COMPANY	
		Q4, 2020 N'000	2019 audited N'000	Q4, 2020 N'000	2019 audited N'000
Non-Current Liabilities					
Deferred tax liability	21	172,238	172,238	172,238	172,238
Staff Retirement benefit	22	48,849	44,135	48,849	44,135
Financial Liabilities	23	-	-	-	-
Provisioning for decommissioning	24	20,423	20,423	20,423	20,423
		241,510	236,796	241,510	236,796
Current Liabilities					
Trade and other payables	25	2,122,127	2,290,467	2,113,821	2,284,230
Bank Overdraft	19	3,126,075	3,152,303	3,126,075	3,152,303
Dividend payable	26	3,512	3,512	3,512	3,512
Staff Retirement benefit		-	-	-	-
Income tax payable	21a	231,944	231,207	231,865	231,128
Financial Liabilities	23	-	-	-	-
Deferred Revenue	27	103,088	109,794	103,088	109,794
		5,586,746	5,787,283	5,578,361	5,780,967
Total Liabilities		5,828,256	6,024,079	5,819,871	6,017,763
Total equity and liabilities		1,913,334	2,107,438	1,914,011	2,110,184

Approved by the board of directors on 11th October, 2020.



Otunba Akinlola Ire Olopade
Group Chief Executive Officer
FRC/2013/APCON/00000005577



Olaniyan Olanrewaju
Head, Finance & Accounts
FRC/2014/ICAN/00000005622

AFROMEDIA PLC
STATEMENT OF CHANGES IN
EQUITY
AS AT 30 SEPTEMBER 2020

The Group	Issued share capital	Share premium	Other reserve	Available- for-sale reserve	Accumulated Loss	Total
	N'000	N'000	N'000	N'000	N'000	N'000
As At 1 October 2018	2,219,524	537,754	2,853,605	-	(10,113,492)	(4,502,610)
Profit / (Loss) for the period	-	-	-	-	585,968	585,968
Other comprehensive income						-
						-
As At 30 September 2019 (audited)	2,219,524	537,754	2,853,605	-	(9,527,524)	(3,916,642)
Profit / (Loss) for the period					1,719	1,719
Other comprehensive income						-
						-
As At 30 September 2020 (unaudited)	2,219,523	537,753	2,853,605	-	(9,525,805)	(3,914,922)

The Company	Issued share capital	Share premium	Other reserve	Available- for-sale reserve	Accumulated Loss	Total
	N'000	N'000	N'000	N'000	N'000	N'000
As At 1 October 2018	2,219,524	537,754	2,853,605	-	(10,104,930)	(4,494,048)
Profit / (Loss) for the period	-	-	-	-	586,468	586,468
Other comprehensive income						-
						-
As At 30 September 2019 (audited)	2,219,523.5	537,753.8	2,853,605.0	-	(9,518,462.0)	(3,907,580)
Profit / (Loss) for the period					1,719	1,719
Other comprehensive income						-
						-
As At 30 September 2020 (unaudited)	2,219,523	537,753	2,853,605	-	(9,516,743)	(3,905,860)

AFROMEDIA PLC
STATEMENT OF CASHFLOW
FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2020

THE GROUP

THE COMPANY

	Q4 2020	Q4 2019	Q4 2020	Q4 2019
	unaudited	unaudited	unaudited	unaudited
	N'000	N'000	N'000	N'000
cash receipt from customers	302,540	403,516	302,540	403,501
payment to suppliers and employees	(166,716)	(270,027)	(166,716)	(270,027)
Other operational	(109,388)	(108,625)	(109,388)	(108,625)
	26,436	24,864	26,436	24,849
purchase of PPE	(2,698)	(26,459)	(2,698)	(26,459)
proceed from sale of fixed assets	-	-	-	-
	(2,698)	(26,459)	(2,698)	(26,459)
interest paid	(26,228)	-	(26,228)	-
	(26,228)	-	(26,228)	-
increase/decrease	(2,490)	(1,595)	(2,490)	(1,610)
b/f cash and cash equivalent	(3,120,151)	(3,119,298)	(3,120,474)	(3,119,621)
c/d cash and cash equivalent	(3,122,641)	(3,120,893)	(3,122,964)	(3,121,231)
cash and cash equivalent comprise:				
cash in hand	3,435	31,410	3,112	31,072
bank overdrafts	(3,126,075)	(3,152,303)	(3,126,075)	(3,152,304)
	(3,122,641)	(3,120,893)	(3,122,964)	(3,121,232)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Afromedia Plc, ("the Company") was incorporated on 28 October 1959 as a private Limited Liability Company in accordance with the provisions of the Companies Act. The company was converted to a public Limited Liability Company on 2 July 2008 in accordance with the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004. The registered office of the Company is located at Kilometer 21, Badagry Expressway, Araromi, Ajangbadi, Lagos.

The principal activity of the Group is outdoor advertising which consist of advertising in airports, street furniture and bill boards. There was no change in the nature of business of the Group during the year.

2.1 Basis of preparation and adoption of IFRS

The consolidated and separate financial statements of Afromedia Plc has been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the requirements of the Financial Reporting Council of Nigeria Act No 6, 2011 and the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004. The financial statements have been prepared on the historical cost basis except for the investment in quoted equity instruments which are classified as available for sale and therefore measured at fair value.

Functional and presentation currency

These consolidated and separate financial statements are presented in Naira, which is the Group and the company's functional currency. All financial information presented in Naira has been rounded to the nearest thousand unless stated otherwise.

2.2 Significant accounting judgement, estimates and assumptions

Significant accounting judgements, estimates and assumptions made by management for the preparation of the consolidated and separate financial statements for which changes could have material impact on the reported amounts in the consolidated and separate financial statements are summarised below:

Judgements

In the process of applying the Group and the company's accounting policies, management has made some judgments which have the most significant effect on the amounts recognised in the consolidated and separate financial statements:

Going concern

Afromedia Plc is currently undergoing some going concern uncertainties. Even though these uncertainties are present, the consolidated and separate financial statements are still being prepared on going concern basis. The preparation of its consolidated and separate financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenue and expenses and the accompanying disclosures, and disclosure of the contingent liabilities at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

2.2 Significant accounting judgement, estimates and assumptions - Continued**Estimates and assumptions**

The group and the company based its assumptions and estimates on parameters available when the consolidated and separate financial statements were prepared. Existing circumstances and assumption about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group and the Company. Such changes are reflected in the assumptions when they occur.

Accounts receivable

The allowance for doubtful accounts involves management judgment and review of individual receivable balances based on an individual customer's prior payment record, current economic trends and analysis of historical bad debts of a similar type. See Note 19 for details.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group and the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The group and the company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities.

