



Three (03) Months Ended 31/03/2021

MEYER PLC

**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH, 2021**



PLOT 32, BILLINGS WAY,
OREGUN INDUSTRIAL ESTATE,
ALAUJA - IKEJA,
LAGOS.
<http://www.meyerpaints.com>



Three (3) Months Ended 31/03/2021
(Jan-March)

MEYER PLC

**UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR 1ST QUARTER ENDED 31ST MARCH, 2021.**

PLOT 32, BILLINGS WAY,
OREGUN INDUSTRIAL ESTATE,
ALAUSA - IKEJA,
LAGOS.
<http://www.meyerpaints.com>

DIRECTORS, ADVISORS AND REGISTERED OFFICE**Corporate information**

Chairman of the Board Mr Kayode Falowo

Directors Mr Osa Osunde
Erelu Angela Adebayo
Mr Tony Uponi
Mr Olutoyin Okeowo
Mrs Ochee Vivienne Bamgboye
Mr. Devashish Nath (Resigned wef 13 May 2020)

Registered office No 32 Billings way,
Oregun Industrial Estate,
Ikeja,
Lagos

Company Secretary Marriot Solicitors (Appointed wef 28 July 2020)
15E, Muri Okunola Street
Off Ajose Adeogun Street
Victoria Island,
Lagos

Company Registrar Greenwich Registrars & Data Solutions Limited
274, Murtala Muhammed Way
Alagomeji, Yaba
Lagos

Major Bankers Access Bank Plc
First Bank of Nigeria Limited
Zenith Bank Plc
United Bank for Africa Plc
Stanbic IBTC Bank Plc
Guaranty Trust Bank Plc
First City Monument Bank Limited
Eco Bank Plc
Providus Bank Limited

AND ITS SUBSIDIARY COMPANY

CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2021

	Notes	GROUP		COMPANY	
		2021	2020	2021	2020
		N'000	N'000	N'000	N'000
Revenue	9	223,473	264,406	223,473	264,406
Cost of sales	10	(145,155)	(166,623)	(145,155)	(166,623)
Gross profit		78,318	97,783	78,318	97,783
Other operating income	11(a)	13,904	5,221	13,904	5,221
Selling and distribution expenses	12	(7,635)	(8,539)	(7,635)	(8,539)
Administrative expenses	13	(99,844)	(120,327)	(99,844)	(120,327)
Loss from operating activities		(15,257)	(25,862)	(15,257)	(25,862)
Finance income	14	23,979	2,148	23,979	2,148
Finance costs	14	(612)	(284)	(612)	(284)
Net finance income		23,367	1,864	23,367	1,864
Profit /(loss) before taxation	15	8,110	(23,998)	8,110	(23,998)
Taxation	16(a)	(2,433)	(990)	(2,433)	(990)
Profit /(loss) for the period		5,677	(24,988)	5,677	(24,988)
Other comprehensive income:					
Items that will not be reclassified to profit or loss		-	-	-	-
Items that may be reclassified to profit or loss		-	-	-	-
Other comprehensive income for the period, net of tax		-	-	-	-
Total comprehensive profit/(loss) for the period		5,677	(24,988)	5,677	(24,988)
Profit /(loss) for the period attributable to:					
Owners of the parent		5,681	(24,988)	5,677	(24,988)
Non-controlling interest		(4)	(4)	-	-
Profit /(loss) for the period		5,677	(24,992)	5,677	(24,988)
Total comprehensive Profit /(loss) attributable to:					
Owners of the parent		5,681	(24,988)	5,677	(24,988)
Non-controlling interest		(4)	(4)	-	-
Total comprehensive Profit /(loss) for the period		5,677	(24,992)	5,677	(24,988)
Basic earnings/(loss) per share (kobo)	31	1	(5)	1	(5)
Diluted earnings/(loss) per share (kobo)	31	1	(5)	1	(5)

MEYER PLC
AND ITS SUBSIDIARY COMPANY
CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH, 2021

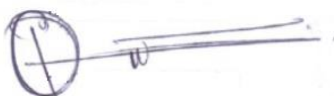
2

	Notes	GROUP 2021	2020	COMPANY 2021	2020
		N'000	N'000	N'000	N'000
Non-current assets					
Property, plant and equipment	17	264,594	264,662	264,594	264,662
Right of use assets	17(c)	112,275	121,895	112,275	121,895
Deferred tax assets	16(c)	5,502	5,502	5,502	5,502
Total Non-Current Assets		382,371	392,059	382,371	392,059
Current assets					
Inventory	20	90,303	95,150	90,303	95,150
Trade and other receivables	22	161,336	175,705	124,710	139,283
Cash and cash equivalents	23	2,346,453	2,388,772	2,346,269	2,388,588
		2,598,092	2,659,627	2,561,282	2,623,021
Current liabilities					
Short term borrowings	24(i)	11,138	21,128	11,138	21,128
Trade and other payables	26	530,819	584,876	545,588	600,134
Taxation	16(b)	72,062	84,915	72,062	84,630
		614,019	690,919	628,788	705,892
Net current assets		1,984,073	1,968,708	1,932,494	1,917,129
Total assets less current liabilities		2,366,444	2,360,767	2,314,865	2,309,188
Non-current liabilities					
Deferred tax liability	16(d)	-	-	-	-
Decommissioning cost	27	9,600	9,600	9,600	9,600
Employment benefits	25	17,089	17,089	17,089	17,089
		26,689	26,689	26,689	26,689
Net assets		2,339,755	2,334,078	2,288,176	2,282,499
Equity					
Share capital	28	248,864	248,864	248,864	248,864
Share premium	29	53,173	53,173	53,173	53,173
Revenue reserve	30(i)	2,035,270	2,029,589	1,986,139	1,980,462
Non-controlling interest	30(ii)	2,448	2,452	-	-
Total equity		2,339,755	2,334,078	2,288,176	2,282,499

The financial statements and notes to the financial statements were approved by the Board of directors on April 28, 2021 and signed on its behalf by:



Kayode Falowo
Chairman
FRC/2014/CISN/0000007051



Oluwatoyin Okeowo
Director
FRC/2013/IODN/0000002638



Rotimi Alashe
Chief Finance Officer
FRC/2013/ICAN/0000002335

MEYER PLC
AND ITS SUBSIDIARY COMPANY
CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2021

3

	Notes	GROUP 2021	2020	COMPANY 2021	2020
		N'000	N'000	N'000	N'000
Cash flows from operating activities					
Profit /(loss) after taxation		5,677	1,118,006	5,677	1,108,506
Adjustments for:					
Depreciation of property, plant and equipment	17	4,361	11,458	4,361	11,458
Depreciation of Right of use assets	17 (c)	9,600	22,998	9,600	22,998
Finance income	14	(23,979)	(71,124)	(23,979)	(71,124)
Finance charges	14	612	9,268	612	9,268
Profit on disposal of property, plant and equipment	11(a)	(1,855)	(3,316)	(1,855)	(3,316)
Profit on disposal of Building	11(b)	-	(1,781,828)	-	(1,781,828)
Impairment of investment in subsidiary	20	-	-	-	9,600
Decommissioning cost	27	-	9,600	-	9,600
Income tax expense	16(a)	2,433	520,374	2,433	520,374
		(3,151)	(164,564)	(3,151)	(164,464)
Decrease in inventory	21	4,847	12,449	4,847	12,449
Decrease/(increase) in trade and other receivables	22	(29,342)	179,179	-29,342	179,179
(Decrease)/increase in trade and other payables	26	(10,610)	(2,351,602)	-10,610	-2,351,702
Decrease in employee benefits	25(a)	-	(10,307)	-	(10,307)
Cash (absorbed in)/provided by operating activities		(38,256)	(2,334,845)	(38,255)	(2,334,845)
Tax paid	16(b)	(15,000)	(6,422)	(15,000)	(6,422)
Net cash (outflow)/inflow from operating activities		(53,256)	(2,341,267)	(53,255)	(2,341,267)
Cash flows from investing activities					
Additions to property, plant and equipment	17(a)	(14,295)	(4,648)	(14,294)	(4,648)
Additions to Right of use assets	17(c)	-	(144,893)	-	(144,893)
Finance income	14	23,979	71,124	23,979	71,124
Proceeds from disposal of property, plant and equipment		11,853	3,318,495	11,853	3,318,495
Net cash inflow/(outflow) from investing activities		21,537	3,240,078	21,538	3,240,078
Cash flows from financing activities					
Long term loan repaid	24(ii)	(9,990)	(11,810)	(9,990)	(11,810)
Additional loan - short term	24(ii)	-	31,125	-	31,125
Finance charges	14	(612)	(9,268)	(612)	(9,268)
Net cash inflow/(outflow) from financing activities		(10,602)	10,047	(10,602)	10,047
Net increase in cash and cash equivalents		(42,320)	908,859	(42,319)	908,858
Cash and cash equivalents at the beginning of the Period		2,388,772	1,479,914	2,388,588	1,479,730
Cash and cash equivalents at the end of the Period		2,346,453	2,388,772	2,346,269	2,388,588
Cash and cash equivalents comprise:					
Cash at Bank and in hand	32	2,346,453	2,388,772	2,346,269	2,388,588

