ACADEMY PRESS PLC
LAGOS, NIGERIA

REPORT OF THE DIRECTORS;

CONSOLIDATED AND SEPARATE AUDITED FINANCIAL STATEMENTS

AND OTHER NATIONAL DISCLOSURES

FOR THE YEAR ENDED 31 MARCH 2021

TABLE OF CONTENTS	PAGE

CORPORATE INFORMATION

DIRECTORS

Mr. Wahab. B. Dabiri	Chairman
Mr. Olugbenga Ladipo	Managing Director/Chief Executive Officer
Mrs. Folashade. B. Omo-Eboh	Non-Executive Director
Mr Pritchard David (British)	Non-Executive Director (Appointed 01 April, 2020)
Mr. Oyewole Olaoye	Non-Executive Director
Mr. Femi Akingbe	Non-Executive Director
Ms Kadaria Ahmed	Non-Executive Director (Resigned 05 November, 2020)
Mr Omosola Sokunbi	Executive Director (Retired 31 March, 2020)
Mr Ivor Hutchinson (British)	Non-Executive Director (Resigned 31 March, 2020)

REGISTERED OFFICE:
28/32, Industrial Avenue,
Ilupeju Industrial Estate,
Ilupeju, Lagos.
Tel: 09030001367, 09030001368 & 07014900034
Email: applc@academy press- plc.com
www.academypress-plc.com

EXTERNAL AUDITOR
Ernst & Young
10th & 13th Floors, UBA House
57, Marina, Lagos
Nigeria
E-mail: services@ng.ey.com

SOLICITOR
Lekan Sofolahan & Co
OPIC Plaza, 1st Floor suite 117
Mobolaji Bank – Anthony Way
Ikeja Lagos
Nigeria

BANKERS
Union Bank of Nigeria Plc
First Bank of Nigeria Limited
Zenith Bank Plc.
Wema Bank Plc
Guaranty Trust Bank Plc.

REGISTRAR
Pace Registrars Limited,
Knight Frank Building (8th floor),
24, Campbell Street, Lagos.
Tel: 01-2635607, 01-7303445,01-2805538
E-mail: Info @ paceregistrars.Com

SECRETARY
Alpha-Genasec Limited,
Krestal Laurel Complex (4th Floor),
376,Ikorodu road, Maryland, Ikeja, Lagos
Tel: 234(0)8062272121
E-mail: alpha-genasec@bakertilly.com

ACADEMY PRESS PLC
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2021

The directors have pleasure in presenting their report on the affairs of Academy Press Plc ("the company") together with its subsidiaries ("the Group") and the consolidated and separate audited financial statements of the Group and the company for the year ended 31 March 2021.

Legal form

Academy Press Plc was incorporated in Nigeria as a private limited liability company on 28th July 1964 and by a special resolution became a public limited liability company on 22nd October 1991. The certificate of incorporation number for the Company is RC 3915.The Company offered its shares to the public in November 1994 and these shares were listed on the Nigerian Stock Exchange on 15th June, 1995.

Principal activities

The company carries on its business, as printers of educational and general books, and commercial printing of diaries, labels, calendars, periodicals, annual reports, confidential and other printing and the subsidiaries are involved in security printing, flexibility printing and light packaging.

State of affairs

In the opinion of the Directors, the state of the Group's and the Company's affairs is satisfactory and there has been no material change since the reporting date, which would affect the financial statements as presented.

Results for the year

	The Group		The Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Revenue	1,677,934	2,439,612	1,449,735	2,201,835
	======	======	======	======
(Loss)/profit before taxation	(303,948)	(53,966)	(254,790)	17,550
Income tax credit/(expense)	98,496	6,021	86,564	(19,403)
	----------	----------	----------	----------
Loss after taxation	(205,452)	(47,945)	(168,226)	(1,853)
	======	========	======	========

Dividend

The directors have not recommended payment of dividend for the year ended 31 March 2021 (2020: Nil).

Property, plant and equipment

Information relating to movement in property, plant and equipment is shown in Note 17 to the financial statements. In the opinion of the Directors, the market values of the Group's and the Company's properties are not less than the value shown in consolidated and separate financial statements.

Directors' interest in contracts

None of the Directors has notified the Group and the Company for the purpose of Section 303 of the Companies and Allied Matters Act, 2020 of any disclosable interest in contracts with which the Group and the Company are involved as at 31 March 2021.

Donations

The group and the Company made a donation of N50,000 to charitable organization during the year ended 31 March 2021 (2020: Nil).

	The Group		The Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Federal Road Safety Commission - 2020 Ember Months Road Safety Campaign	50	-	50	-
	----------	----------	----------	----------
	50	-	50	-
	======	======	======	======

ACADEMY PRESS PLC
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2021

Directors
The names of the Directors at the date of this report and of those who held office during the year are as follows:

Mr. Wahab. B. Dabiri	Chairman
Mr. Olugbenga Ladipo	Managing Director/Chief Executive Officer
Mrs. Folashade. B. Omo-Eboh	Non-Executive Director
Mr Pritchard David (British)	Non-Executive Director (Appointed 01 April, 2020)
Mr. Oyewole Olaoye	Non-Executive Director
Mr. Femi Akingbe	Non-Executive Director
Ms Kadaria Ahmed	Non-Executive Director (Resigned 05 November, 2020)
Mr Omosola Sokunbi	Executive Director (Retired 31 March, 2020)
Mr Ivor Hutchinson (British)	Non-Executive Director (Resigned 31 March, 2020)

SHARE HOLDINGS AND SUBSTANTIAL INTEREST IN SHARES

The issued and fully paid share capital of the Group as at 31 March 2021 was beneficially owned as follows:

Name	31 March 2021			31 March 2020		
	Number of shareholding		Nominal value	Number of shareholding		Nominal value
		%	₦		%	₦
Alidan Investment Limited	84,078,546	13.9	42,039,273	84,078,546	13.9	42,039,273
West African Book Publishers Limited	62,880,000	10.4	31,440,000	62,880,000	10.4	31,440,000
Hambleside Limited	60,443,208	9.99	30,221,604	60,443,208	9.99	30,221,604
Others	397,398,246	65.71	198,699,123	397,398,246	65.71	198,699,123
	604,800,000		302,400,000	604,800,000		302,400,000

Summary of the shareholding position is as follows:	2021	2020
Number of shares issued	604,800,000	604,800,000
Number of shares outstanding	145,200,000	145,200,000
Number of shares in the name of the Group	NIL	NIL

	31 March 2021		31 March 2020	
	Number of shareholding	%	Number of shareholding	%
Nigeria (Corporate and individual)	539,148,230	89	539,148,230	89
Foreign Investors	65,651,770	11	65,651,770	11
	604,800,000	100	604,800,000	100

Material interest in shares (5% and above)

Name	Holdings	%	Holdings	%
Alidan Investment Limited	84,078,546	13.9	84,078,546	13.9
West African Book Publishers Limited	62,880,000	10.4	62,880,000	10.4
Hambleside Limited	60,443,208	9.90	60,443,208	9.90