Decommissioning liabilities

As part of the identification and measurement of assets and liabilities for the acquisition of hoarding equipment in , the Group and the Company has recognised a provision for decommissioning obligations associated with the hoarding equipment it owned. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, expected cost to dismantle and remove the plant from the site and expected timing of those costs. The group and the Company estimates that the costs would be realised in line with the useful life of the assets (1 – 19 years) and calculate provision using the Discounted Cash Flow (DCF) method based on the discount rate of 18%

Available-for-sale financial assets

Significance is evaluated against the original cost of the investment and prolonged against the period in which the fair value has been below its original cost. When there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in other comprehensive Income – is removed from other comprehensive income (OCI) and recognised in profit or loss. Impairment losses on equity investments are not reversed through profit or loss; increases in their fair values after impairment are recognised in OCI. The determination of what is 'significant' or 'prolonged' requires judgement. In making this judgement, the Group and the company evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2.2 Significant accounting judgement, estimates and assumptions - Continued

Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Gratuity benefits

The cost of defined benefit pension plans and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The discount rate is determined on the Group and the Company's reporting date by reference to market yields on high quality Government bonds. The discount rate should reflect the duration of the liabilities of the benefit programme.

2.3.1 New and amended standards and interpretations

The company applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 October 2016. The group and the Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The nature and the impact of each new standards and amendments are described below. However, they do not impact the annual consolidated and separate financial statements of Afrimedia Plc.

List of new and amended standards and interpretations effective for the annual periods beginning on or after 1 October 2016.

Standards/ Interpretations	Impact
Amendments to IAS 7 Statement of Cash Flows: Disclosure Initiative	The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).
Amendments to IAS 12 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses	The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of deductible temporary difference related to unrealised losses. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The Group and the Company applied amendments retrospectively, however, their application has no effect on the Group and the Company's financial position and performance as the Group and the Company have no deductible temporary differences or assets that are in the scope of the amendments.
Annual Improvements Cycle - 2014-2016 Amendments to IFRS 12 Disclosure of Interests in Other Entities: Clarification of the scope of disclosure requirements in IFRS 12	The amendments clarify that the disclosure requirements in IFRS 12, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale. These amendments are applied retrospectively and do not have any impact on the Group and the Company as it does not have any interest in joint venture.

2.3.2 New standards, amendments and interpretations issued, but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the consolidated and separate financial statements are disclosed below. The group and the Company intends to adopt these standards, if applicable, when they become effective.

1. IFRS 9: Financial Instruments - 1 January 2018
2. IFRS 15: Revenue from Contracts with Customers -1 January 2018
3. IFRS 16: Leases - 1 January 2019
4. Amendments to IAS 40: Transfers of Investment Property – 1 January 2018
5. IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration – 1 January 2018
6. Amendments to IFRS 2 - Classification and measurement of share-based payment transactions – 1 January 2018
7. Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Effective date has been deferred indefinitely
8. First-time adoption of IFRS – Deletion of short-term exemptions for first-time adopters
9. IAS 28 Investments in associates and joint ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice
10. Amendments to IFRS 4: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts - 1 January 2018
11. IFRIC Interpretation 23 Uncertainty over income Tax Treatments – 1 January 2019
12. IFRS 17 Insurance Contracts - 1 January 2021
13. Amendments to IAS 19 - 1 January 2019

The group and the Company intend to adopt these standards, if applicable, when they become effective. The following have been identified to be applicable to the Company's financial statements.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments that replaces IAS 39 and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required, but the provision of comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

The Group plans to adopt the new standard on the required effective date and will not restate comparative information.

Overall, the Company expects no significant impact on its statement of financial position and equity except for the effect of applying the impairment requirements of IFRS 9.

The Company expects an increase in the loss allowance resulting in a negative impact on equity. In addition, the Company will implement changes in classification of certain financial instruments.

(a) Classification and measurement

The Company does not expect a significant impact on its statement of financial position or equity on applying the classification and measurement requirements of IFRS 9.

Debt instruments classified as loans and receivables

Under IAS 39, the Company has the following debt instruments which are classified under loans and receivables:

- Trade receivables
- Receivables from related parties
- Cash and bank balances
- Short term deposit
- Available for sale instruments

These debt instruments are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Company analysed the contractual cash flow characteristics of those instruments and concluded that they meet the criteria for amortised cost measurement under IFRS 9. Therefore, reclassification of these instruments is not required.

2.3.2 New standards, amendments and interpretations issued, but not yet effective- Continued

In addition, the measurement basis for these debt instruments will continue to be amortised cost, thus leading to no change in the current practice.

(b) Impairment

IFRS 9 requires the Company to record expected credit losses on all of its debt securities, loans, trade receivables, lease receivables and contract assets, either on a 12-month or lifetime basis. The Company will apply the simplified approach and record lifetime expected losses on all trade receivables and contract assets that do not have significant financing component. The Company have opted to apply simplified approach for all lease receivables. The Company has determined that, due to the unsecured nature of its loans and receivables, the loss allowance will increase with corresponding related decrease in the deferred tax liability or increase in the deferred tax asset.

For bank balances and short term deposits, the Company will apply the general approach under which financial assets are classified into three stages i.e. stage 1, stage 2 or stage 3 depending on whether or not the credit risk of the financial asset has increased significantly. The Company has determined that, due to the unsecured nature of its loans and receivables, the loss allowance will increase with corresponding related decrease in the deferred tax liability. The impact proposed is an estimated figure which is likely to change when the Company implements the standard.

(c) Hedge accounting

Although IFRS 9 does not change the general principles of how an entity accounts for effective hedges, the Company does not apply hedge accounting. As such, this aspect of IFRS 9 will not have impact on the Company.

(d) Other adjustments

In addition to the adjustments described above, on adoption of IFRS 9, other items of the primary financial statements such as deferred taxes will be adjusted as necessary.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued in May 2014, and amended in April 2016, and establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under IFRS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 January 2018. Early adoption is permitted. The Group and the Company plans to adopt the new standard on the required effective date using the either of the methods which will be selected during the implementation phase. The Group is in the business of providing outdoor advertisement services. The services to the customers are solely advertisement which is expected to cover a particular tenure or duration.

The key issues identified, and the Company's views and perspectives, are set out below. These are based on the Company's current interpretation of IFRS 15 and may be subject to changes as interpretations evolve more generally. Furthermore, the Company is considering and will continue to monitor any further development.

(a) Rendering of services

The Group is in the business of providing outdoor advertisement services which consist of advertising in airports, street furniture and bill boards. The company uses its facilities and in- house furniture and equipment to execute the advertisement contracts which span a particular period of time. Currently, the Group accounts for the advertisement services as a sole and distinct deliverable and consideration is received for this single service at identifiable stand-alone selling prices.

The revenue on services rendered are recognised in proportion to the period enjoyed by the customer on the contract of the transaction at the reporting date.

To date, the Company has identified the following issues that require consideration.

(i) Series of distinct services

For some contract with customers, the Group is responsible for the overall management of the project and identifies various promised services, including services such as digitalization, illumination, regular maintenance and electrification of the bill boards.

2.3.2 New standards, amendments and interpretations issued, but not yet effective- Continued

Under IFRS 15, series of distinct goods or services has the same pattern of transfer to the customer if both of the following criteria are met:

- each distinct good or service in the series that the entity promises to transfer to the customer would meet the criteria in revenue recognition over time to be a performance obligation satisfied overtime; and
- The same method would be used to measure the entity's progress towards complete satisfaction of the performance obligation to transfer each distinct good or service in the series to the customer.