MEYER PLC AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2021

4

	Share capital N'000	Share premium N'000	Revenue reserve N'000	Non controlling interest N'000	Total equity N'000
Balance at 1 January 2021	248,864	53,173	2,029,589	2,452	2,334,078
<i>Comprehensive Income for the period</i>					-
Profit for the period	-	-	5,681	(4)	5,677
<i>Other comprehensive income</i>	-	-	-	-	-
Total comprehensive income for the period	-	-	5,681	(4)	5,677
Contributions by and distributions to owners :					
Issued share capital	-	-	-	-	-
Share premium	-	-	-	-	-
Balance at 31 March 2021	248,864	53,173	2,035,270	2,448	2,339,755
Balance at 1 January 2020	248,864	53,173	345,156	2,456	649,649
<i>Comprehensive Income for the year</i>					
Loss for the year	-	-	1,684,433	(4)	1,684,429
<i>Other comprehensive income</i>	-	-	-	-	-
Total comprehensive loss for the year	-	-	1,684,433	(4)	1,684,429
Contributions by and distributions to owners:					
Share issue expenses	-	-	-	-	-
Balance at 31 December 2020	248,864	53,173	2,029,589	2,452	2,334,078

MEYER PLC AND ITS SUBSIDIARY COMPANY
 SEPERATE STATEMENT OF CHANGES IN EQUITY
 FOR THE PERIOD ENDED 31 MARCH 2021

	Share capital N'000	Share premium N'000	Retained earnings N'000	Total equity N'000
Balance at 1 January 2021	248,864	53,173	1,980,462	2,282,499
<i>Comprehensive Income for the period</i>				
Profit for the year	-	-	5,677	5,677
<i>Other comprehensive income</i>	-	-	-	-
Total comprehensive income for the period	-	-	5,677	5,677
Contributions by and distributions to owners :				
Issued share capital	-	-	-	-
Share premium	-	-	-	-
Balance at 31 March 2021	248,864	53,173	1,986,139	2,288,176
	N'000	N'000	N'000	N'000
Balance at 1 January 2020	248,864	53,173	305,533	607,570
<i>Comprehensive Income for the year</i>				
Loss for the year	-	-	1,674,929	1,674,929
<i>Other comprehensive income</i>	-	-	-	-
Total comprehensive income for the year	-	-	1,674,929	1,674,929
Contributions by and distributions to owners:				
Share issue expenses	-	-	-	-
Balance at 31 December 2020	248,864	53,173	1,980,462	2,282,499

1 The Group

The group comprises Meyer Plc (the Company) and its subsidiary - DNM Construction Limited.

The Company - Corporate information and principal activities

Meyer Plc (previously called DN Meyer Plc) is a manufacturing Company incorporated in Nigeria on the 20 May 1960. The name was changed by a special resolution and the authority of the Corporate Affairs Commission on 1st of July 2016. The Company manufactures and markets paints. The shares of the Company are held as follows: 31.43% by Greenwich Capital Limited, 30.93% by Bosworth Investments & Services Limited, 5.42% by Osa Osunde and 32.22% by Nigerian citizens.

Its registered office is at No 32, Billings way, Oregun Industrial Estate, Alausa Ikeja, Lagos.

2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the requirements of the Companies and Allied Matters Act, 2020.

The financial statements were authorised for issue by the Board of Directors on 28 April 2021.

(b) Basis of measurement

The group financial statements have been prepared on the historical cost basis except for the certain financial instruments measured at fair value

(c) Functional and presentation currency

The Group and Company's functional and presentation currency is the Nigerian naira. The financial statements are presented in Nigerian Naira and have been rounded to the nearest thousand except otherwise stated.

(d) Use of estimates and judgement

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

3(a) New standards, interpretations and amendments effective from 1 January 2020

New standards that were adopted in the annual financial statements for the year ended 31 December 2020, but had no significant effect or impact on the group are:

- IAS 1 Presentation of Financial Statements and
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment - Disclosure Initiative - Definition of Material); and
- Revisions to the Conceptual Framework for Financial Reporting.
- Definition of a Business (Amendments to IFRS 3);
- Interest Rate Benchmark Reform - IBOR 'phase 2' (Amendments to IFRS 9, IAS 39 and IFRS 7); and
- COVID-19-Related Rent Concessions (Amendments to IFRS 16).

(b) New standards, interpretations and amendments issued not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

4) Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience as other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

i) Income and deferred taxation

Meyer Plc annually incurs income taxes payable, and also recognises changes to deferred tax assets and deferred tax liabilities, all of which are based on management's interpretations of applicable laws and regulations. The quality of these estimates is highly dependent upon management's ability to properly apply at times a very complex sets of rules, to recognise changes in applicable rules and, in the case of deferred tax assets, management's ability to project future earnings from activities that may apply loss carry forward positions against future income taxes.

ii) Impairment of property, plant and equipment

The Group assesses assets or groups of assets for impairment annually or whenever events or changes in circumstances indicate that carrying amounts of those assets may not be recoverable. In assessing whether a write-down of the carrying amount of a potentially impaired asset is required, the asset's carrying amount is compared to the recoverable amount. Frequently, the recoverable amount of an asset proves to be the Group's estimated value in use.

The estimated future cash flows applied are based on reasonable and supportable assumptions and represent management's best estimates of the range of economic conditions that will exist over the remaining useful life of the cash flow generating assets.

iii) Legal proceedings

The Group reviews outstanding legal cases following developments in the legal proceedings at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the Group's management as to how it will respond to the litigation, claim or assessment.

5) Consolidation

(i) Subsidiary

The financial statements of the subsidiary are consolidated from the date the Company acquires control, up to the date that such effective control ceases. For the purpose of these financial statements, subsidiaries are entities over which the company has control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Company has the practical ability to direct the activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

The size of The Company's voting rights relative to both the size and dispersion of other parties who hold voting rights; Substantive potential voting rights held by the Company and by other parties and other contractual arrangements.

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Company. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity instruments issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Inter-company transactions, balances and unrealised gains on transactions between Companies within the Group are eliminated on consolidation. Unrealised losses are also eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group. Investment in subsidiaries in the separate financial statements of the parent entity is measured at cost.

(ii) Changes in ownership interests in subsidiary without change of control

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant shares acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposal to non-controlling interests are also recorded in equity.

(iii) Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through profit or loss.

(iv) Disposal of subsidiaries

On loss of control, the Group derecognises the assets and liabilities of the subsidiary, any controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity-accounted investee or as financial asset at fair value through other comprehensive income (FVOCI) depending on the level of influence retained.

6) Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

(a) Going concern

The directors assess the Company and its subsidiary's future performance and financial position on a going concern basis and have no reason to believe that the Company and its subsidiary will not be a going concern in the year ahead. For this reason, these financial statements have been prepared on the basis of accounting policies applicable to a going concern.