ACTIVE SHAREHOLDERS - Summary as at 31 March 2021

RANGE	No. Of Holder	Units	Unit %
1 - 1,000	696	258,217	0.04
1,001 -5,000	728	1,922,457	0.32
5,001 -10,000	389	2,792,011	0.46
10,001 -20,000	1157	15,951,233	2.64
20,001 -50,000	476	14,135,332	2.34
50,001 - 100,000	170	11,949,643	1.98
100,001 - 1,000,000	202	65,137,772	10.77
1,000,001 - 5,000,000	47	96,578,775	15.97
5,000,001 - 10,000,000	11	86,854,561	14.36
10,000,001 - Above	9	309,219,999	51.13
	3,885	604,800,000	100

ACTIVE SHAREHOLDERS - Summary as at 31 March 2020

RANGE	No. Of Holder	Units	Unit %
1 - 1,000	696	258,217	0.04
1,001 -5,000	728	1,922,457	0.32
5,001 -10,000	389	2,792,011	0.46
10,001 -20,000	1,157	15,951,233	2.64
20,001 -50,000	476	14,135,332	2.34
50,001 - 100,000	170	11,949,643	1.98
100,001 - 1,000,000	202	65,137,772	10.77
1,000,001 - 5,000,000	47	96,578,775	15.97
5,000,001 - 10,000,000	11	86,854,561	14.36
10,000,001 - Above	9	309,219,999	51.13
	3,885	604,800,000	100

Information about subsidiaries

		2021		2020	
	Country of incorporation	Parent	Non controlling interest	Parent	Non controlling interest
Lithotec Limited	Nigeria	100.00%	-	100.00%	-
Academy Press Specialised Printing	Nigeria	65.16%	34.84%	65.16%	34.84%

Directors' Interests

Directors' interest in the issued share Capital of the Company as recorded in the register of Members and/or as notified by them of the purpose of Section 301 and 302 of the Companies and Allied Matters Act, 2020 and in compliance with the listing requirements of the Nigerian Stock Exchange are as follows:

	As at 31 March 2021		As at 31 March 2020	
	Direct	Indirect	Direct	Indirect
High Chief (Sir) Simeon. O. Oguntimehin, OON	-	-	-	781,440
Mr. Olugbenga Ladipo	8,690,653	-	8,690,653	-
Wahab B. Dabiri	351,000	-	351,000	-
Folashade B. Omo- Eboh (Mrs)	2,415,000	-	2,415,000	-
Omosola Sokunbi	-	-	480,000	-
Mr Pritchard David (British)	587,946		587,946	
Oyewole Olaoye	1,200,000	-	1,200,000	-

High Chief (Sir) Simeon. O. Oguntimehin, the former Chairman who retired from the company during the year ended

31 March 2020, has indirect shareholding through an investment Company called Anfani Investments Limited.

ACADEMY PRESS PLC
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2021

Employment and employees

Employment of Physically Challenged Persons

It is the Group and the Company's policy that there is no discrimination in considering applications for employment including those from physically challenged persons. All employees whether or not physically challenged are given equal opportunities to develop their expertise and knowledge and to qualify for promotion in furtherance of their careers. The company has two (2) physically challenged person in her employment as at 31 March 2021.

Welfare

The Group and the Company is registered with a Health Management Organisation (HMO) – (Clearline International Limited). Staff, Spouse and 4 children choose a primary health care provider, where cases of illness are referred for treatment. The company also provides healthcare facilities for its staff whilst all essential safety regulations are observed in the factories and offices to guarantee maximum protection of employees at work.

Training

Staff are kept abreast of up-to-date techniques in the industry through various in-house and outside training courses. The company attaches great importance to training and all categories of staff attend courses or seminars as considered necessary by the Company's management.

Financial commitments

The directors are of the opinion that all known liabilities and commitments have been taken into account. These liabilities are relevant in assessing the Group and the Company's state of affairs.

Events after the reporting date

As stated in Note 34, the Directors are of the opinion that there are no events after the reporting date that could have material effect on the Group's and Company's financial statements that had not been adequately provided or disclosed in these consolidated and separate financial statements.

Format of financial statements

The consolidated and separate financial statements of Academy Press Plc have been prepared in accordance with the reporting and presentation requirement of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), the provisions of the Companies and Allied Matters Act, 2020 and the requirements of the Financial Reporting Council of Nigeria Act No.6,2011.

Auditors

Ernst & Young have indicated their willingness to continue in office as Auditors to the Company in accordance with Section 401(2) of the Companies and Allied Matters Act, 2020. A resolution will be proposed at the Annual General Meeting empowering the Directors to fix their remuneration.

BY ORDER OF THE BOARD

Joshua O. Adeoye
FRC/2014/ ICSAN/00000008037
for: Alpha –Genasec Limited
COMPANY'S SECRETARY
LAGOS, NIGERIA

23 June, 2021

Corporate Governance principles, rules and regulatory requirements of the Nigerian Stock Exchange and Securities and Exchange Commission have indeed been an integral part of the way Academy Press Plc. conducts its business.

Good corporate governance is an essential part of the Board of Academy Press Plc. Our Company's governance structure and practices is in line with applicable local legislation and international best practices including compliance with the Code of Corporate Governance for Public Companies issued by Security and Exchange Commission. Academy Press has always been guided by a strong conviction of adhering to transparency, accountability, good management practices and integrity through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities.

The group and the company believe that the implementation of global best practices and corporate governance principles would help to achieve commitment and goals to enhance stakeholders' value. We present in detail, a statement of how the Board conducted its activities during the financial year ended 31 March 2021.

THE BOARD

The governance of the Group resides with the Board of Directors who are accountable to shareholders for creating and delivering sustainable value through the management of the Group's business. The board is responsible for oversight function of long-term strategic planning, policy formulation and assessment of risk that the Group may be exposed to in the ordinary course of business. The board is also responsible for evaluating and directing the implementation of the Group and the Company's internal control procedures including maintaining a sound system of internal control to safeguard shareholders' investments the group's and the company's assets. These functions of the board are guided by the provision of Securities and Exchange Commission (SEC) code, the Companies and Allied Matters Act, 2020 and the requirements of the Financial Reporting Council of Nigeria Act No.6. 2011, the company's Articles of Association and other relevant laws and regulations. These oversight functions of the Board of Directors are exercised through its various Committees.

COMPOSITION OF THE BOARD

The board of Directors of Academy Press Plc. is comprised of experienced people with significant achievements in their respective profession. The board has overall responsibility for ensuring that the Company is appropriately managed and achieves its strategic objectives. The company's Articles of Association provide that the company's Board shall consist of not more than 11 Directors.

During the year the board comprised of eight (8) Directors; six (6) non-executives and two (2) executives. The board Chairman is non- executive, with a mix of executive and non-executive Directors, all bringing high level of competencies and experience, with enviable records of achievement in their respective fields.
The board meets regularly to set broad policies for the Company's business and operations, and ensures that a professional relationship is maintained with the Company's auditors in order to promote transparency in financial and non- financial reporting.