The Group currently does not assess its promises as series of services. The revenue on services rendered are recognised in proportion to the duration utilized by the customer of the transaction at the reporting date. However, under IFRS, the Group will need to recognise its revenue over time with an appropriate measure of progress.

However, the envisaged impact may be considerably low as the Group currently recognises revenue when risk and reward has been transferred. Using a measure of progress either input or output methods will most likely produce a result that is very similar to the current revenue recognition guidance. The Group will need to develop a clear accounting policy on series performance obligations.

However, under IFRS, the Group will need to recognise its revenue over time with an appropriate measure of progress.

ii) Contract modifications

Under the current revenue standard, the Group accounts for modifications in its contracts with customers as a continuation of existing contracts, as such the Group attaches addendums to modified contracts.

Under IFRS 15, a contract modification exists when the parties to a contract approve the scope or price (or both) of their contract and must determine whether the modification is accounted for as a new contract or as part of the existing contract.

IFRS 15 equally requires an entity to account for a contract modification as a separate contract if both of the following conditions are present:

- the scope of the contract increases because of the addition of promised goods or services that are distinct; and
- The price of the contract increases by an amount of consideration that reflects the entity's stand-alone selling prices of the additional promised goods or services and any appropriate adjustments to that price to reflect the circumstances of the particular contract. For example, an entity may adjust the stand-alone selling price of an additional good or service for a discount that the customer receives, because it is not necessary for the entity to incur the selling-related costs that it would incur when selling a similar good or service to a new customer.

The Group currently does not assess whether a change in contractual terms should be treated as a separate contract or a modification to an existing contract. However, under IFRS, the Group will need to assess how to account for a contract modification whether any additional goods or services are distinct and given careful consideration to whether those goods or services are distinct within the context of the modified contract. By implication, the envisaged impact may be considerably low as the Group currently recognises revenue when risk and reward has been transferred and as such treated as separated contract. This is not expected to be different under the new IFRS standard. However, the Group will need to develop a clear accounting policy on contract modifications and evaluate whether their previous processes and controls for contract modifications will need to be updated for the new requirements.

iii) Allocation of transaction price to performance obligations

Under the current revenue standard, the company is not required to determine performance obligations and therefore does not allocate transaction price to performance obligations.

However, IFRS 15 states that the objective when allocating the transaction price is for an entity to allocate the transaction price to each performance obligation (or distinct good or service) in an amount that depict the consideration to which the entity expects to be entitled in exchange for transferring the promised goods or services to the customer. Determining the transaction price is an important step in applying IFRS 15 because this amount is allocated to the identified performance obligations and is recognised as revenue when (or as) those performance obligations are satisfied.

2.3.2 New standards, amendments and interpretations issued, but not yet effective- Continued

IFRS 15 also requires that once the separate performance obligations have been identified and the transaction price has been determined, an entity is expected to allocate the transaction price to the performance obligations in proportion to their stand-alone selling prices. IFRS 15 indicates that the observable price of a good or service sold separately provides the best evidence of stand-alone selling price. However, in many situations, stand-alone selling prices will not be readily observable. In those cases, an entity must estimate the stand-alone selling price.

For the company's contracts where the Company has one performance obligation, allocating the transaction price to the performance obligation will have no impact on the Company. For contracts with multiple performance obligations, the Company will determine the standalone price for each performance obligation and allocate the transaction price to the performance obligations in proportion to the stand alone price. However, the nature of the contracts is such that each performance obligations have its specified stand-alone selling prices. The impact of transaction price allocation is expected to be very low. The Company is working towards developing a clear accounting policy initiative that will guide the determination of stand-alone prices.

iv) Revenue recognition over time

The Company currently recognises revenue on services rendered in proportion to period enjoyed by the customer of the transaction at the reporting date.

However, IFRS 15 states that an entity transfers control of a good or service over time if one of the following criteria are met:

- As the entity performs, the customer simultaneously receives and consumes the benefits provided by the entity's performance.
- The entity's performance creates or enhances an asset (e.g., work in progress) that the customer controls as the asset is created or enhanced.
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

The Company has assessed that its advertisement services meets all the criteria. This is basically arising from the fact that series of services are provided based on the customer's product and design specification at the customer's specified location.

IFRS 15 clarifies that when the Group has determined that a performance obligation is satisfied over time, the group is required to select a single revenue recognition method for the relevant performance obligation that faithfully depicts the Group's performance in transferring control of the goods or services. In addition, the Group should apply the method selected consistently to similar performance obligations. Hence, at the end of each reporting period, an entity is required to re-measure its progress toward completion of the performance obligation. On adoption of IFRS 15, the Group is not expected to have any impact on its revenue and profit or loss. Measuring progress using output method (as anticipated) is not expected to have any impact since the Company can demonstrate that the invoiced amount corresponds directly with the value to the customer of the Company's performance completed to date, then, it is not expected to be significantly different from revenue recognised under the current standard. However, the Company will need to develop a clear accounting policy initiative for determining the appropriate method for measuring progress.

a) Presentation and disclosure requirements

The presentation and disclosure requirements in IFRS 15 are more detailed than under current IFRS. The presentation requirements represent a significant change from current practice and significantly increases the volume of disclosures required in the Group's financial statements. Many of the disclosure requirements in IFRS 15 are new and the Group has assessed that the impact of some of these disclosures requirements will be significant. In particular, the Group expects that the notes to the financial statements will be expanded because of the disclosure of significant judgements made: when determining the transaction price of those contracts that include variable consideration. In addition, as required by IFRS 15, the Group will disaggregate revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. It will also disclose information about the relationship between the disclosure of disaggregated revenue and revenue information disclosed for each reportable segment. In 2017 the Company continued testing of appropriate systems, internal controls, policies and procedures necessary to collect and disclose the required information.

2.3.2 New standards, amendments and interpretations issued, but not yet effective- Continued**b) Other adjustments**

In addition to the major adjustments described above, on adoption of IFRS 15, other items of the primary financial statements such as deferred taxes, profit or loss after tax for the year will be affected and adjusted as necessary. The recognition and measurement requirements in IFRS 15 are also applicable for recognition and measurement of any gains or losses on disposal of non-financial assets (such as items of property and equipment and intangible assets), when that disposal is not in the ordinary course of business.

IFRS 16 Leases

IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessor accounting under IFRS 16 is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between the two types of leases: operating and finance leases.

IFRS 16 also requires lessees and lessors to make more extensive disclosures than under IAS 17. IFRS 16 is effective for annual periods beginning on or after 1 January 2019. Early application is permitted, but not before an entity applies IFRS 15. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs.

Group will continue to assess the potential effect of IFRS 16 on its consolidated financial statements.

IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration – 1 January 2018

In June 2017, the IASB issued IFRIC Interpretation 23 Uncertainty over Income Tax Treatments which clarifies application of the recognition and measurement requirements in IAS 12 Income Taxes when there is uncertainty over income tax treatments.