(b) Foreign currency

Foreign currency transactions

In preparing the financial statements of the Group, transactions in currencies other than the entity's presentation currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the conversion at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of cost in a foreign currency are converted using the exchange rate at the end of the period.

(c) Revenue recognition

Revenue represents the fair value of the consideration received or receivable for sales of goods and services, in the ordinary course of the Group's activities and is stated net of value-added tax (VAT), rebates and discounts.

(i) Sale of goods and rendering of services

The Company recognizes revenue from contracts with customers based on the five-step process described in IFRS 15. Revenue is recognized when the entity satisfies a performance obligation by transferring a promised goods or service to a customer. The goods or services are transferred when the customer acquires control over the asset, which may happen either over time or at a particular point in time. Under the five-step process an entity must complete the following steps before revenue can be recognized: Identify contracts with customers, identify performance obligations, determine the transaction price, allocate the transaction price to each of the separate performance obligations, and finally recognize the revenue as each performance obligation is satisfied.

(ii) Other income

This comprises profit from sale of financial assets, property, plant and equipment, foreign exchange gains, fair value gains of non financial assets measured at fair value through profit or loss and impairment loss no longer required written back.

Income arising from disposal of items of financial assets, plant and equipment and scraps is recognised at the time when proceeds from the disposal has been received by the Group. The profit on disposal is calculated as the difference between the net proceeds and the carrying amount of the assets. The Group recognises impairment no longer required as other income when the Group receives cash on an impaired receivable or when the value of an impaired investment increased and the investment is realisable.

(d) Expenditure

Expenditures are recognised as they accrue during the course of the period. Analysis of expenses recognised in the statement of comprehensive income is presented in classification based on the function of the expenses as this provides information that is reliable and more relevant than their nature.

The Group classifies its expenses as follows:

- Cost of sales;
- Administration expenses;
- Selling and distribution expenses; and
- Other allowances and amortizations

Finance income and finance costs

Finance income comprises interest income on short-term deposits with banks, dividend income, changes in the fair value of financial assets at fair value through profit or loss and foreign exchange gains.

Dividend income from investments is recognised in profit or loss when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the entity and the amount of income can be measured reliably).

Interest income on short-term deposits is recognised by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and deferred consideration and impairment losses on financial assets (other than trade receivables).

(e) Borrowing costs

Borrowing costs directly attributable to the construction of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised as interest payable in the income statement in the period in which they are incurred.

(f) Income tax expenses

Income tax expense comprises current income tax, education tax and deferred tax. (See policy 'p' on income taxes)

(g) Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(h) Property, plant and equipment

Items of property, plant and equipment are measured at cost and less accumulated depreciation and impairment losses. The cost of property plant and equipment includes expenditures that are directly attributable to the acquisition of the asset. Property, plant and equipment under construction are disclosed as capital work-in-progress.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item of property, plant and equipment and are depreciated accordingly. Subsequent costs and additions are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

All other repairs and maintenance costs are charged to the profit and loss component of the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

Depreciation is recognised so as to write off the cost of the assets less their residual values over their useful lives, using the straight-line method on the following bases:

Major overhaul expenditure, including replacement spares and labour costs, is capitalised and amortised over the average expected life between major overhaul.

Building	36-76 years
Furniture and Fixtures	4 years
Motor Vehicles	4 years
Plant and Machinery	8 years
Office Equipment	4 years

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit and loss component of the statement of comprehensive income within 'Other income' in the year that the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

(i) Intangible Assets

Computer software

Computer software purchased from third parties. They are measured at cost less accumulated amortisation and accumulated impairment losses. Purchased computer software is capitalised on the basis of costs incurred to acquire and bring into use the specific software. These costs are amortised on a straight line basis over the useful life of the asset.

Expenditure that enhances and extends the benefits of computer software beyond their original specifications and lives, is recognised as a capital improvement cost and is added to the original cost of the software. All other expenditure is expensed as incurred.

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An Intangible asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The estimated useful lives for the current and comparative period are as follows:

Computer software	5 years
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Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss when the asset is derecognised.

(j) Impairment of non-financial assets

Non-financial assets other than inventories are reviewed at each reporting date for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they have separately identifiable cash flows (cash-generating units).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statements, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment is treated as a revaluation increase.

k) Leases

The standard covers the recognition of leases and related disclosure information in the financial statements.

The new standard defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In the financial statement of lessees, IFRS 16 requires recognition in the balance sheet for each contract that meets its definition of a lease as right-of-use (RoU) asset and a lease liability, while lease payments are reflected as interest expense and a reduction of lease liabilities. The RoU assets are depreciated over the shorter of each contract's term and the assets useful life.

Upon implementation of IFRS 16, the following main implementation and application policy choices were made by the group:

- Short term leases (12 months or less) and leases of low value assets are not reflected in the statement of profit or loss and other comprehensive income but are expensed or (if appropriate) capitalised as incurred, depending on the activity in which the leased asset is used
- Non-lease components within lease contracts will be accounted for separately for all underlying classes of assets and reflected in the relevant expense category or (if appropriate) capitalised as incurred, depending on the activity involved.

At the commencement of the lease period, the following shall be recognised:

- A lease liability equal to the net present value of the non-variable lease payments over the lease term, including any lease incentives and residual value guarantees expected to be paid under the contract
- A RoU asset equal to the lease liability, with the addition of any lease pre-payments, initial direct costs and costs of dismantling or restoration.

(l) **Financial instruments**

a) Financial assets

Financial assets are initially recognised at fair value plus directly attributable transaction costs. Subsequent remeasurement of financial assets is determined by their designation that is revisited at each reporting date.

i) **Financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income (FVOCI) consist of:

- Non-trading equity investments designated by management at initial recognition. Once designated, they cannot be reclassified into any other category
- Financial assets held with the objective of both collecting contractual cash flows and selling the financial assets and the assets cash flows are solely payment of principal and interest.

ii) **Financial assets at amortised cost**

The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

The group financial assets are trade receivables, other receivables and cash and cash equivalents.

iii) **Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Company's impairment policies and the calculation of the loss allowance are provided in note 7(b).

iv) **Other receivables**

These amounts generally arise from transactions outside the usual operating activities of the group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. The non-current other receivables are due and payment within three years from the end of the reporting period.

v) **Cash and cash equivalents**

Cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

vi) **Derecognition of financial assets**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the income statement.

vii) **Impairment of financial instruments**

The Company has trade receivables for the sales of inventory that is subject to the expected credit loss model.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables has been grouped based on shared credit risk characteristics and the days past due. The Company has therefore concluded that the expected loss rates for trade receivable are reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 360 days before 31 March 2021 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

a) Financial liabilities

Financial liabilities are initially recognised at fair value when the Company becomes a party to the contractual provisions of the liability. Subsequent measurement of financial liabilities is based on amortized cost using the effective interest method. The Company financial liabilities include trade and other payables.

Financial liabilities are presented as if the liability is due to be settled within 12 months after the reporting date, or if they are held for the purpose of being traded. Other financial liabilities which contractually will be settled more than 12 months after the reporting date are classified as non-current.

i) Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

ii) Borrowings

Borrowings are recognized initially at their issue proceeds and subsequently stated at cost less any repayments. Transaction costs where immaterial, are recognized immediately in the statement of comprehensive income. Where transaction costs are material, they are capitalized and amortised over the life of the loan. Interest paid on borrowing is recognized in the statement of comprehensive income for the period.

iii) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss and other comprehensive income.

(b) Inventories

Inventories are stated at the lower of cost and net realisable value, with appropriate provisions for old and slow moving items. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is determined as follows:-

Raw materials

Raw materials which includes purchase cost and other costs incurred to bring the materials to their location and condition are valued at actual cost.

Work in progress

Cost of work in progress includes cost of raw materials, labour, production and attributable overheads based on normal operating capacity.

Finished goods

Cost is determined using standard costing method and includes cost of material, labour, production and attributable overheads based on normal operating capacity.

Spare parts and consumables

Spare parts which are expected to be fully utilized in production within the next operating cycle and other consumables are valued at weighted average cost after making allowance for obsolete and damaged inventory.