RESPONSIBILITIES OF THE BOARD AND CORPORATE GOVERNANCE:

The Board is responsible for the review of goals, major plans of action, annual budget and business plans with overall strategies setting performance objectives, monitoring implementation and corporate performance and overseeing major capital expenditure in the approved budget. In compliance with International Best Practices, there is a separation of powers between the Chairman and the Managing Director, as they play distinct roles, with responsibilities which should not be domiciled with one individual. The chairman's main responsibility is to lead and manage the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibilities. He is also responsible for ensuring that Directors receive accurate, timely and clear information to enable the Board take informed decisions and provide advice to promote the success of the Group and the Company. The Chairman facilitates the contribution of Directors and promotes effective relationships and open communications between Executive and Non-Executive Directors, both inside and outside the Boardroom.

RESPONSIBILITIES OF THE BOARD AND CORPORATE GOVERNANCE - Continued

The Board ensures that proper accounting records are disclosed with reasonable accuracy at any time and that the financial status of the Group and the Company are maintained and also that the financial reporting systems comply with the Companies and Allied Matters Act, 2020 through the establishment of the Board Committees that make recommendations and taking decisions on issues of expenditure that may arise outside the normal meeting schedule of the full Board. The board ratifies duly approved recommendations and decisions of the Board Committees and also make periodic and regular review of actual business performance relative to established objectives.

The Board meet at least once in a quarter in each financial year and the Board Committee meet at least twice in each financial year. Decisions are taken at the Board meetings by way of resolutions as provided for in the Companies and Allied Matter Act, 2020. Detail of attendance by each of the Directors at Board meetings are shown in the table below;

MEETINGS	1	2	3	4	5
NAMES	20/05/2020	29/07/2020	27/10/2020	3/12/2020	24/02/2021
Wahab B. Dabiri	√	√	√	√	√
Mr. Olugbenga Ladipo	√	√	√	√	√
David Pritchard	√	√	√	x	√
Folashade B. Omo- Eboh (Mrs)	√	√	√	√	√
Oyewole Olaoye	√	√	√	√	√
Paul Aderibigbe	NYA	NYA	NYA	NYA	√
Mr.Femi Akingbe	√	√	√	√	√
Kadaria Ahmed	√	√	√	NLA	NLA

Note:
√ - Present; X – Absent with apology; NYA – Not a member of the Board as at this date; AR – Already Resigned; NLA- No Longer a Member

In accordance with Section 284 (2) of the Companies and Allied Matter Act, 2020 the record of Directors' attendance and meetings during the year 2020/2021 is available for inspection at the Annual General Meeting. The meetings of the Board were presided over by the Chairman and the Board met five (5) times during year. Written notices of the Board meetings, along with the agenda, were circulated at least seven days before the meetings. The minutes of the meetings are appropriately recorded and circulated.

BOARD COMMITTEES:

The Board carries out its oversight functions through the under-listed committees:

RISK MANAGEMENT/STRATEGY COMMITTEE

The committee has oversight responsibility for operational/strategies development and implementation, emerging sectorial and technological development, review of equipment needs and acquisition, new business concern review and implementation, products prospects and market expansion strategies. It also reviews the risk management structure and monitor the risks on continuous basis. The risk management/strategy committee held Five (5) meetings during the year ended 31st March, 2021.Detail of attendance by each of the Members of the Risk Management / Strategic Committee are shown in the table below.

MEETINGS	1	2	3	4	5
NAMES	12/5/2020	18/11/2020	30/01/2021	4/2/2021	24/03/2021
Wole Oyewole	√	√	√	√	√
David Pritchard	x	√	√	√	√
Femi Akingbe	√	√	√	√	√
Olugbenga Ladipo	√	√	√	√	√

FINANCE AND CONTROL COMMITTEE

The Finance and Control Committee is responsible for reviewing of business plan, annual budget and control, financing arrangement, options, capital restructuring, the review of balance sheet, management accounts, credit/debt management and material control. The committee held Four (4) meetings during the year ended 31st March, 2021. Detail of attendance by each of the Members of the Finance and Control Committee are shown in the table below.

MEETINGS	1	2	3	4
NAMES	12/5/2020	18/11/2020	3/2/2021	23/03/2021
Mr. Olugbenga Ladipo	√	√	√	√
Folashade B. Omo- Eboh (Mrs)	√	√	√	√
Mr.Femi Akingbe	√	√	√	√

GOVERNANCE AND REMUNERATION COMMITTEE

The committee is made up of three members who are responsible for the development and evaluation of the company's internal organization and process, identifying qualified senior executives and ensuring that the company's operating and remuneration policies support the successful recruitment, development and retention of directors and managers. The committee held three (3) meetings in the financial year ended 31st March, 2021. Detail of attendance by each of the Members of the Governance and Remuneration Committee are shown in the table below.

MEETINGS	1	2	3
NAMES	19/11/2020	3/2/2021	23/03/2021
Olugbenga Ladipo	√	√	√
Oyewole Olaoye	√	√	√
David Pritchard	√	√	√

AUDIT COMMITTEE

The Committee comprises of eight members as shown in the table below. In accordance with Section 404 of the Companies and Allied Matters Act, 2020, the above members and Directors were elected and nominated. The meetings of the committee were held four (4) times during the year. The functions of the committee are laid down in Section 404 (7) of the Companies and Allied Matters Act, 2020.

Detail of attendance by each of the Members of the Audit Committee are shown in the table below.

MEETINGS	1	2	3	4
NAMES	23/07/2020	27/10/2020	16/12/2020	17/03/2021
Chief S.B Daranijo	√	√	√	√
Mr S.A Adedoyin	√	√	√	√
Oba Y.O Ajadi	√	√	√	√
Folashade Omo Eboh	√	√	√	√
Wole Olaoye	x	x	√	√
Femi Akingbe	√	√	√	√
Kadaria Ahmed	√	√	NLA	NLA
Gbenga Ladipo	√	√	√	√

MANAGEMENT TEAM

The day-to-day management of the business is the responsibility of the Managing Director who is assisted by the Management Team made up of one (1) Executive Director, four (4) senior managers and Heads of all the Departments in the Company. The management team holds scheduled meetings at least once a month to deliberate on critical issues affecting the day to day running of the Company.

SECURITY TRADING POLICY

Insider trading and dealing in Company's shares

The board has approved a Security Trading Policy which sets out the guidelines on the purchase and sale of security by Directors, employees and associates. The policy is to assist all Directors and employees to understand the restrictions placed on them as insiders of the company with respect to their securities transactions and to avoid the conduct referred to as 'insider trading' during any period as may be specified by the company or the Exchange from time to time.

Also, Directors, employees and other insiders wishing to buy, sell or deal in the Company's securities must obtain approval of the Chairman through the Company Secretary prior to any dealing in the company's securities. Request for approval must state the volume of securities to be purchased and sold.