The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12. The interpretation does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

The interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. The interpretation is effective for annual reporting periods beginning on or after 1 January 2019, but certain transition reliefs are available. The Group and the Company is still assessing the impact of this assessment.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2.4 Summary of significant accounting policies

The following are the significant accounting policies applied by Afromedia Plc in preparing its consolidated and separate financial statements

2.4.1 Basis for consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at 30 September, 2019. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if, and only if, the Company has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Company's voting rights and potential voting rights

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the company ceases to control the subsidiary. The Company ensures that the accounting policies of the subsidiary are in line with the holding company.

Transaction eliminated on consolidation

Intra-group balances and transaction and any unrealised income and expenses arising from intra-group transaction are eliminated.

2.4.2 Intangible assets

Research and development cost

Development costs capitalised include all costs related to the development, modification or improvement to street lamp ranges in connection with contract proposals having a strong probability of success. Development costs also include the design and construction of models and prototypes.

The development cost shall be recognised if, and only if the Group and the company can demonstrate:

- (a) The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- (b) Its intention to complete the intangible asset and use or sell it.
- (c) Its ability to use or sell the intangible asset.
- (d) How the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
- (e) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- (f) Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in administrative expenses. During the period of development, the asset is tested for impairment annually.

2.4. Summary of significant accounting policies – Continued**2.4.2 Intangible assets- Continued****Concession right, license fees and computer software**

The concession right and license fees are amortised over the concession and license period. Only individualised and clearly identified software is capitalised and amortised over a certain period depending on the Group and the company's usage of the software.

The estimated useful life for the current year is as follows:

Computer software	-	3 years
License and concession Fee	-	6-7 years

2.4.3 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses and includes expenditures that are directly attributable to the acquisition of the asset. Cost price include costs directly attributable to the acquisition of property, plant and equipment, as well as any subsequent expenditure when it is probable that future economic benefits associated with the item will flow to the Group and the company and the expenditure can be measured reliably. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and the company and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

Depreciation is charged to profit or loss on a straight-line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property, plant and equipment. Depreciation begins when an asset is available for use and ceases at the date that the asset is derecognised.

The estimated useful lives for the current and corresponding periods are as follows:

Land	Not depreciated
Building	50 years
Hoardings (Steel) – Conventional	8 years
Tower	20 years
Motor vehicles	4-6 years
Plant, furniture and equipment -	
- Plant and machinery	5-7 years
- Office furniture, fixtures and fittings	8-10 years
- Office equipment	4-6 years

If the expected residual value is equal to or greater than the carrying value, no depreciation is provided for. The residual values, estimated useful lives of the assets and depreciation methods are reviewed at each reporting date and adjusted as appropriate. Property, plant and equipment is included in the net asset value of cash generating units for impairment testing purposes.

Property, plant and equipment are derecognised at disposal date or at the date when it is permanently withdrawn from use without the ability to be disposed of, when no future economic benefits are expected from its use or disposal. The differences between the carrying amounts at the date of de-recognition and any disposal proceeds, as applicable, is recognised in the profit or loss.

2.4.4 Earnings per share

The group and the company presents basic/ diluted/ earnings/ (loss) per share data for its ordinary shares.

Basic earnings/ (loss) per share is calculated by dividing the profit/ (loss) attributable to ordinary shareholders of the Group and the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted (loss)/ earnings per share is calculated by dividing the profit/ (loss) attributable to ordinary shareholders of the Group and the Company by the weighted average number of ordinary shares outstanding as adjusted for the effects of all dilutive potential ordinary shares.

2.4. Summary of significant accounting policies – Continued**2.4.5 Impairment of non-financial assets**

The carrying amounts of the Group and company's non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists or annually in the case of indefinite life intangibles, then the asset's (CGU'S) recoverable amount is estimated and impairment recognised.

For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash-generating units (CGUs). The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use (being the present value of the expected future cash flows of the relevant asset or CGUs). An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Afromedia evaluates impairment losses for potential reversals when events or circumstances may indicate such consideration is appropriate. The increased carrying amount of an asset other than amount attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. Impairment losses and impairment reversals are recognised in profit or loss.

2.4.6 Inventories

Inventories mainly consist of parts necessary for the maintenance of installed street lamp or billboards in kit form or partially assembled (work in progress). Inventories are stated at the lower of cost and net realisable value. Cost comprises expenditure incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs to sell. Inventory values are determined on a weighted average cost basis.

2.4.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one party and a financial liability or equity instrument of another party. The group and the company recognises financial assets and financial liabilities on the Group and the Company's statement of financial position when it becomes a party to the contractual provisions of the instrument. The group and the company determines the classification of its financial assets and liabilities at initial recognition. All financial assets and liabilities are recognised initially at fair value plus directly attributable transaction costs, except for financial assets and liabilities classified as fair value through profit or loss.

- **Financial assets**

Nature and measurements

The group and the company's financial assets include available-for-sale financial assets, loans and receivables (trade and other receivables), loans and advances.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification.

Available-for-sale financial assets

These are the group and the company's investments in equity securities which are neither classified as held for trading nor designated at fair value through profit or loss. After initial measurement, available-for-sale financial assets are measured at fair value less impairments, with unrealised gains or losses recognised in the available-for-sale reserve through other comprehensive income until the investment is derecognised, at which time the cumulative gain or loss is reclassified to profit or loss as a reclassification adjustments, or the investment is determined to be impaired, when the cumulative loss is reclassified from the available-for sale reserve to profit or loss.

Available for sale investments are derecognised when they are sold or considered impaired. Gains or losses on derecognition are recognised in profit or loss.

2.4. Summary of significant accounting policies – Continued**2.4.7 Financial instruments****Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognised at the amount expected to be received, less, when material, a discount to reduce the receivables to fair value. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate method. The effective interest rate amortisation is included in finance income in the profit or loss.

Gains and losses are recognised in the profit or loss when the investments are derecognised or impaired, as well as through the amortisation process. Included in this classification are personal loans given to employees. Loans and receivables are derecognised when extinguished.

Trade receivables

Trade receivables are recognised initially at fair value as the invoice amount and subsequently measured at amortised cost. A provision for impairment of trade receivables is established when there is objective evidence that the Group and the company will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor and default, breach of contract or delinquency in payments, observable data in the market etc. are considered indicators that the trade receivable is impaired. The group and the company deploys age analysis tools to track the payment pattern of customers. The carrying amount of trade receivable is reduced through the use of an allowance account. When trade receivable is uncollectable, it is written off as an impairment loss in administrative expenses in profit or loss. Subsequent recoveries of amounts previously written off are included as 'bad debt recoveries' in other operating income in profit or loss.

Cash and bank balances

Cash and bank balances on the consolidated and separate statements of financial position include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown separately under current liabilities in the consolidated and separate statement of financial position. For the purpose of Cash flows, cash and cash equivalents consist of cash equivalents as defined above, net of outstanding bank overdrafts (if any). Cash and cash equivalent are measured at amortised cost.