(n) Provisions

A provision is recognized only if, as a result of a past event, the Group 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. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. The Group's provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

(c) Employee benefits

The Group operates the following contribution and benefit schemes for its employees:

(i) Defined contribution pension scheme

In line with the provisions of the Nigerian Pension Reform Act, 2014, Meyer Plc has instituted a defined contributory pension scheme for its employees. The scheme is funded by fixed contributions from employees and the Group at the rate of 8% by employees and 10% by the Group of basic salary, transport and housing allowances invested outside the Group through Pension Fund Administrators (PFAs) of the employees choice.

The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employees' service in the current and prior periods.

The matching contributions made by Meyer Plc to the relevant PFAs are recognised as expenses when the costs become payable in the reporting periods during which employees have rendered services in exchange for those contributions. Liabilities in respect of the defined contribution scheme are charged against the profit of the period in which they become payable.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(ii) Short-term benefits

Short term employee benefit obligations which include wages, salaries, bonuses and other allowances for current employees are measured on an undiscounted basis and recognised and expensed by Meyer Plc in the income statement as the employees render such services.

A liability is recognised for the amount expected to be paid under short - term benefits if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(e) Income Taxes - Company income tax and deferred tax liabilities

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income. Current income tax is the estimated income tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

The tax currently payable is based on taxable results for the year. Taxable results differs from results as reported in the income statement because it includes not only items of income or expense that are taxable or deductible in other years but it further excludes items that are never taxable or deductible. The Group's liabilities for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability differs from its tax base. Deferred taxes are recognized using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (tax bases of the assets or liability). The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted by the reporting date.

Deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

(f) Share capital and Share premium

Shares are classified as equity when there is no obligation to transfer cash or other assets. Any amounts received over and above the par value of the shares issued is classified as 'share premium' in equity. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

(g) Dividend on ordinary shares

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Group's shareholders. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the shareholders. Dividends for the year that are approved after the statement of financial position date are disclosed as an event after the statement of financial position date.

(h) Retained earnings

General reserve represents amount set aside out of profits of the Group which shall at the discretion of the directors be applied to meeting contingencies, repairs or maintenance of any works connected with the business of the Group, for equalising dividends, for special dividend or bonus, or such other purposes for which the profits of the Group may lawfully be applied.

(i) Contingent liability

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made. Contingent liabilities are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period being audited except in the extremely rare circumstances where no reliable estimate can be made.

(j) Related party transactions or insider dealings

Related parties include the related companies, the directors, their close family members and any employee who is able to exert significant influence on the operating policies of the Group. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly, including any director (whether executive or otherwise) of that entity. The Group considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.

Where there is a related party transactions within the Group, the transactions are disclosed separately as to the type of relationship that exists within the Group and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

(K) Effective Interest Method

The effective interest method is a method of calculating the amortised cost of an interest bearing financial instrument and of allocating interest income and expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cashflows (including all fees and points paid or received that form an integral part of the effective interest rate, translation costs and other premiums or discounts) through the expected life of the debt instruments, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

(l) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it can earn revenues and incur expenses, including revenues and expenses that relates to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Finance Director (being the Chief Operating Decision Maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

7 Determination of fair value

(a) A number of the Group's accounting policies and disclosures require the determination of fair value for the both financial and non-financial assets and liabilities. Fair values have been determined for measurement and /or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that assets or liabilities.

i Property, plant and equipment

The fair value of items of plant and machinery, fixtures and fittings, motor vehicles and Land and buildings is based on depreciated replacement cost and comparison approaches. "Depreciated replacement cost" reflects the current cost of reconstructing the existing structure together with the improvements in today's market adequately depreciated to reflect its physical wear and tear, age, functional and economic obsolescence plus the site value in its existing use as at the date of inspection while "Comparison Approach" that is the analysis of recent sale transactions or similar properties in the neighbourhood. The figure thus arrived at represents the best price that the subsisting interest in the property will reasonably be expected to be sold if made available for sale by private treaty between a willing seller and buyer under competitive market conditions.

ii Valuation of financial assets at fair value through other comprehensive income (FVOCI)

The fair value of investments in equity are determined with reference to their quoted closing bid price at the measurement date, or if unquoted, determined using a valuation technique. Valuation techniques employed is the net asset per share basis.

iii Fair value hierarchy

Fair values are determined according to the following hierarchy based on the requirements in IFRS 7 Financial Instrument Disclosure'.

Level 1 : quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets.

Level 2: valuation techniques using observable inputs: quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial assets and liabilities values using models where all significant inputs are observable.

Level 3: valuation techniques using significant unobservable inputs: financial assets and liabilities valued using valuation techniques where one or more significant inputs are unobservable. The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset or liability is not active, a valuation technique is used.

(b) Financial risk management

i General

Pursuant to a financial policy maintained by the Board of Directors, the Group uses several financial instruments in the ordinary course of business. The Group's financial instruments are cash and cash equivalents, trade and other receivables, interest-bearing loans and bank overdrafts and trade and other payables.

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk, consisting of: currency risk, interest rate risk and price risk

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from Group's receivables from customers. It is the Group's policy to assess the credit risk of new customers before entering into contracts.

The Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represents the maximum open amount without requiring approval from the Management.

The Management determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis. In monitoring the customers' credit risk, customers are grouped according to their credit characteristics. customers that are grouped as "high risk" are placed on a restricted customer list, and future credit services are made only with approval of the Management, otherwise payment in advance is required.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Banks with good reputation are accepted by the Group for business transactions.

The maximum credit risk as per statement of financial position, without taking into account the aforementioned financial risk coverage instruments and policy, consists of the book values of the financial assets as stated below:

	31/3/2021 2021	31/3/2020 2020
	N'000	N'000
Trade receivables-Net (Note 22)	46,176	63,614
Cash and cash equivalents (Note 23)	2,346,269	2,388,588
	2,392,445	2,452,202

As at the reporting date there was no concentration of credit risk with certain customers.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Banks with good reputation are accepted by the Group for business transactions.

Cash is held with the following institutions	31/3/2021 2021	31/3/2020 2020
	N'000	N'000
Zenith Bank Plc	145	366
Access Bank Plc	4,621	7,037
Eco Bank Plc	290	136
Guaranty Trust Bank Plc	4,133	1,327
Stanbic IBTC Bank Plc	630	302
First Bank of Nigeria Limited	1,131	480
Sterling Bank Plc	13	
Greenwich Asset Management Limited	791,712	788,818
Providus Bank Limited	1,543,146	1,589,206
	2,345,821	2,387,306

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. Liquidity projections including available credit facilities are incorporated in the regular management information reviewed by Management. The focus of the liquidity review is on the net financing capacity, being free cash plus available credit facilities in relation to the financial liabilities. The following are the contractual maturities of financial liabilities:

	Book value	Contractual	One year or	1-5 years
	N'000	cashflow	less	N'000
		N'000	N'000	N'000
Borrowings	11,138	-	11,138	-
Trade and other payables	545,588	-	545,588	-
As at 31 MARCH 2020	<u>556,726</u>	<u>-</u>	<u>556,726</u>	<u>-</u>

	Book value	Contractual	One year or	1-5 years
	N'000	cashflow	less	N'000
		N'000	N'000	N'000
Borrowings	21,128	-	21,128	-
Trade and other payables	600,134	-	600,134	-
	<u>621,262</u>	<u>-</u>	<u>621,262</u>	<u>-</u>

Market risk

Market risk concerns the risk that Group income or the value of investments in financial instruments is adversely affected by changes in market prices, such as exchange rates and interest rates. The objective of managing market risks is to keep the market risk position within acceptable boundaries while achieving the best possible return.

Foreign exchange risk

The functional currency of the Group is the Nigerian naira.