COMPLAINT MANAGEMENT POLICY

In compliance with the Security and Exchange Commission's Rules relating to the Complaints Management Framework (the 'Framework') which requires every listed company to establish a clearly defined complaint management policy to resolve complaints arising from issues covered under the Investment and Securities Act 2007. The Company has developed a Complaint Management Policy endorsed by the Board of Directors.

BUSINESS CONDUCT

The group and the Company's business are conducted with integrity and with due regard to the legitimate interest of all stakeholders. In furtherance to this, the Company has adopted policies such as Code of Ethics and Business Conduct, as well as a whistle blowing Policy. Directors and all members of staff are expected to strive to maintain the highest standard of ethical conduct and integrity in all respect of their professional life as contained in the Ethics and Business Code Policy which prescribes the common ethical standard, policies and procedures of the Company.

ENVIRONMENTAL POLICY

Environmental Policy statement serves to demonstrate the Group's responsibility to the environment and the pursuit of world – class vision in all aspects of its operations. The Group strives to comply with all present and future environmental laws and regulations and continuously improve the efficiency of its operations to minimize its impact on the environment.

ACADEMY PRESS PLC
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2021

The Companies and Allied Matters Act, 2020, requires the Directors of Academy Press to prepare consolidated and separate financial statements for each financial year that give a true and fair view of the state of financial affairs of the group at the end of the year and of its profit or loss. The responsibilities include ensuring that the Group:

a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the group and comply with the requirements of the Companies and Allied Matters Act, 2020;

b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

c) prepare its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

The directors accept responsibility for the annual consolidated and separate financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards issued by the International Accounting Standards Board, Financial Reporting Council of Nigeria Act No 6, 2011 and the requirements of the Companies and Allied Matters Act, 2020.

The directors are of the opinion that the consolidated and separate financial statements give a true and fair view of the state of the financial affairs of the Group and the Company and of its loss for the year ended 31 March 2021. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the consolidated and separate financial statements, as well as adequate systems of internal financial control.
Nothing has come to the attention of the Directors to indicate that the Group and the Company will not remain a going concern for at least twelve months from the date of this statement.

Mr. Wahab. B. Dabiri	Mr. Olugbenga Ladipo
(Chairman)	(Managing Director)
FRC/2014/ ODN/00000009227	FRC/2014/ ICAN/00000003252

23 June, 2021

ACADEMY PRESS PLC
CERTIFICATE OF ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

Certification Pursuant to Section 405(1) of Companies and Allied Matter Act, 2020

We the undersigned hereby certify the following with regards to our Audited consolidated and separate financial statements for the year ended 31 March 2021 that:

a) We have reviewed the report;

• To the best of our knowledge, the report does not contain any untrue statement of a material fact, or omit to state a material fact, which would make the statements misleading in the light of circumstances under which such statements were made or omit to state a material fact, which would make the statements misleading in the light of circumstances under which such statements were made;

• To the best of our knowledge, the consolidated and separate financial statement and other financial information included in this report fairly present in all material respects the financial condition and results of operation of the Group as of, and for the periods presented in this report.

b) We:

• Are responsible for establishing and maintaining internal controls.

• Have designed such internal controls to ensure that material information relating to the Group is made known to such officers by others within the entity particularly during the period in which the audited consolidated and separate financial statements report is being prepared;

• Have evaluated the effectiveness of the Group's internal controls as of date within 90 days prior to the date of the audited consolidated and separate financial statements;

• Have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;

c) We have disclosed to the auditors of the Group and Audit Committee:

• All significant deficiencies in the design or operation of internal controls which would adversely affect the Group's ability to record, process, summarize and report financial data and have identified for the Group's auditors any material weakness in internal controls, and

• Any fraud, whether or not material, that involves management or other employees who have significant role in the Group's internal controls;

d) We have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

-------------------------------------	-------------------------------------
Mr. Moses Oladele	Mr. Olugbenga Ladipo
(Chief Finance Officer)	(Managing Director)
FRC/2020/001/00000020562	FRC/2014/ICAN/00000003252

23 June,2021

ACADEMY PRESS PLC
REPORT OF THE AUDIT COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2021

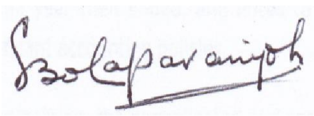
REPORT OF THE AUDIT COMMITTEE TO THE SHAREHOLDERS OF ACADEMY PRESS PLC

In accordance with the provisions of Section 404 (1) of the Companies and Allied Maters Act, 2020 the members of the Audit Committee of Academy Press Plc ("the Company") hereby report as follows:

i. We have exercised our statutory functions under Section 404 (7) of the Companies and Allied Matters Act, 2020 and acknowledge the cooperation of management and staff in the conduct of these responsibilities.

ii. We are of the opinion that the accounting and reporting policies of the Group are in accordance with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the year ended 31 March 2021 were satisfactory and reinforce the Group's internal control systems.

iii. We have deliberated with the External Auditors, who have confirmed that necessary cooperation was received from management in the course of their statutory audit and we are satisfied with management's responses to the External Auditor's recommendations on accounting and internal control matters and with the effectiveness of the Group's system of accounting and internal control.



ALHAJI
(CHIEF) SINARI B. DARANIJO JP. FRC/2014/
ISCAN/00000007262
Chairman – Audit Committee

10 June, 2021

MEMBERS OF AUDIT COMMITTEE
Alhaji (Chief) Sinari B. Daranijo Jp
Mr. Ajadi Y. Olarenwaju
Mr. Samuel A. Adedoyin
Mrs Folashade Omo-Eboh
Mr. Femi Akingbe
Mr. Wole Olaoye
Ms. Kadaria Ahmed

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ACADEMY PRESS PLC

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Academy Press Plc ("the Company") and its subsidiary (together, "the Group") which comprise the consolidated and separate statements of financial position as at 31 March 2021, the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity, the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and the Company as at 31 March 2021, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with the International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria Act No.6, 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' Responsibilities for the Audit of the consolidated and separate financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ACADEMY PRESS PLC – Continued

Report on the Audit of the Consolidated and Separate Financial Statements – Continued