Impairment of financial assets

The group and the company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset and it can be reliably estimated. In the case of trade receivables, allowance for impairment is made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

For available-for-sale financial assets, impairment is recognised due to significant or prolonged decline in the fair value. Once there is a significant or prolonged decline, any balance in the available-for-sale reserve is recycled to profit or loss. The impairment loss is recognized in profit or loss. Impairment losses on available-for-sale financial assets are not reversed in profit or loss.

2.4. Summary of significant accounting policies – Continued**2.4.7 Financial instruments- Continued****Derecognition of financial assets**

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- a) The rights to receive cash flows from the asset have expired or
- b) The group and the company retains the right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

The group and the company has transferred substantially all the risks and rewards of the asset or the Group and the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group and the company has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group and the Company's continuing involvement in the asset.

- **Financial liabilities**

Nature and measurements

The group and the company's financial liabilities include trade payables and loans and borrowings.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate method amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.4. Summary of significant accounting policies – Continued**2.4.8 Taxes****Current income and education taxes**

Current income and education tax liabilities for the current period are measured at the amount expected to be paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted as at the reporting date in Nigeria. Where necessary, current income and education tax liabilities also include adjustments for tax expected to be payable in respect of previous periods.

Current income and education tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in profit or loss.

Deferred tax

Deferred tax is provided using the liability method in respect of temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investment in subsidiary, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investment in subsidiary, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in profit or loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.4. Summary of significant accounting policies – Continued**2.4.9 Provisions and contingent liabilities**

A provision is recognised if, as a result of a past event, the Group and the company 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. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Dismantling cost provision

Costs for decommissioning the Group and the company's Hoardings at the end of a contract are recorded in provisions, where a contractual dismantling obligation exists either as a result of contractual agreement or constructive obligation. Dismantling costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of that particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the dismantling liability. The unwinding of the discount is expensed as incurred and recognised in the profit or loss as a finance cost. The estimated future costs of dismantling are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset. Dismantling costs are capitalized to the cost of the asset, and are depreciated over the useful life of the asset. The discounting charge is recorded as a financial expense.

Contingent liabilities

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Group and the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the consolidated and separate financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

2.4.10 Employee benefits**Pension scheme**

In line with the Pension Reform Act 2014, the group and the company and its employees each contribute 10% and 8% respectively of basic salary, housing and transport allowances to statutory retirement benefits plans for the benefits of its qualifying staff. The pension funds which are defined contribution plans are independently administered with no obligations on the Group and the Company other than the defined contribution as a percentage of employees' qualifying remunerations. Both employees' and the Group and the Company's share of the contributions are charged as staff cost in the administrative expenses in profit or loss when the employee renders the service.

Gratuity scheme

The employee gratuity scheme is a defined benefit scheme. The cost of providing benefits under the defined benefit plan is determined separately using the projected unit credit actuarial valuation method. The defined benefit liability comprises the present value of the defined benefit obligation less past service costs not yet recognised. Past service costs are expensed immediately and are no longer deferred.

Re-measurements of the defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. The group and the company determines the net interest expense/ (income) on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

The gratuity scheme is not funded and there is no plan asset attached to the scheme.

2.4. Summary of significant accounting policies – Continued

2.4.11 Share capital and reserves

Share issue cost

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

Dividend on the Group and Company's ordinary shares

Dividends on ordinary shares are recognised as a liability when they are approved by the Group and the Company's shareholders at the Annual General Meeting. Interim dividends are recognised, when they are paid. Dividends for the year that are approved after the reporting date are disclosed in the consolidated and separate financial statements as a non-adjusting event.

2.4.12 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding tax, duties, returns, customer discounts and other customer related discounts. The group and the company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The group and the company has concluded that it is acting as a principal in all of its revenue arrangements.

Rendering of Services

Revenue from services rendered in the course of ordinary business is measured at the fair value of the consideration received or receivable, net of value added tax, estimated returns, discounts and rebates. Revenue is recognised when persuasive evidence exists that services have been rendered, recovery of the consideration is probable and the amount of revenue can be measured reliably.

If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

Advertising space revenue and services provided are recorded on a stage of completion basis, i.e. as revenues on a straight-line basis over the period for which the service is rendered. The unrealized portion of the transaction is deemed deferred and treated as a liability in the consolidated and separate financial statements. Deferred revenue is a liability related to revenue producing activity for which revenue has not yet been recognized. Advertising commissions is recognized on a stage of completion basis.

Management retains ownership of hoardings and advertising space during the service period.

Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets classified as available-for-sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in profit or loss.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

2.4. Summary of significant accounting policies – Continued

2.4.13 Foreign currency translation

Transactions in foreign currencies are translated to the respective functional currencies of Afromedia Plc at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the spot exchange rate at that date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

2.4.14 Expenses

Interest expense

Interest expenses are recognised as they accrue in profit or loss, using the effective interest method unless collectability is in doubt.

2.4.15 Segment information

The directors of the Group and the Company have chosen to organise the Group and the Company around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Group and the Company.

Specifically, the Group and the Company's reportable segments under IFRS 8 are as follows:

1. Transit: The transit business comprises all the airport advertising
2. Road Side: The road sides comprise the street furniture and billboard advertising

The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in relation to the profit or loss of the Group and the Company. Financing (including finance costs and finance income), central administration cost and income taxes are managed at corporate level and are not allocated to operating segments. This is the measure reported to the chief operating decision maker for the purpose of resources allocation and assessment of segment performance. Segments results are as shown below:

2.4.16 Financial instrument's risk management objectives and policies

The group and the Company deploys a number of financial instruments (financial assets and financial liabilities) in carrying out its activities. The key financial liabilities of the Group and the company comprise bank borrowings and trade payables which are deployed purposely to finance the Group and the company's operations and to provide liquidity to support the Group and the company's operations. The financial assets of the Group and the company include available-for-sale financial assets, trade receivables, loans and advances, and cash and bank balances also necessarily required for the operations of the Group and the company.

The principal risks that Afromedia Plc is exposed to as a result of holding the above financial instruments include credit risk, liquidity risk and market risk. The senior management of the Group and the company oversees the management of these risks through the establishment of adequate risk management framework with appropriate approval process, internal control and authority limits. Thus, the Group and the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with those policies. The Board of Directors which is responsible for the overall risk management of the Group and the company reviews and agrees policies for managing each of these risks inherent in its involvement in financial instruments as summarized below:

Credit risk

Credit risk is the risk that counterparty will not meet its contractual obligations under a financial instrument or customer contract leading to a financial loss to the Group and the Company. The sources of the Group and the company's credit risk include trade receivables, staff loans and deposits with banks and financial institutions.

Trade receivables

Customer credit risk is managed by Credit Managers and management as a whole subject to the Group and the company's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

Outstanding customer receivables are regularly monitored and any deliveries to major customers are generally covered by valid customer order. Customer backgrounds are studied to protect the Group and the company against credit risk.

The maximum exposure to credit risk at the reporting date is the carrying value of loans and advances .

Staff loans

Staff loans are also secured by employee salaries, pensions and retirement benefits. Deductions are made at source on monthly basis until the loans are made good.