Interest rate risk

The Group has fixed interest rate liabilities. In respect of controlling interest risks, the policy is that, in principle, interest rates for loans payable are primarily fixed for the entire maturity period. This is achieved by contracting loans that carry a fixed interest rate. The effective interest rates and the maturity term profiles of interest-bearing loans, deposits and cash and cash equivalents are stated below:

As at 31 March 2021	Effective	one year or	1-5 years	Total
	interest	less	N'000	N'000
		N'000	N'000	N'000
Cash and cash equivalents	-	2,346,269	-	2,346,269
Borrowings	-	(11,138)	-	(11,138)
	-	<u>2,335,131</u>	-	<u>2,335,131</u>

Fair Value

Financial instruments accounted for under assets and liabilities are cash and cash equivalents, receivables, and current and non-current liabilities. The fair value of most of the financial instruments does not differ materially from the book value.

(ii) **Capital management**

The Board of Director's policy is to maintain a strong capital base so as to maintain customer, investor, creditor and market confidence and to support future development of the business. The Board of Directors monitors the debt to capital ratio. The Board of Directors also monitors the level of dividend to be paid to holders of ordinary shares. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the benefits of a sound capital position. There were no changes in the Company's approach to capital management during the period. The Group is not subject to externally imposed capital requirements.

The debt-to-adjusted-capital ratio at 31 March 2021 and at 31 December 2020 were as follows:

	2021	2020
	March 31st	March 31st
	N'000	N'000
Trade and other payables	545,588	600,134
	11,138	21,128
Less: cash and cash equivalents	<u>(2,346,269)</u>	<u>(2,388,588)</u>
Net debt	<u>(1,789,543)</u>	<u>(1,767,326)</u>
Total equity Borrowings	<u>2,288,176</u>	<u>2,282,499</u>
Debt to adjusted capital ratio (%)	<u>-78%</u>	<u>-77%</u>

9 Revenue from contracts with customers

The Company has disaggregated revenue into various categories as analysed below:

31 March 2021	GROUP			COMPANY		
	Paint	Application	Total	Paint	Application	Total
Customer category	N'000	of paint N'000	N'000	N'000	of paint N'000	N'000
Private	100,761	712	101,473	100,761	712	101,473
Wholesale	110,000	-	110,000	110,000	-	110,000
Retail	12,000	-	12,000	12,000	-	12,000
Sum Total	222,761	712	223,473	222,761	712	223,473
Product category	N'000	N'000	N'000	N'000	N'000	N'000
Decorative	150,000	-	150,000	150,000	-	150,000
Auto & Wood	17,500	-	17,500	17,500	-	17,500
Industrial and Marine	55,973	-	55,973	55,973	-	55,973
Sum Total	223,473	-	223,473	223,473	-	223,473
Region-Wise	N'000	N'000	N'000	N'000	N'000	N'000
East	10,000	-	10,000	10,000	-	10,000
West	140,000	712	140,712	140,000	712	140,712
North	73,473	-	73,473	73,473	-	73,473
Sum Total	223,473	712	224,185	223,473	712	224,185
31 March 2020	Paint	Application	Total	Paint	Application	Total
Customer category	N'000	of paint N'000	N'000	N'000	of paint N'000	N'000
Private	110,000	10,000	120,000	110,000	10,000	120,000
Wholesale	119,406	-	119,406	119,406	-	119,406
Retail	25,000	-	25,000	25,000	-	25,000
Sum Total	254,406	10,000	264,406	254,406	10,000	264,406
Product category	N'000	N'000	N'000	N'000	N'000	N'000
Decorative	158,644	-	158,644	158,644	-	158,644
Auto & Wood	39,660	-	39,660	39,660	-	39,660
Industrial and Marine	66,102	-	66,102	66,102	-	66,102
Sum Total	264,406	-	264,406	264,406	-	264,406
			GROUP	COMPANY		
10 Cost of sales			N'000	N'000	N'000	N'000
Paints			144,655	162,977	144,655	162,977
Application of paints			500	3,646	500	3,646
			145,155	166,623	145,155	166,623

Segment Reporting

Products and services from which reportable segments derive their revenues

The determination of the Group's operating segments is based on the organisation units for which information is reported to the management. The Group has two areas of revenue generation: Paints and Services (Application). Revenue is primarily generated from the sale of Paints and Services rendered through application of paints.

Certain headquarters activities are reported as 'Corporate'. These consist of corporate headquarters including the Corporate Executive Committee.

Information reported to the entity's Chief Executive for the purposes of resource allocation and assessment of segment performance is focused on the category of products for each type of activity. The principal categories are sale of paints, adhesives/tiles and application of paints and investment property. The entity's reportable segments under IFRS 8 are therefore as follows:

Paints This segment is involved in the production of diverse paints products of premium class in their different categories.

Painting services This segment is involved in application of paints on completed buildings in accordance with the architectural design.

	GROUP 31/3/2021		COMPANY 31/3/2020	
	2021 N'000	2020 N'000	2021 N'000	2020 N'000
Segment Revenue and results				
Paints	222,761	257,211	222,761	257,211
Painting services	712	7,195	712	7,195
	<u>223,473</u>	<u>264,406</u>	<u>223,473</u>	<u>264,406</u>
Segment results	N'000	N'000	N'000	N'000
Investment income	23,979	2,148	23,979	2,148
Other gains and losses	13,904	5,221	13,904	5,221
Finance costs	(612)	(284)	(612)	(284)
Profit/(loss) before tax	<u>8,110</u>	<u>(23,998)</u>	<u>8,110</u>	<u>(23,998)</u>

Segment Accounting Policies

The accounting policies of the reportable segments are the same as the group's accounting policies described in note 6. Segment results represents the gross profit earned by each segment without allocation of general operating expenses, other gains and losses recognised on investment income, other gains and losses as well as finance costs.

This is the measure reported to the Chief Operating Decision Maker for the purpose of resource allocation and assessment of segment performance.

Business and geographical segments

The company operates in all geographical areas in the Country.

Segment assets and liabilities

All assets and liabilities are jointly used by the reportable segments.

11a Other operating income	GROUP		COMPANY	
	2021 N'000	2020 N'000	2021 N'000	2020 N'000
Profit on disposal of property, plant and equipment	1,855	349	1,855	349
Rental income	-	1,403	-	1,403
Sale of scraps	596	1,176	596	1,176
Bad debt recovered (Note 22(i))	-	-	-	-
Long over due credit balances	-	-	-	-
Sundry income	11,453	2,293	11,453	2,293
Canteen takings	-	-	-	-
Insurance Claim	-	-	-	-
Provision no longer required	-	-	-	-
	<u>13,904</u>	<u>5,221</u>	<u>13,904</u>	<u>5,221</u>

MEYER PLC AND ITS SUBSIDIARY COMPANY
FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS

21

12 Selling and distribution expenses	GROUP		COMPANY	
	2021 N'000	2020 N'000	2021 N'000	2020 N'000
Carriage inwards	4,939	6,315	4,939	6,315
Sales promotion/commission	1,391	-	1,391	-
Dev. & product Testing	1,065	-	1,065	-
Delivery Van expense	240	2,224	240	2,224
	<u>7,635</u>	<u>8,539</u>	<u>7,635</u>	<u>8,539</u>
13 Administrative expenses	N'000	N'000	N'000	N'000
Basic salary	18,849	30,492	18,849	30,492
Overtime	153	44	153	44
Fringe costs	10,235	13,784	10,235	13,784
Christmas bonus	1,591	1,866	1,591	1,866
NSITF	213	210	213	210
Pension scheme	2,248	3,003	2,248	3,003
Casual labour	2,252	1,759	2,252	1,759
Canteen expenses	3,505	3,327	3,505	3,327
Medical expenses	1,237	1,587	1,237	1,587
Maintenance - mechanical	1,460	4,387	1,460	4,387
Security guards expenses	819	1,213	819	1,213
Computer charges	726	1,119	726	1,119
Building rents and rates	808	3,108	808	3,108
Repairs and maintenance general	1,318	3,753	1,318	3,753
Depreciation -land and building	13	-	13	-
Depreciation - vehicles	2,958	-	2,958	-
Depreciation - office equipment	591	-	591	-
Depreciation - furniture and fittings	20	-	20	-
Depreciation - Right of use asset	8,404	-	8,404	-
Advert and publicity expenses	148	455	148	455
Fuel and lubricants	1,623	-	1,623	-
Vehicle running expenses	2,705	2,553	2,705	2,553
Travelling	1,729	2,253	1,729	2,253
Directors fees and board expenses	4,593	4,128	4,593	4,128
Insurance expenses	786	1,540	786	1,540
Legal and professional fees	1,486	3,222	1,486	3,222
Printing and photocopy	690	900	690	900
Telephone	868	879	868	879
AGM expenses	750	750	750	750
Courier/postage	-	30	-	30
Audit fees	1,209	1,125	1,209	1,125
Bank charges - local	-	-	-	-
Performance cost	8,105	13,053	8,105	13,053
Licence renewal	1,322	-	1,322	-
	<u>83,413</u>	<u>100,540</u>	<u>83,413</u>	<u>100,540</u>