The Key Audit Matters applies equally to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
Impairment of Financial Assets	
The Group and Company have financial assets which include trade receivables (including intercompany) and staff loans with associated impairment that are significant to the consolidated and separate financial statements. As at 31 March 2021, the Group and Company's gross trade and other receivables which are subjected to impairment stood at N608 million and N706million with impairment allowance of N176million and N144million respectively; (representing 29% and 20% of the gross trade and other receivables). The gross trade and other receivables represents 69% and 80% of the Group and company's current assets (2020; 69% and 81%); and 28% and 43% of the Group and company's total assets (2020; 34% and 49%). The expected credit loss (ECL) model used in computing the impairment allowance, involves the application of judgment, assumptions and estimation in determining inputs for ECL calculation such as: • Determining the deemed loss using a provisional matrix approach based on historical payment pattern. • Incorporating forward looking information in the ECL model building process. • Determining the factors incorporated in arriving at: - the scalar adjustment multiplier for the base, upturn and downturn scenarios. - cash flows estimation including timing and amount. These estimates are driven by a number of factors, changes in which might lead to a significant impact in the impairment amount. This is considered a key audit matter in the financial statements given the level of significance of the amount, the complexity and judgments involved in the process which required considerable audit time and expertise. The policy on impairment of financial assets is set out in Note 2.3I while the disclosure of impairment of financial assets is set out in Note 22 to the consolidated and separate financial statements.	We reviewed the IFRS 9 model developed by the management for the computation of impairment on financial assets in line with the requirements of IFRS 9. We gained an understanding of the historical payment pattern of the customers in order to arrive at the deemed loss. For the ECL on trade receivables, we challenged all assumptions used in arriving at the loss rate for each receivable bucket and also management's sources of the macro-economic variables used in adjusting the historical loss rate to a forward-looking loss rate taking into consideration available information in the public domain. We then applied the rate on each receivable aging. We reviewed the completeness and accuracy of the information used in the ECL model. Also a second- level review was performed by the Financial Reporting Specialists by performing the following: 1. They gained an understanding of the historical payment pattern of the customers in order to determine the appropriateness of the computed deemed loss. 2. They challenged and performed reasonableness test to validate the appropriateness of the calculation of mechanics of ECL such as the Probability of Default(PD), Exposure at Default(EAD) and Loss Given Default(LGD). 3. They reviewed and challenged the forward looking information on economic inputs such as the GDP growth, oil price, Exchange rate and the inflation rate. 4. They reviewed to ensure that the loss rate determined after considering the above variables and computations were appropriate. We then reviewed the quantitative disclosures for reasonableness to ensure conformity with IFRS 7- Financial Instruments Disclosures and IFRS 9 -Financial instruments.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ACADEMY PRESS PLC – Continued

Report on the Audit of the Consolidated and Separate Financial Statements – Continued

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Academy Press Plc - Consolidated and Separate Plc Annual Report for the year ended 31 March 2021", which includes the Report of the Directors, Corporate Governance Report, Audit Committee's Report, Statement of Value Added and Five-Year Financial Summary as required by the Companies and Allied Matters Act, 2020, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria Act No.6, 2011, and for such internal controls as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ACADEMY PRESS PLC – Continued

Report on the Audit of the Consolidated and Separate Financial Statements – Continued

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors. Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

  We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ACADEMY PRESS PLC – Continued

Report on the Audit of the Consolidated and Separate Financial Statements – Continued

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements - Continued

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied. From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm that:

i) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
ii) In our opinion, proper books of account have been kept by the Group and Company, in so far as it appears from our examination of those books;
iii) The consolidated and separate statements of financial position and the consolidated and separate statements of profit or loss and other comprehensive income are in agreement with the books of account; and
iv) in our opinion, the consolidated and separate financial statements have been prepared in accordance with the provisions of the Companies and Allied Matters Act, 2020 so as to give a true and fair view of the state of affairs and financial performance of the Company and its subsidiaries.

Yusuf Aliu, FCA

FRC/2012/ICAN/00000000138

For: Ernst & Young

Lagos, Nigeria

...29 June. 2021

ACADEMY PRESS PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Group 2021 ₦'000	Group 2020 ₦'000	Company 2021 ₦'000	Company 2020 ₦'000
Revenue	5	1,677,934	2,439,612	1,449,735	2,201,835
Cost of sales	7	(1,507,102)	(1,929,478)	(1,292,539)	(1,705,580)
Gross profit		170,832	510,134	157,196	496,255
Selling and distribution expenses	8	(41,915)	(61,554)	(39,966)	(58,779)
Administrative expenses	9	(309,627)	(316,757)	(268,617)	(263,950)
Credit loss reversal/(expense)	10	11,241	(75,547)	13,515	(61,980)
Other operating income	11	18,141	1,903	17,520	17
Finance costs	12	(152,620)	(112,145)	(134,438)	(94,013)
(Loss)/profit before taxation		(303,948)	(53,966)	(254,790)	17,550
Income tax credit/(expense)	15	98,496	6,021	86,564	(19,403)
Loss for the year		(205,452)	(47,945)	(168,226)	(1,853)
Other comprehensive income:					
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):					
Remeasurement loss on defined benefit plans	26.1	(4,020)	(17,697)	(4,522)	(18,883)
Related income tax	15.3	1,206	5,665	1,357	5,665
Other comprehensive loss for the year, net of tax		(2,814)	(12,032)	(3,165)	(13,218)
Total comprehensive loss for the year, net of tax		(208,266)	(59,977)	(171,391)	(15,071)
Loss for the year attributable to:					
Equity holders of the parent		(191,248)	(21,892)	(168,226)	(1,853)
Non - controlling interest		(14,204)	(26,053)	-	-
		(205,452)	(47,945)	(168,226)	(1,853)
Total comprehensive loss attributable to:					
Equity holders of the parent		(194,190)	(34,356)	(171,391)	(15,071)
Non - controlling interest		(14,076)	(25,621)	-	-
		(208,266)	(59,977)	(171,391)	(15,071)
Loss per share (naira) – Basic and Diluted	16	(0.316)	(0.036)	(0.278)	(0.003)

See notes (25 - 87) to the consolidated and separate financial statements

ACADEMY PRESS PLC
CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH

	Note	Group		Company	
		2021	2020	2021	2020
		₦'000	₦'000	₦'000	₦'000
Non-current assets					
Property, plant and equipment	17	1,033,246	1,083,391	610,913	601,418
Intangible assets	18	183	313	183	313
Deferred taxation	15.3	362,605	258,580	272,071	180,476
		1,396,034	1,342,284	883,167	782,207
Current Assets					
Inventories	21	285,796	314,191	169,824	211,859
Right of return assets	5.3	20	59	20	59
Trade and other receivables	22	593,352	958,582	707,677	949,623
Cash and short term deposits	23	3,656	2,648	2,814	1,420
		882,824	1,275,480	880,335	1,162,961
Total assets		2,278,858	2,617,764	1,763,502	1,945,168
Equity					
Share capital	27	302,400	302,400	302,400	302,400
Share premium		24,511	24,511	24,511	24,511
Retained earnings		(181,628)	12,562	(72,357)	99,034
Equity attributable to equity holders of the parent		145,283	339,473	254,554	425,945
Non-controlling interests	30	(134,355)	(120,279)	-	-
Total equity		10,928	219,194	254,554	425,945
Non-current liabilities					
Interest bearing loans and borrowings	19.2	723,407	719,656	538,607	504,056
Employee benefit obligation	26	26,815	21,445	17,240	11,965
Contract liabilities	24	21,336	25,362	18,046	18,701
		771,558	766,463	573,893	534,722

ACADEMY PRESS PLC
CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION - Continued
AS AT 31 MARCH 2021