The maximum exposure to credit risk at the reporting date is the carrying value of loans and advances.

The group and the company evaluate the concentration of risk with respect to trade receivable as low.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by Group Managing Director (GMD) in accordance with the Group and the company's policy. Investments of surplus funds are only made with approved counterparties and within credit limits assigned to each counter party. The policies are set and reviewed by the Board annually. The group and the company's 's maximum exposure to credit risk for the components of the statement of financial position at reporting date is the carrying amounts.

Liquidity risk

Liquidity risk is the risk that the Group and the Company is unable to pay its obligations when they fall due. The group and the company monitors its risk to a shortage of funds using a recurring liquidity planning and continuous budget tool. The group and the company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. The board of directors defines the Group and the Company's liquidity policy annually.

2.4. Summary of significant accounting policies – Continued

2.4.16 Financial instrument's risk management objectives and policies - Continued

The group and the Company's liabilities are more than its assets, this creates a funding gap. The table below summarises the maturity profile of the Group and the Company's financial liabilities:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four type of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, trade payables and available-for-sale financial assets.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group and the company's exposure to the risk of changes in market interest rates relates primarily to the Group and the Company's long-term debt obligations with floating interest rates. The group and the company manages this risk by ensuring significant portion of its loans are contracted on fixed interest rate.

Equity price risk

The group and the company's listed and unlisted equity securities are susceptible to market-price risk arising from uncertainties about future values of the investment securities. The group and the company manages the equity price risk through diversification and placing limits on individual and total equity instruments.

Reports on the equity portfolio are submitted to the Group and the company's Senior Management on a regular basis. The group and the company's Board of Directors reviews and approves all equity investment decisions.

Capital management

Capital includes equity attributable to the equity holders of the Group and the Company. The primary objective of the Group and the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholders' value.

The group and the company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the year.

2.4. Summary of significant accounting policies – Continued

Measurement of Fair Value

Some of the Group and the Company's accounting policies and disclosures require the measurement of fair value, for both financial and non-financial assets and liabilities.

The group and the Company has an established framework with respect to the measurement of fair values. This include valuation team that has the overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and report directly to the CEO

When measuring the fair value of an asset or a liability, the Group and the Company uses observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: input other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e as prices) or indirectly (i.e. as derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability are categorised in different levels of the fair value hierarchy, then the fair value measurement must be categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The group and the company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

DISCLOSURE

Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule), Afrimedia Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy undergoes periodic reviews by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period.

EFFECT OF COVID-19 PANDEMIC ON OUR TURNOVER

The Coronavirus (COVID-19) pandemic is having a far-reaching impact on all sectors of the global and Nigerian economy. The spread has grounded economic activities and the advertising sector is not isolated from it.

By late February when the pandemic was first reported in Nigeria, and for the whole of March 2020, we were able to maintain our Sales.

However, by April to June 2020, we had lost some of our quarterly contract renewals due to suspension of contracts as a result of loss of exposure when the Federal (and some state) Government declared lock down due to COVID-19. This accounted for a huge amount of revenue loss.

In order to stem the tide of contract cancellation and to show empathy with our clients, we responded by offering all our clients with subsisting contracts 50% discount beginning in April and for the duration of the lockdown, reviewing it down to 25% when the lockdown was eased later in May.

This unprecedented turn of event in the world has led to loss of revenue at the Victor Attah International Airport (VAIA) as well, due to the Air travel shut down.

As a result of this shift, it has become imperative that OOH advertising is driven by audience measurement and metrics. Management has therefore adopted more creative ways of deploying OOH formats to target audiences, with the ultimate aim of luring advertisers back to OOH advertising.

		THE GROUP		THE COMPANY	
		Q4, 2020	Q4, 2019	Q4, 2020	Q4, 2019
		N'000	N'000	N'000	N'000
1	Turnover:				
	Analysis by Operations:				
	Transit Unit	1,000	3,000	1,000	3,000
	Road Side Unit	292,968	349,712	292,968	349,712
		293,968	352,712	293,968	352,712
2	Cost of Sales:				
	Agency discount	1,929	3,328	1,929	3,328
	Commissions	19,984	31,562	19,984	31,562
	Hoarding maintenance	63,702	66,706	63,702	66,706
	Hoarding advert permit fees	57,750	78,397	57,750	78,397
		143,364	179,993	143,364	179,993
3	Other Operating Income:				
	Miscellaneous	10,282	5,931	10,282	5,931
	Prov. no longer required	-	540,767	-	540,767
		10,282	546,699	10,282	546,699
4	Administrative Expenses:				
	Staff cost	52,278	75,502	52,278	75,502
	Other admin expenses (Note 7a)	84,121	237,739	84,121	237,739
		136,399	313,241	136,399	313,241
4a	Staff cost:				
	Staff salaries	40,726	69,259	40,726	69,259
	Gratuity	4,714	1,114	4,714	1,114
	Staff Welfare/Entertainment	1,553	-	1,553	-
	Pensions	2,223	3,188	2,223	3,188
	Annual Bonus	994	-	994	-
	Medical Expenses	2,068	1,940	2,068	1,940
		52,278	75,502	52,278	75,502

		THE GROUP		THE COMPANY	
		Q4, 2020	Q4, 2019	Q4, 2020	Q4, 2019
		N'000	N'000	N'000	N'000
4b	Other Administrative Expenses:				
	Rents & Rates	15,316	6,000	15,316	6,000
	Repairs & Renewals	14,989	6,272	14,989	6,272
	Electricity & Power	7,732	8,333	7,732	8,333
	Stationery	275	435	275	435
	Telephone & Postal Services	5,245	2,977	5,245	2,977
	Mgt. Vehicle Running Expenses	933	5,677	933	5,677
	Travelling Expenses	6,967	13,313	6,967	13,313
	Audit	4,500	6,000	4,500	6,000
	Secretarial Fees	8,176	17,130	8,176	17,130
	Legal/Other Professional Exps.	19,068	23,147	19,068	23,147
	Training and Development	851	7,810	851	7,810
	Info Comm. Tech Exp.	5,227	4,021	5,227	4,021
	Other Insurance	57	-	57	-
	Research & Development	786	4,262	786	4,262
	Subscription	1,427	510	1,427	510
	Doubtful debt/Loss of Investment.	- 7,407	131,853	- 7,407	131,853
	Impairment of assets	-	-	-	-
		84,144	237,739	84,144	237,739
5	Distribution expenses:				
	Travelling expenses	3,145	2,318	3,145	2,318
	Stationery	-	-	-	-
	Promotions	9,107	9,359	9,107	9,359
		12,251	11,677	12,251	11,677
6	Other Operating Expenses:				
	Building depreciation	8,391	8,391	8,391	8,391
	P & M depreciation	66	66	66	66
	F & F depreciation	917	917	917	917
	Mgt vehicle depreciation	-	-	-	-
		9,374	9,374	9,374	9,374
7	Finance Income:				
	Unwinding of gain on Director's loan	-	-	-	-
	Interest income on loan to staff at fair value	-	-	-	-
		-	-	-	-
8	Finance Costs:				
	Interest on debts and borrowings	-	160	-	160
	Other Interest Expenses	382	703	382	703
		382	863	382	863