	GROUP		COMPANY	
	2021 N'000	2020 N'000	2021 N'000	2020 N'000
	83,413	100,540	83,413	100,540
General stores and consumables	1,071	654	1,071	654
Entertainment	482	785	482	785
Management fees expenses	11,459	13,550	11,459	13,550
Light and Water Expenses	735	-	735	-
Site & office cleaning	340	-	340	-
Subscriptions	234	-	234	-
Other expenses	-	3,747	-	3,747
Gen. Quality assurance expense	741	-	741	-
Free Goods & sample	211	-	211	-
Forklift expense	119	-	119	-
Sock taking expense	80	414	80	414
Redundancy payment	717	-	717	-
Staff recruitment	19	-	19	-
Long service award	115	637	115	637
Canteen takings	(73)	-	(73)	-
Uniform and laundry	4	-	4	-
Stationery	175	-	175	-
	99,844	120,327	99,844	120,327
14 Finance income and costs	N'000	N'000	N'000	N'000
(i) Finance income:				
Interest received on bank deposit	23,979	2,148	23,979	2,148
(ii) Finance costs:	N'000	N'000	N'000	N'000
Interest on bank overdraft and loans	-	-	-	-
Finance expense on lease	612	284	612	284
	612	284	612	284
15 Profit/(loss) before taxation is arrived at after charging:				
	N'000	N'000	N'000	N'000
Depreciation of property, plant and equipment	11,986	4,096	11,986	4,096
Depreciation of Right of use assets	-	-	-	-
Profit on disposal of property, plant and equipment	1,855	2,689	1,855	349
Auditors remuneration	1,209	1,125	1,209	1,125
Interest on loans and overdraft	612	284	612	284
16 Tax expense	N'000	N'000	N'000	N'000
a) Per profit and loss account				
Income tax payable on results for the period:				
Minimum tax	-	-	-	-
Capital Gain Tax	-	-	-	-
Company Income tax	2,433	990	-	990
Police Trust Fund	-	-	-	-
Education tax	-	-	-	-
Deferred tax written back	-	-	-	-
	2,433	990	-	990

b) Per statement of financial position

	GROUP		COMPANY	
	2021 N'000	2020 N'000	2021 N'000	2020 N'000
Balance at 1 January				
Minimum Tax				
Income tax	82,051	7,634	82,051	7,349
Capital Gain Tax	-	-	-	-
Education Tax	2,578	3,622	2,578	3,622
	<u>84,629</u>	<u>11,256</u>	<u>84,629</u>	<u>10,971</u>
Payments during the period:				
Income tax	(15,000)	-	(15,000)	-
Education Tax	-	(171)	-	(171)
Withholding tax utilised	-	(6,251)	-	(6,251)
		-		-
Provision for the period:				
Income tax	2,433	80,000	2,433	80,000
Minimum Tax	-	-	-	-
Capital Gain Tax	-	-	-	-
Education Tax	-	-	-	-
Nigeria Police Trust Fund Levy	-	81	-	81
Balance at 31 December	<u>72,062</u>	<u>84,915</u>	<u>72,062</u>	<u>84,630</u>

c) Deferred taxation

	GROUP		COMPANY	
	2021 N'000	2020 N'000	2021 N'000	2020 N'000
Deferred tax liabilities	-	120,628	-	120,628
Deferred tax assets	(5,502)	(126,130)	(5,502)	(126,130)
	<u>(5,502)</u>	<u>(5,502)</u>	<u>(5,502)</u>	<u>(5,502)</u>
Deferred tax				
Movement in deferred tax				
At 1 January	(5,502)	120,628	(5,502)	(5,502)
Write back during the period	-	-	-	-
	<u>(5,502)</u>	<u>120,628</u>	<u>(5,502)</u>	<u>(5,502)</u>

The tax rate used for 2021 and 2020 reconciliation above is the corporate tax rate of 30% and 2% (for tertiary education tax) payable by corporate entities in Nigeria on taxable profits under tax laws in the Country, for the period ended 31 March 2021.

MEYER PLC AND ITS SUBSIDIARY COMPANY
 FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021
 NOTES TO THE FINANCIAL STATEMENTS

17a Property, plant and equipment - Group

Cost:	Buildings N'000	Plant & machinery N'000	Office equipment N'000	Furniture & fittings N'000	Motor vehicles N'000	Capital Work In Progress N'000	Total N'000
At 1 January 2020	2,529	210,588	41,566	14,138	151,505	244,549	664,875
Additions	-	-	735	128	2,250	1,535	4,648
Disposals	-	(644)	(3,022)	(2,512)	(15,243)	-	(21,421)
Transfers (Note 18)	-	-	-	-	-	-	-
At 31 December 2020	2,529	209,944	39,279	11,754	138,512	246,084	648,102
At 1 January 2021	2,529	209,944	39,279	11,754	138,512	246,084	648,102
Additions	-	14,564	-	-	-	-	14,564
Disposals	-	-	-	-	(15,596)	-	(15,596)
Transfers	-	-	-	-	-	(1,535)	-
At 31 March 2021	2,529	224,508	39,279	11,754	122,916	244,549	647,070
Accumulated depreciation and impairment:							
At 1 January 2020	1,055	205,487	34,354	14,015	138,492	-	393,403
Charge for the year	51	1,302	2,570	57	7,478	-	11,458
Transfer (Note 18)	-	(644)	(3,022)	(2,512)	(15,243)	-	(21,421)
Eliminated on disposals	-	-	-	-	-	-	-
At 31 December 2020	1,106	206,145	33,902	11,560	130,727	-	383,440
At 1 January 2021	1,106	206,145	33,902	11,560	130,727	-	383,440
Charge for the period	13	711	590	20	3,103	-	4,436
Eliminated on disposals	-	-	-	-	(5,400)	-	(5,400)
At 31 March 2021	1,119	206,856	34,492	11,580	128,430	-	382,476
Carrying amounts as at							
31 March 2021	1,410	17,652	4,787	174	(5,514)	244,549	264,594
31 December 2020	1,423	3,799	5,377	194	7,785	246,084	264,662

b) Property, plant and equipment - Company

Cost	Leasehold Property N'000	Plant & machinery N'000	Office equipment N'000	Furniture and fittings N'000	Motor Vehicles N'000	Capital Work- in Progress N'000	Total N'000
At 1 January 2020	2,529	202,089	41,566	14,138	151,505	244,549	656,376
Additions	-	-	735	128	2,250	1,535	4,648
Disposal	-	(644)	(3,022)	(2,512)	(15,243)	-	(21,421)
Transfer (Note 18)	-	-	-	-	-	-	-
At 31 December 2020	2,529	201,445	39,279	11,754	138,512	246,084	639,603
At 1 January 2021	2,529	201,445	39,279	11,754	138,512	246,084	639,603
Additions	-	14,564	-	-	-	-	14,564
Disposal	-	-	-	-	(15,596)	-	(15,596)
Transfer	-	-	-	-	-	(1,535)	-
At 31 March 2021	2,529	216,009	39,279	11,754	122,916	244,549	638,571
Accumulated depreciation and impairment							
At 1 January 2020	1,055	196,988	34,354	14,015	138,492	-	384,904
Charge for the year	51	1,302	2,570	57	7,478	-	11,458
Disposal	-	(644)	(3,022)	(2,512)	(15,243)	-	(21,421)
Transfer (Note 18)	-	-	-	-	-	-	-
At 31 December 2020	1,106	197,646	33,902	11,560	130,727	-	374,941
At 1 January 2021	1,106	197,646	33,902	11,560	130,727	-	374,941
Charge for the period	13	711	590	20	3,103	-	4,436
Disposal	-	-	-	-	(5,400)	-	(5,400)
Transfer (Note 18)	-	-	-	-	-	-	-
At 31 March 2021	1,119	198,357	34,492	11,580	128,430	-	373,977
Carrying amount as at							
31 March 2021	1,410	17,652	4,787	174	(5,514)	244,549	264,594
31 December 2020	1,423	3,799	5,377	194	7,785	246,084	264,662

i Assets pledged as security

None of the Company's assets is pledged as collateral for loans (2021: Nil)

ii Contractual commitments

At 31 March 2021, the Company had no contractual commitments for the acquisition of property, plant and equipment (2021: Nil).