	Note	Group		Company	
		2021	**2020**	**2021**	**2020**
		₦'000	**₦'000**	**₦'000**	**₦'000**
Current liabilities					
Trade and other payables	25	1,138,560	1,223,129	680,829	691,655
Refund liabilities	5.3	22	110	22	110
Interest bearing loans and borrowings	19.2	85,220	103,089	1,053	5,727
Income tax payable	15.2	272,570	305,779	253,151	287,009
		1,496,372	1,632,107	935,055	984,501
Total liabilities		**2,267,930**	**2,398,570**	**1,508,948**	**1,519,223**
Total equity and liabilities		**2,278,858**	**2,617,764**	**1,763,502**	**1,945,168**

These consolidated and separate financial statements were approved by the Board of Directors on 23 June, 2021 and signed on their behalf by:

Mr. Wahab. B. Dabiri
(Chairman)
FRC/2014/ODN/00000009227

Mr. Moses Oladele
(Chief Finance Officer)
FRC/2020/001/00000020562

Mr. Olugbenga Ladipo
(Managing Director)
FRC/2014/ICAN/00000003252

See notes (25 - 87) to the consolidated and separate financial statements

ACADEMY PRESS PLC
CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

Group	Attributable to the equity holders of the parent					
	Share capital	Retained earnings	Share premium	Total	Non - controlling interest	Total Equity
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
At 1 April 2020	302,400	12,562	24,511	339,473	(120,279)	219,194
Loss for the year		(191,248)	-	(191,248)	(14,204)	(205,452)
Other comprehensive (loss)/income for the year; net of tax	-	(2,942)	-	(2,942)	128	(2,814)
Total comprehensive loss	-	(194,190)	-	(194,190)	(14,076)	(208,266)
At 31 March 2021	302,400	(181,628)	24,511	145,283	(134,355)	10,928
At 1 April 2019	302,400	77,158	24,511	404,069	(94,658)	309,411
Loss for the year	-	(21,892)	-	(21,892)	(26,053)	(47,945)
Other comprehensive (loss)/income for the year; net of tax	-	(12,464)	-	(12,464)	432	(12,032)
Total comprehensive loss	-	(34,356)	-	(34,356)	(25,621)	(59,977)
Dividend paid (Note 29)	-	(30,240)	-	(30,240)	-	(30,240)
At 31 March 2020	302,400	12,562	24,511	339,473	(120,279)	219,194

Company	Share capital	Retained earnings	Share premium	Total
	₦'000	₦'000	₦'000	₦'000
At 1 April 2020	302,400	99,034	24,511	425,945
Loss for the year	-	(168,226)	-	(168,226)
Other comprehensive loss for the year; net of tax	-	(3,165)	-	(3,165)
Total comprehensive loss	-	(171,391)	-	(171,391)
At 31 March 2021	302,400	(72,357)	24,511	254,554
At 1 April 2019	302,400	144,345	24,511	471,256
Loss for the year	-	(1,853)	-	(1,853)
Other comprehensive loss for the year; net of tax	-	(13,218)	-	(13,218)
Total comprehensive loss	-	(15,071)	-	(15,071)
Dividend paid (Note 29)	-	(30,240)	-	(30,240)
At 31 March 2020	302,400	99,034	24,511	425,945

See notes (25 - 87) to the consolidated and separate financial statements

ACADEMY PRESS PLC
CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH

	Note	Group		Company	
		2021	2020	2021	2020
		₦'000	₦'000	₦'000	₦'000
Cash flows from operating activities					
(Loss)/profit before taxation		(303,948)	(53,966)	(254,790)	17,550
Non-cash adjustments to reconcile (loss)/profit before tax to net cash flows from operating activities:					
Depreciation of property, plant and equipment	17	194,997	218,327	148,190	172,229
Profit on disposal of property, plant and equipment	11	(3)	(399)	-	-
Amortisation of intangible assets	18	130	130	130	130
Finance cost	12	152,620	112,145	134,438	94,013
Effect of exchange difference	9	19,947	16,652	19,947	17,686
Write down of inventories	7	7,962	3,665	6,000	1,703
Impairment of trade and other receivables	10	(11,241)	75,547	(13,515)	61,980
Retirement benefit net interest provision	26.1	1,350	494	753	(881)
		61,814	372,595	41,153	364,410
Working capital adjustment:					
Decrease in inventories		43,801	57,449	36,035	64,408
Decrease/(increase) in trade and other receivables		376,471	(227,448)	255,461	(233,360)
Decrease in trade and other payables		(91,680)	(33,537)	(17,937)	(73,507)
Decrease/(increase) in right of return assets		39	411	39	(18)
(Decrease)/increase in contract liabilities		(4,026)	3,277	(655)	(124)
(Decrease)/increase in refund liabilities		(88)	(835)	(88)	39
		386,331	171,912	314,008	121,848
Tax paid	15.2	(37,532)	(10,512)	(37,532)	(9,128)
Net cash flows from operating activities		348,799	161,400	276,476	112,720

ACADEMY PRESS PLC
CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS - Continued
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Group 2021	Group 2020	Company 2021	Company 2020
		₦'000	₦'000	₦'000	₦'000
Cash flows from investing activities					
Purchase of property, plant and equipment	17	(170,968)	(61,484)	(160,205)	(35,068)
Proceeds from disposal of property, plant and equipment		2,751	640	2,520	-
Net cash flows used in investing activities		(168,217)	(60,844)	(157,685)	(35,068)
Cash flows from financing activities					
Repayment of loans and borrowings	19.4	(44,000)	(22,000)	-	-
Proceeds from borrowings	19.4	34,551	114,390	34,551	114,390
Dividend paid		-	(30,240)	-	(30,240)
Interest paid	19.4	(165,456)	(121,686)	(147,274)	(104,588)
Net cash flows used in financing activities		(174,905)	(59,536)	(112,723)	(20,438)
Net increase in cash and cash equivalents		5,677	41,020	6,068	57,214
Cash and cash equivalents at the beginning of the year		(8,041)	(49,061)	(4,307)	(61,521)
Cash and cash equivalents at the end of the year	23	(2,364)	(8,041)	1,761	(4,307)

See notes (25 - 87) to the consolidated and separate financial statements

1. Corporate information

The consolidated and separate financial statements of Academy Press Plc and its subsidiaries (collectively, the Group) for the year ended 31 March 2021 were authorised for issue in accordance with the approval of the Board of Directors on 23 June, 2021. Academy Press Plc (the Company) is a limited liability Group incorporated and domiciled in Nigeria and became public by listing on 22 October 1991. The registered office is located at 28-32, Industrial Avenue, Ilupeju Industrial Estate, Ilupeju, Lagos State in Nigeria.

The group is principally engaged in the printing of educational and general books, commercial printing of diaries, labels, calendars, periodicals, annual reports, confidential and other printing works.

2. Significant accounting policies

2.1 Basis of preparation

The consolidated and separate financial statements of the Group and the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), Financial Reporting Council of Nigeria Act No 6, 2011 and the provisions of Companies and Allied Matters Act, 2020.

Functional and presentation currency

The consolidated and separate financial statements have been prepared on a historical cost basis. The consolidated and separate financial statements are presented in Naira, which is the Group's functional currency and all values are rounded to the nearest thousand (N000), except when otherwise indicated.