Property , Plant & Equipment							
	Land	Building	Motor Vehicles	Hoardings	Plant & Machinery	WIP	Total
Cost	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000
At 1 October 2019	91,428	803,098	156,311	994,112	315,906	84,052	2,444,907
Additions	-	-	-	0	349	2,349	2,698
Impairment	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
Balance as at 30 Sep., 2020	91,428	803,098	156,311	994,112	316,255	86,401	2,447,605
Depreciation							
At 1 October 2019	-	(107,058)	(156,238)	(565,677)	(305,522)	-	(1,134,495)
Year to date	-	(8,391)	0	(50,792)	(983)	-	(60,167)
Balance as at 30 Sep., 2020	-	(115,449)	(156,238)	(616,470)	(306,505)	-	(1,194,662)
Net Book Values at:							
30th Sep., 2020	91,428	687,649	73	377,642	9,751	86,401	1,252,943
30th Sep., 2019	91,428	696,040	73	428,434	10,384	84,052	1,310,412

		THE GROUP		THE COMPANY	
		Q4, 2020 N'000	2019 audited N'000	Q4, 2020 N'000	2019 audited N'000
9	Property Plants and Equipment:	1,252,943	1,310,412	1,252,943	1,310,412
10	Intangibles:	-	-	-	-
11	Available for sale Investment:				
	Cost	80,012	80,012	80,012	80,012
	Diminution	- 59,676	- 59,676	- 59,676	- 59,676
		20,336	20,336	20,336	20,336
12	Deferred Costs:				
	Deferred tax asset	51,978	51,978	51,978	51,978
		51,978	51,978	51,978	51,978
13	Investment in subsidiary Afromedia Africa Proprietary Limited	-	-	1,000	1,000
		-	-	1,000	1,000
14	Inventories:				
	Outdoor hoarding materials	-	-	-	-
	Provision for obsolete stocks	-	-	-	-
		-	-	-	-

		THE GROUP		THE COMPANY	
		Q4, 2020	2019 audited	Q4, 2020	2019 audited
		N'000	N'000	N'000	N'000
15	Trade and other receivables:				
	Trade debtors	25,275	2,755,857	25,275	2,760,973
	Sundry debtors	542,064	666,758	542,064	666,657
	Provision for doubtful debts	-	(2,740,986)	-	(2,740,986)
		567,339	681,629	567,339	686,644
16	Prepayments:				
	Advert. Agency Comm. Holding	-	-	-	-
	Employee Mortgage Scheme	-	-	-	-
	Others	17,302	10,930	17,302	7,984
		17,302	10,930	17,302	7,984
17	Loans and Advance:				
	Staff loans	-	-	-	-
	Due from directors	-	-	-	-
	Impairment of staff loans	-	-	-	-
		-	-	-	-
18	Deposit for Investments:				
	Summit Hotels Managers Limited	-	-	-	-
	Strategic Solutions Media Limited	-	-	-	-
		-	-	-	-
19	Cash and Short-Term Deposits:				
	Cash and Short-Term Deposits	3,435	32,152	3,112	31,829
	Bank Overdrafts	(3,126,075)	(3,152,303)	(3,126,075)	(3,152,303)
	Cash and cash equivalents	(3,122,641)	(3,120,151)	(3,122,964)	(3,120,474)
20	Issued Share Capital and Reserves:				
	Authorised Shares:				
	5,000,000,000 ordinary shares of 50k each	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)
		-	-	-	-
	Ordinary shares issued and fully paid:	(2,219,524)	(2,219,524)	(2,219,524)	(2,219,524)
		-	-	-	-
	Share Premium	(537,754)	(537,754)	(537,754)	(537,754)
		-	-	-	-
	Revaluation Reserve	(2,853,605)	(2,853,605)	(2,853,605)	(2,853,605)
	Retained earnings:				
	At 1 October	9,527,523	10,113,492	9,518,461	10,104,930
	Other Comprehensive income	-	-	-	-
	loss for the year	(1,719)	(585,968)	(1,719)	(586,468)
	Transfer	-	-	-	-
	At 31 December	9,525,804	9,527,524	9,516,742	9,518,462

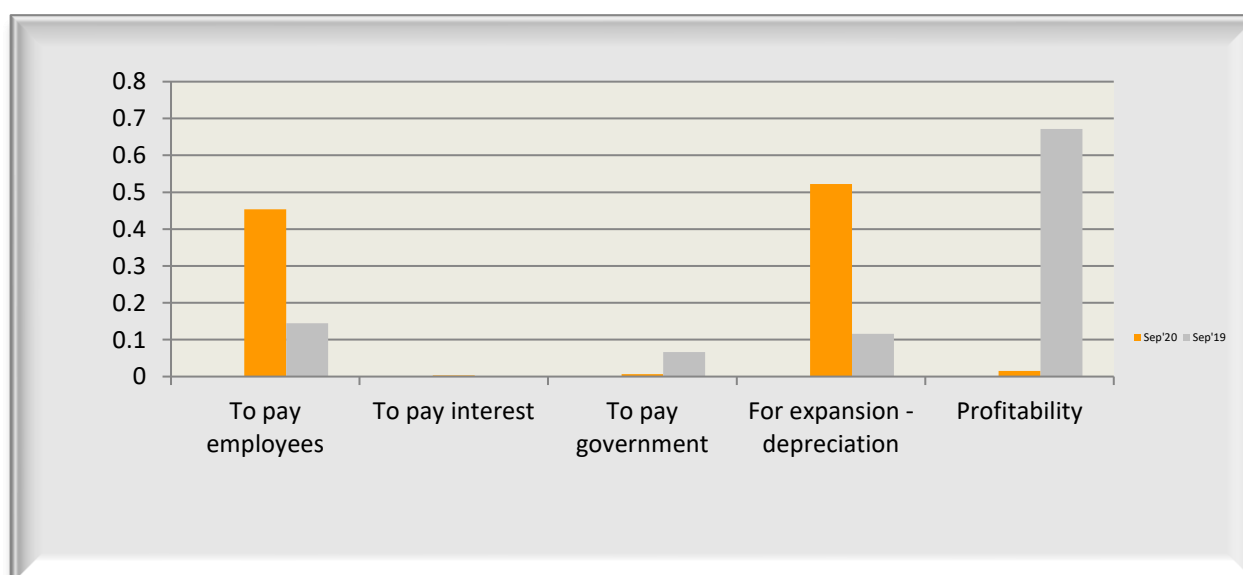
21 Taxation:				
a Current tax payable:				
At 1 October	(231,207)	(225,224)	(231,128)	(225,145)
Charge for the year (Note)	(737)	(5,983)	(737)	(5,983)
Payments during the year	-	-	-	-
At 30 September	(231,944)	(231,207)	(231,865)	(231,128)
b Deferred tax liability:				
At 1 October	(172,238)	(172,238)	(172,238)	(172,238)
Charge for the year (Note)	-	-	-	-
At 30 September	(172,238)	(172,238)	(172,238)	(172,238)
22 Staff Retirement benefit:				
Defined benefit obligation	(48,849)	(44,135)	(48,849)	(44,135)
Unrecognised past service cost	-	-	-	-
Benefit Liability	(48,849)	(44,135)	(48,849)	(44,135)
23 Financial Liabilities:				
Long Term Financial liabilities				
Director's Loan to Company	-	-	-	-
Deferred Interest	-	-	-	-
Amount Falling due after one year	-	-	-	-
24 Provision for decommissioning:				
At 1 October	(20,423)	(20,423)	(20,423)	(20,423)
Addition	-	-	-	-
Unwinding of Discount	-	-	-	-
At 30 September	(20,423)	(20,423)	(20,423)	(20,423)
25 Trade and Other Payables (Current):				
Trade payables	(307,102)	(244,507)	(307,102)	(241,260)
Value Added Tax	(526,406)	(501,926)	(526,406)	(500,276)
Airport Advert Concession Fee	-	-	-	-
PAYE and other statutory deductions	(117,834)	(131,695)	(117,834)	(131,695)
Wages Control A/C	(248,446)	(248,242)	(248,446)	(248,242)
Private Ledger a/c Holding	(598,625)	(644,361)	(598,625)	(644,361)
Special exec. retirement a/c	-	-	-	-
Ex-Staff Emoluments Payable	(239,907)	(239,907)	(239,907)	(239,907)
Accruals and provisions:	(83,808)	(279,829)	(75,502)	(278,489)
	(2,122,127)	(2,290,467)	(2,113,821)	(2,284,230)
26 Dividend payable				
Unclaimed dividend	(3,512)	(3,512)	(3,512)	(3,512)
	(3,512)	(3,512)	(3,512)	(3,512)
27 Deferred Revenue:				
Advert. Revenue Holding	(103,088)	(109,794)	(103,088)	(109,794)
	(103,088)	(109,794)	(103,088)	(109,794)