17(c) Right of use assets -Group

	Motor	Leased	
	Vehicles	Building	Total
	N'000	N'000	N'000
Cost			
At 1 January 2020	-	-	-
Additions	32,059	112,834	144,893
At 31 December, 2020	<u>32,059</u>	<u>112,834</u>	<u>144,893</u>
Depreciation			
At 1 January 2020	-	-	-
Charge for the year	7,347	15,671	23,018
At 31 December , 2020	<u>7,347</u>	<u>15,671</u>	<u>23,018</u>
Carrying amount			
At 31 December 2020	<u>24,712</u>	<u>97,163</u>	<u>121,875</u>
At 31 December 2020	<u>-</u>	<u>-</u>	<u>-</u>

Right of use assets -Company

	Motor	Leased	Total
	Vehicles	Building	Total
	N'000	N'000	N'000
Cost			
At 1 January 2021	24,712	97,163	121,875
Additions	-	-	-
At 31 March , 2021	<u>24,712</u>	<u>97,163</u>	<u>121,875</u>
Depreciation			
At 1 January 2021	-	-	-
Charge for the period	1,196	8,404	9,600
At 31 March , 2021	<u>1,196</u>	<u>8,404</u>	<u>9,600</u>
Carrying amount			
At 31 March 2021	<u>23,516</u>	<u>88,759</u>	<u>112,275</u>
At 31 March 2021	<u>23,516</u>	<u>88,759</u>	<u>112,275</u>

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

19 Intangible assets	Tetra 2000	Web Site	Payroll	Sage	Total
(i) Cost	N'000	N'000	N'000	N'000	N'000
At 1 January 2020	398	478	315	2,966	4,157
Additions	-	-	-	-	-
At 31 December, 2020	398	478	315	2,966	4,157
Amortisation					
At 1 January 2021	398	478	315	2,966	4,157
Charge for the period	-	-	-	-	-
At 31 March , 2021	398	478	315	2,966	4,157
Carrying amount					
At 31 March 2021	-	-	-	-	-
At 31 December 2020	-	-	-	-	-

Significant intangible assets

The Company currently uses sage accounting package line 1000 in collating and preparing accounting information for decision making. The carrying amount of the sage accounting package is Nil at the period

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

Details of the Company subsidiary at the end of the reporting period is as stated below

Name of the company	Principal activity	Place of incorporation	Proportion of ownership interest and voting power held by the Company	
			2021	2020
DNM Construction Limited	Construction and rehabilitation of buildings	Nigeria	96%	96%

The Company's owns 96% of the DNM Construction Limited

The remaining 4% shares attributable to non-controlling interest is as detailed below:

	Cost		Cost	
	N'000	%	N'000	%
Mr. Kayode Falowo	100	1	100	1
Mr. Toyin Okeowo	100	1	100	1
Alhaji Ibrahim Suleman	100	1	100	1
Arc. Ayoola Onajide	100	1	100	1
	<u>400</u>	<u>4</u>	<u>400</u>	<u>4</u>

Two out of the four shareholders are directors of Meyer Plc .

20 Inventory	GROUP		COMPANY	
	2021 N'000	2020 N'000	2021 N'000	2020 N'000
Raw Materials	46,867	47,206	46,867	47,206
Work-in-progress	19,132	9,124	19,132	9,124
Finished goods	24,420	38,769	24,420	38,769
Consumables	(116)	51	(116)	51
	<u>90,303</u>	<u>95,150</u>	<u>90,303</u>	<u>95,150</u>

- (i) The carrying amount of the inventory is the lower of cost and net realisable values as at the reporting dates.

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

22 Trade and other receivables	GROUP		COMPANY	
	2021 N'000	2020 N'000	2021 N'000	2020 N'000
Trade receivables	115,215	132,855	78,989	96,629
Allowance for doubtful debts (i)	(32,813)	(33,015)	(32,813)	(33,015)
Trade receivables - net	82,402	99,840	46,176	63,614
Amount due from related parties (Note 33)	-	894	-	894
Insurance claim	-	-	-	-
WHT claimable	71,666	71,666	71,666	71,666
Prepayments (iv)	6,333	2,751	6,333	2,751
Sundry debtors	935	554	535	358
Deferred costs	-	-	-	-
	161,336	175,705	124,710	139,283
Provision for doubtful balances (ii)	-	-	-	-
Total trade and other receivables	161,336	175,705	124,710	139,283

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

(i) *Movement in allowance for doubtful debts is as analysed below:*

	N'000	N'000	N'000	N'000
Balance at the beginning of the period	32,813	33,015	32,813	26,820
Addition during the period	-	-	-	6,195
Provision no longer required	-	-	-	-
Provision written off	-	-	-	-
Balance at the end of the period	32,813	33,015	32,813	33,015

(ii) *Movement in provision for doubtful balances*

	N'000	N'000	N'000	N'000
Balance at the beginning of the period	-	939	-	939
Write off during the period	-	(939)	-	(939)
Balance at the end of the period	-	-	-	-

Trade receivables represents receivables from customers for goods sold and other trading services rendered to them. Trade receivables are stated at amortised cost as at the statement of financial position date. The movement in the impairment allowance for trade receivables has been included in administrative expenses line in the consolidated statement of profit or loss and other comprehensive income.

(iv) **Prepayments**

	N'000	N'000	N'000	N'000
Prepaid rent	725	83	725	83
Prepaid expenses	5,608	2,668	5,608	2,668
Total prepayments	6,333	2,751	6,333	2,751

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

23 Cash and cash equivalents	GROUP		COMPANY	
	2021 N'000	2020 N'000	2021 N'000	2020 N'000
Cash and bank balances	11,595	3,828	11,411	3,644
Short term investments	2,334,858	2,384,944	2,334,858	2,384,944
	<u>2,346,453</u>	<u>2,388,772</u>	<u>2,346,269</u>	<u>2,388,588</u>

For the purposes of the statement of cashflows, cash and cash equivalents include cash on hand and in banks and short term investments with an original maturity of three months or less, net of outstanding bank overdraft. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as above.

(ii) Short-term investments

These represent cash held in fixed deposits in various banks. This investments are placed in short term deposits and are continuously rolled over throughout the period.