Composition of financial statements

The financial statements comprise:

- Consolidated and separate statements of profit or loss and other comprehensive income
- Consolidated and separate statements of financial position
- Consolidated and separate statements of changes in equity
- Consolidated and separate statements of cash flows
- Notes to the consolidated and separate financial statements

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 March 2021. Control is achieved when the Group 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 Group controls an investee if, and only if, the Group 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 results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

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

The Group 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 Group obtains control over the subsidiary and ceases when the Group 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 Group gains control until the date the Group ceases to control the subsidiary.

2.2 Basis of consolidation - Continued

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

In the Group the investment in its subsidiaries are accounted for using the cost method.

2.3 Summary of significant accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

b) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period
  Or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

2.3 Summary of significant accounting policies - Continued
b) Current versus non-current classification- Continued

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period Or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
  Or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

2.3 Summary of significant accounting policies - Continued

d) Revenue from contracts with customers

The group is principally engaged in the printing of educational and general books, commercial printing of diaries, labels, calendars, periodicals, annual reports, confidential and other printing works.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods or services. The group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3

Sale of goods

Revenue from the sale of good is recognised over time, using a measure of progress when control is transferred to the customer, generally as goods are produced and delivered to customers. The normal credit term is 30 days upon delivery.

The Group has assessed that the Group's performance does not create an asset with alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue from sales of goods is recognised over time by measuring progress towards completion using the output method. This measure which is based on production best depicts the Group's transfer of progress as it recognises revenue on the basis of direct measurements of the value to the customer of the service transferred to date relative to the remaining services under the contract. The Group demonstrates that the invoiced amount corresponds directly with the value transferred to the customer in line with the performance completed to date.

The Group recognises revenue from goods sold over time, using an output method to measure progress towards completion using the output method, because the Group's performance does not create an asset with alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, and consideration payable to the customer.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right of return and penalties. The rights of return and penalties give rise to variable consideration.

• Right of return

Certain contracts provide a customer with a right to return the goods within a specified period. When customers return defective goods, the group sometimes share the cost of replacement with customers as agreed or negotiated upon return. Such partial refund creates an obligation for reprinting the materials for the customers without collecting the defective books/reports/materials. This includes a right of return that give rise to variable consideration. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

2.3 Summary of significant accounting policies - Continued

d) Revenue from contracts with customers - Continued

• Right of return

Before including any amount of variable consideration in the transaction price, the group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained and that the uncertainty on the variable consideration will be resolved upon delivery of goods which is also the point of invoicing the customer.

• Penalties

Certain contracts with some customers provides that in the event that the group fails to supply goods within the stipulated time, the group will pay a certain rate of penalty of the total contract sum for each week of default to an agreed maximum rate. The penalties to be paid by the group to its respective customers if it fails to deliver goods within the contract period is considered to be a variable consideration since the right to receive the consideration is contingent on the occurrence or non-occurrence of a future event. (i.e., the contract specifies that the group will pay a penalty if it fails to perform according to the agreed upon terms). The penalties should be accounted for as variable consideration.

Before including any amount of variable consideration in the transaction price, the group considers whether the amount of variable consideration is constrained. By nature, penalties will be constrained and recognised when they are liable to be paid. However, since the amount paid are based on the actual performance on the contract, it may be considered similar to warranty payments (e.g., in situations in which an entity pays the customer's direct costs to remedy a defect). The Group determined that the estimates of variable consideration are not constrained and that the uncertainty on the variable consideration will be resolved upon delivery of goods which is also the point of invoicing the customer.

Consideration paid or payable to a customer

Consideration payable to a customer includes cash amounts that a Group pays, or expects to pay, to the customer (or to other parties that purchase the Group's goods or services from the customer). Consideration payable to a customer also includes credit or other items (for example, a coupon or voucher) that can be applied against amounts owed to the Group (or to other parties that purchase the Group's goods or services from the customer).

• Logistic discounts

Customers' products are normally transferred to their premises as part of the sales incentives by the Group. Since the Customer is not receiving a distinct good/service for the logistic discounts given to the customer, then by extension transport costs paid on behalf of the customers are treated as a reduction to revenue for the related goods.

Significant financing component

Generally, the Group receives short-term advances (deposits) from its customers. Using the practical expedient in IFRS15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Also, for sales transactions, the receipt of the consideration by the Group does not match the timing of the transfer of the good to the customer (e.g., the balance of the consideration is paid after the good has been delivered). Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component since it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Warranty obligations

The Group typically warrant that goods printed are of standard quality and free of substantive defects. Customers therefore have a contractual right to return defective products purchased for new prints if it can be proven that such defects occurred at the time of sale. These assurance-type warranties are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

2.3 Summary of significant accounting policies - Continued

d) Revenue from contracts with customers - Continued

Contract balances

• Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

• Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets under financial instruments – initial recognition and subsequent measurement.

• Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

i. Non-refundable deposits

The Group receives advances of about 70 to 80% of sales from customers in order to safeguard their receivables (especially from individual customers) and also to procure materials for printing jobs. These advances are non refundable. These contracts are wholly unperformed contracts as at the time of receipt of the advances, hence they create a contract liability as customers are required to pay in advance before production starts. The Group will continually recognise advance payment for future goods or services as contract liabilities. Revenue will be recognised when the goods or services are delivered or performed.

Assets and liabilities arising from rights of return

• Right of return assets

Right of return asset represents the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

• Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

e) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset. When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

2.3 Summary of significant accounting policies - Continued

f) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or 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 investments in subsidiaries, associates and interests in joint arrangements, 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 investments in subsidiaries, associates and interests in joint arrangements, 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 tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits 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 in 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 relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.3 Summary of significant accounting policies - Continued

g) Foreign currencies

The Group's consolidated financial statements are presented in Naira, which is also the parent Group's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting 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 the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

h) Dividend Distributions

Dividend distributions payable to equity shareholders is recognised as liability after the reporting date when declared and approved by shareholders at the annual general meeting.

i) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The straight-line method is used to depreciate the cost less any estimated residual value of the assets over their expected useful lives. Property plant and equipment as follows:

Property, plant and equipment class	
Leasehold land	Over the remaining lease period
Building and improvement	99
Plant & Machinery	12.5
Furniture, fittings and equipment	20
Motor Vehicle	20
Motor Vehicles (Private Cars)	25
Tools and spares	12.5

Depreciation is recognized within "cost of sales and administrative expenses" depending on the utilization of the respective assets.

2.3 Summary of significant accounting policies - Continued

i) Property, plant and equipment - Continued
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit and loss when the asset is derecognised.

j) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

k) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Computer software	8 years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.
The Group software is amortised using a straight line method over a period of 8 years in which the amortisation expense is recognised in the profit or loss as an expense category.
As at 31 March 2021, the group did not have any indefinite intangible assets.

l) Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified at initial recognition as, amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

2.3 Summary of significant accounting policies - Continued

l) Financial instruments – Continued

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies on revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

The Group's financial assets includes financial assets at amortised cost.