Other National Disclosures

AFROMEDIA PLC

STATEMENT OF VALUE ADDED

	Sep'20 Unaudited		Sep'19 Unaudited	
	=N= '000	%	=N= '000	%
Sales	293,968		352,712	
Other Income	10,282		546,699	
	304,250		899,411	
Bought in materials & other services	(188,968)		(378,617)	
Value added from operations	115,282	100%	520,795	100%
Applied as follows:				
To pay employees' wages, salaries & other benefits	52,278	45.3%	75,502	14.5%
To pay interest on borrowings	382	0.3%	863	0.2%
To pay government	737	0.6%	34,584	6.6%
For expansion - depreciation	60,167	52.2%	60,167	11.6%
Profitability / (loss)	1,719	1.5%	349,679	67.1%
	115,282	100%	520,795	100%



The Group

AFROMEDIA PLC

5 YEAR FINANCIAL SUMMARY

AS AT 30 SEPTEMBER 2020

	Q4 2020 unaudited N'000	2019 N'000	2018 N'000	2017 N'000	2016 N'000
ASSETS					
Non-Current Assets					
Property Plants and Equipment	1,252,943	1,310,412	1,318,858	859,599	1,309,944
Intangible Assets	0	-	-	1,485	4,303
Available for sale investment	20,336	20,336	10,249	22,736	22,085
Deferred Costs	51,978	51,978	16,407	0	8,697
Investment in subsidiary	-	-	-	-	-
Net current liabilities	(4,998,670)	(5,062,572)	(5,493,367)	(5,951,101)	(7,076,789)
Deferred tax liability	(172,238)	(172,238)	(172,238)	(172,238)	-
Staff Retirement benefit	(48,849)	(44,135)	(162,096)	(160,956)	(158,114)
Financial Liabilities	-	-	-	-	-
Provisioning for decommissioning	(20,423)	(20,423)	(20,423)	(24,201)	(157,348)
	(3,914,922)	(3,916,642)	(4,502,610)	(5,424,676)	(6,047,222)
Equity and Liabilities					
Equity					
Issued Share Capital	2,219,524	2,219,524	2,219,524	2,219,524	2,219,524
Share Premium	537,754	537,754	537,754	537,754	537,754
Revaluation Reserve	2,853,605	2,853,605	2,853,605	2,312,618	2,312,618
Available-for-sale reserve	-	-	-	651	351
Retained Earnings	(9,525,804)	(9,527,524)	(10,113,492)	(10,495,224)	(11,117,469)
Total Equity	(3,914,922)	(3,916,642)	(4,502,610)	(5,424,676)	(6,047,222)
Turnover	293,968	347,316	381,068	425,676	494,410
Profit or (loss) before taxation	2,455	556,379	370,699	810,239	(1,776,258)
Income Tax expense	(737)	29,589	10,382	(181,330)	(6,183)
Profit or (loss) after Taxation	1,719	585,968	381,081	628,909	(1,782,441)

The Company

AFROMEDIA PLC 5 YEAR FINANCIAL SUMMARY AS AT 30 SEPTEMBER 2020

	Q4 2020 unaudited N'000	2019 N'000	2018 N'000	2017 N'000	2016 N'000
ASSETS					
Non-Current Assets					
Property Plants and Equipment	1,252,943	1,310,412	1,318,858	859,599	1,309,944
Intangible Assets	0	-	-	1,485	4,303
Available for sale investment	20,336	20,336	10,249	22,736	22,085
Deferred Costs	51,978	51,978	16,407	-	8,697
Investment in subsidiary	1,000	1,000	1,000	1,000	1,000
Net current liabilities	(4,990,608)	(5,054,510)	(5,485,807)	(5,944,542)	(7,073,859)
Deferred tax liability	(172,238)	(172,238)	(172,238)	(172,238)	-
Staff Retirement benefit	(48,849)	(44,135)	(162,096)	(160,956)	(158,114)
Financial Liabilities	-	-	-	-	-
Provisioning for decommissioning	(20,423)	(20,423)	(20,423)	(24,201)	(157,348)
	(3,905,860)	(3,907,580)	(4,494,050)	(5,417,117)	(6,043,292)
Equity and Liabilities					
Equity					
Issued Share Capital	2,219,524	2,219,524	2,219,524	2,219,524	2,219,524
Share Premium	537,754	537,754	537,754	537,754	537,754
Revaluation Reserve	2,853,605	2,853,605	2,853,605	2,312,618	2,312,618
Available-for-sale reserve	-	-	-	651	351
Retained Earnings	(9,516,742)	(9,518,462)	(10,104,932)	(10,487,664)	(11,113,539)
Total Equity	(3,905,860)	(3,907,580)	(4,494,050)	(5,417,117)	(6,043,292)
Turnover	293,968	347,316	381,068	425,676	465,804
Profit or (loss) before taxation	2,455	556,379	371,699	813,869	(1,772,381)
Income Tax expense	(737)	29,589	10,382	(181,330)	(6,130)
Profit or (loss) after Taxation	1,719	585,968	382,081	632,539	(1,778,511)