24 Borrowings	GROUP		COMPANY	
	2021 N'000	2020 N'000	2021 N'000	2020 N'000
(i) Short-term borrowings				
GTL Registrars	1,813	1,813	1,813	1,813
Finance lease obligations	9,325	19,315	9,325	19,315
	<u>11,138</u>	<u>21,128</u>	<u>11,138</u>	<u>21,128</u>
(ii) Finance lease obligations	N'000	N'000	N'000	N'000
(a) The movement in the finance lease obligations is as follows:				
Balance at the beginning of period	19,315	-	19,315	-
Additions during the period	-	31,125	-	31,125
Repayments	(9,990)	(11,810)	(9,990)	(11,810)
Balance at the end of the period	<u>9,325</u>	<u>19,315</u>	<u>9,325</u>	<u>19,315</u>

(b) Finance lease liabilities are secured by the related motor vehicles as disclosed in Note 17(c). Future minimum finance lease payments at the end of each reporting period under review were as follows:

Minimum lease payment	Total N'000	Within 1 to 2 years N'000		
		Within 1 year N'000	N'000	
At 31 March 2021				
Lease payment	<u>9,325</u>		<u>9,325</u>	
At 31 December 2020				
Lease payment	<u>19,315</u>	-	-	
	N'000	N'000	N'000	
(iii) The movement in loan is as follows:				
Balance at the beginning of the period	21,128	1,813	21,128	1,813
Additions during the period	-	31,125	-	31,125
Interest capitalized	-	-	-	-
Repayments	(9,990)	(11,810)	(9,990)	(11,810)
	<u>11,138</u>	<u>21,128</u>	<u>11,138</u>	<u>21,128</u>
Amount due within one year	<u>(11,138)</u>	<u>(21,128)</u>	<u>(11,138)</u>	<u>(21,128)</u>
Amount due after one year	-	-	-	-

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

This current position relates to amount that will fall due in the next 12 months to Greenwich Assets Management Limited (GAML).

Lease facility from GAML, a related party, was for the purchase of 8 Motor Vehicles during the period at a lease rate of interest of 24% Per annum and spread over 18 months The discounted Present value of the liabilities was not adjusted in the financial statements as the repayment of liabilities will be due within a year period.

	GROUP		COMPANY	
	2021 N'000	2020 N'000	2021 N'000	2020 N'000
25(a) Employment benefits				
Balance as at 1 January	17,089	27,396	17,089	27,396
Additions	-	-	-	-
Payment for the period	-	(10,307)	-	(10,307)
Balance 31 March	17,089	17,089	17,089	17,089
26 Trade and other payables	N'000	N'000	N'000	N'000
Trade payables	137,459	157,394	131,624	151,559
Amount due to related parties (Note 33)	33,200	30,855	55,469	53,124
Total financial liabilities, excluding loans and borrowings,	170,659	188,249	187,093	204,683
Other payables and accruals (Note 26(a))	358,637	396,627	358,495	395,451
Total trade and other payables	530,819	584,876	545,588	600,134
(a) Other payables and accruals	N'000	N'000	N'000	N'000
Lease liability	30,000	30,000	30,000	30,000
Value added tax	87,085	130,561	87,085	130,561
Withholding tax payable	52,146	52,530	52,104	52,488
Pay As You Earn (PAYE)	400	2,502	400	2,502
Accruals	6,659	29,011	6,659	28,811
Industrial Training Fund	650	14,334	650	14,334
National Housing Fund	65	65	65	65
Rent received in advance	805	805	805	805
Sundry creditors	85,942	73,971	85,841	73,033
Deposit for Assets Held For Sale	-	-	-	-
Customer deposits	70,852	61,469	70,852	61,469
Other credit balances	22,601		22,601	
Pension scheme (Note 26(i))	1,432	1,383	1,432	1,383
	358,637	396,631	358,494	395,451

(i) In accordance with Pension Reform Act, 2014 the employees of the Company are members of a pension scheme which is managed by pension fund administrators of their choice. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Company with respect to the defined contribution plan is to make the specified contributions.

	2021 N'000	2020 N'000	2021 N'000	2020 N'000
27) Decommissioning cost				
Balance as at 1 January	9,600	-	9,600	-
Provision for the period	0	9,600	0	9,600
Balance as at 31 March	9600	9,600	9,600	9,600

This represents the initial estimate of the cost of dismantling and removing items and restoring the site (Leased building) in respect of Right of use assets as disclosed in note 17(c)

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

The Group makes full provision for the future cost of decommissioning and dismantling the leased warehouse based on estimated cost of decommissioning the plant, equipment and facilities. It relates to the removal of assets as well as their associated restoration costs. This obligation is recorded in the period in which the liability meets the definition of a “probable future sacrifice of economic benefits arising from a present obligation,” and in which it can be reasonably measured. The provision represents the estimated value of future expenditure to be incurred when the plant facilities will be dismantled or relocated to a new location. The estimate is reviewed regularly to take into account any material changes to the assumptions.

	GROUP		COMPANY	
	2021	2020	2021	2020
28 Share Capital	N'000	N'000	N'000	N'000
Authorised Share capital				
1,300,000,000 Ordinary shares of 50k each	650,000	650,000	650,000	650,000
Issued and fully paid:				
497,728,000 ordinary shares of 50k each	248,864	248,864	248,864	248,864
29 Share Premium	N'000	N'000	N'000	N'000
Balance at the beginning and end of the period	53,173	53,173	53,173	53,173
30(i) Revenue reserve	N'000	N'000	N'000	N'000
Balance at the beginning of the year	2,029,589	345,156	1,980,462	305,533
Transfer from statement of profit or loss	5,681	1,684,433	5,677	1,674,929
Balance at the end of the period	2,035,270	2,029,589	1,986,139	1,980,462
(ii) Non-controlling interest	N'000	N'000	N'000	N'000
Balance as at 1 January	2,452	2,456	-	-
Transfer from profit or loss	(4)	(4)	-	-
Balance as at the end of period	2,448	2,452	-	-
31 Basic earnings/(loss) per ordinary share				
Basic earnings/ (loss) per ordinary share of ₦50k each is calculated on the Group's earnings/(loss) after taxation based on the number of shares in issue at the end of the period.				
	N'000	N'000	N'000	N'000
Profit/(loss) for the period attributable to shareholders	5,681	(24,988)	5,677	(24,988)
Basic earnings/(loss) per share of ₦50k each	1	(5)	1	(5)
Diluted earnings/(loss) per share (kobo)	1	(5)	1	(5)
32 Reconciliation of statement of cash flows				
For the purpose of the statement of cash flows, cash comprises cash at bank and in hand, net of overdraft facilities. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:				
	N'000	N'000	N'000	N'000
Cash and bank balances	2,346,453	2,388,772	2,346,269	2,388,588

33 LEGAL STATUS

The Company commenced operations in Nigeria in 1960 after it was incorporated as a private limited liability company and was converted to a public company in 1979. The Company was listed on the Nigerian Stock Exchange in 1979.

34 PRINCIPAL ACTIVITIES

The principal activity of the Company is manufacturing and sale of paint products, coating, adhesives and flooring products.

Subsidiary	Principal Activities	Date of Incorporation	Percentage Holding
DNM Construction Ltd.	Building and Construction	20 July, 2007	96%

The financial results of the subsidiary have been consolidated in these financial statements.

35 SUBSTANTIAL INTEREST IN SHARES

List of shareholding with 5% and above as at 31 March 2021:

S/N	NAMES	SHAREHOLDINGS	%
1	Greenwich Capital Limited	156,419,326	31.43
2	Bosworth Investments & Service Limited	153,961,094	30.93
3	Mr. Osunde Osa	27,000,250	5.42
4	Mr. Falowo Olukayode	25,170,582	5.06

No individual shareholder other than as stated above held more than 5% of the issued share capital of the Company as at 31 March 2021.

Interests of Directors in Shares of the Company

The interests of Directors in the issued shares of the company as stated in the Register of Members as at 31 March 2021 for the purposes of section 301 of the Companies and Allied Matters Act, 2020 are as follows :

S/N	Name of Director	Direct	Indirect	Direct	Indirect
		sharehold ng 2021	sharehold ing 2020	sharehold ng 2020	sharehold ing 2020
1	Kayode Falowo Akintunde	25,170,582	Nil	12,408,759	Nil
2	Mr. Osa Osunde	27,000,250	Nil	27,000,250	Nil
3	Erelu Angela Adebayo	Nil	Nil	Nil	Nil
4	Mr. Tony Uponi	3,298,804	Nil	Nil	Nil
5	Mr. Olutoyin Okeowo	2,080,482	Nil	2,080,482	Nil
6	Mrs. Vivienne Ochee-Bamgboye	384,998	Nil	384,998	Nil

RESEARCH AND DEVELOPMENT

In order to maintain and enhance skills and abilities, the Company's policy of continuously researching into new products and services was maintained.