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

  And

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables and other receivable.

2.3 Summary of significant accounting policies - Continued

l) Financial instruments – Continued

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired

  Or

- The Group has transferred its rights 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 (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms (if any).

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and intercompany receivables (involving sales in the ordinary course of business), the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For receivables from related parties (non-trade), and staff loans, the Group applies general approach in calculating ECLs. It is the Group's policy to measure ECLs on such asset on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Group calculates ECLs based on a three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

2.3 Summary of significant accounting policies - Continued

l) Financial instruments – Continued

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- PD The Probability of Default is an estimate of the likelihood of default over a given time horizon.
- EAD The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise.
- LGD The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Group considers three scenarios (a base case, an upside, a downside). Each of these is associated with different PDs, EADs and LGDs. In its ECL models, the Group relies on a broad range of forward looking information as economic inputs, such as:

- GDP growth
- Oil price
- Exchange rate
- Inflation rate

Write-offs

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to profit or loss.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR 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 EIR. The EIR amortisation is included as finance costs in profit or loss.

This category generally applies to interest-bearing loans and borrowings and trade and other payables.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

iii) Offsetting of financial instruments

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

2.3 Summary of significant accounting policies - Continued

m) Inventories

Inventories are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: Raw materials which include purchase cost and other costs incurred to bring the materials to
- Work in progress: Cost of work-in-progress includes cost of materials and attributable overheads to the level of completion.
- Spare parts and consumables: Spare parts and other consumables are valued at weighted average cost after making allowance for slow moving stocks while obsolete and damage items are expensed. The spare parts are generic in nature hence they are classified as inventory and are recognized in the profit or loss as consumed.

- Goods-in- transit: Goods-in- transit are carried at purchase cost to date.

See Note 21 for the Group and Company's inventories.

n) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less
costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit and loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit and loss.

o) Cash and short-term deposit

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand.

2.3 Summary of significant accounting policies - Continued

p) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in profit and loss net of any reimbursement. Provisions are not recognized for future operating losses.

Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed by way of note and not recognized as liabilities in the consolidated statement of financial position.

q) Employee Benefits

Employee benefits are all forms of benefits given in exchange for services rendered by employees. These are classified as:
a) Short-term employee benefits - benefits due to be settled within 12 months after the end of the period in which the employees rendered the related services;
b) Post-employment benefits are benefits payable after the completion of employment. Such plans (or funds) may be either defined contribution funds or defined benefit funds.

Short-term benefits

The cost of all short-term employee benefits, such as salaries, profit sharing arrangements, employee entitlements to leave pay, bonuses, medical aid and other contributions, are recognised during the period in which the employee renders the related service. The Group recognises the expected cost of bonuses only when the Group has a present legal or constructive obligation to make such payment and a reliable estimate can be made. During the year the Group companies contributed to employee benefits in the following categories: - remuneration in the form of salaries, wages and bonuses.

Post-employment Retirement Benefit Funds

(a) Defined contribution scheme

In line with statutory provisions of the Pension Reform Act 2014, the Group and its employees contribute to statutory defined contribution pension scheme for its employees. Employees contributions of 8% of their insurable earnings (basic, housing and transport) to the scheme are funded through payroll deductions while the Group's contributions of 10% are charged to profit or loss. The Funds which is defined contribution plans are independently administered with no obligations on the Group other than the defined contribution as a percentage of employees' qualifying remunerations. Both employees' and the group's share of the contributions are charged as staff cost in the administrative expenses in the profit and loss when the employee renders the service.

2.3 Summary of significant accounting policies - Continued

q) Employee Benefits- Continued

(b) Defined benefit scheme

The Group has a defined benefit gratuity scheme for its employees which is funded under this scheme, a specific amount in accordance with the Benefit Scheme Policy is contributed by the Group and charged to profit or loss account over the service life of the employees. These employees' entitlements are calculated based on their actual basic salaries, transport and housing at the end of each month and paid to Academy Press Gratuity Trust Fund.

Other long-term benefits are recognised when an obligation arises. The Group had no other long-term benefit commitments during the year.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under 'cost of sales', 'administration expenses' and 'selling and distribution expenses' in the consolidated statement of profit or loss (by function):

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and Non-routine settlements
- Net interest expense or income

r) Segment reporting

The chief executive officer has been identified as the chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments. The Chief Executive Officer reviews internal management reports on a monthly basis. These internal reports are prepared on the same basis as the accompanying consolidated and separate financial statements. The segments' operating results are regularly reviewed by the entity's Chief Executive Officer to make decisions about resources to be allocated to each segment and assess its performance, and for which discrete financial information is available. The identification of operating segments is on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and assess its performance. The Group has identified the Chief Executive Officer as the chief operating decision maker.

s) Pensions and other post-employment benefits

The Group operates a defined contribution plan in line with the provisions of the Pension Reform Act 2014. This plan is in proportion to the services rendered to the Group by the employees with no further obligation on the part of the Group.

The Group and its employees each contribute a minimum of 10% and 8% respectively of employee's total emoluments. Staff contributions to the scheme are funded through payroll deductions while the group's contribution is recorded as personnel expenses in the profit or loss.

t) Key management personnel

For the purpose of related party disclosures, key management personnel are those who have authority and responsibility for planning, directing and controlling the activities of the Group. For Academy Press Plc., key management personnel are considered to be designations from Director Level at the Group.

2.3 Summary of significant accounting policies - Continued

u) Earnings per share

The parent presents basic/ diluted 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 parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

2.4 Changes in accounting policies and disclosures

New and amended standards and interpretations

The group and the Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. The group and Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the consolidated and separate financial statements of the Group and Company, but may impact future periods should the Group and Company enter into any business combinations.

Amendments to IFRS 7, IFRS 9 and IAS 39 Interest Rate Benchmark Reform

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the consolidated and separate financial statements of the Group and Company as it does not have any interest rate hedge relationships.

Amendments to IAS 1 and IAS 8 Definition of Material

The amendments provide a new definition of material that states, “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.

Conceptual Framework for Financial Reporting issued on 29 March 2018

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the consolidated financial statements of the Group.

2.4 Changes in accounting policies and disclosures - Continued

Amendments to IFRS 16 Covid-19 Related Rent Concessions

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment had no impact on the consolidated and separate financial statements of the Group and Company.

2.5 Standards issued but not yet effective

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

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

► A specific adaptation for contracts with direct participation features (the variable fee approach)
► A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Group.

Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

On 27 August 2020, the IASB published Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. With publication of the phase two amendments, the IASB has completed its work in response to IBOR reform. Effective for annual periods beginning on or after 1 January 2021.

The amendments provide temporary reliefs which address the financial reporting effects when an intergroup offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments is not expected to have a significant impact on the consolidated and separate financial statements of the Group and Company.

2.5 Standards issued but not yet effective - Continued

Reference to the Conceptual Framework – Amendments to IFRS 3

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to a previous version of the IASB's Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework) without significantly changing its requirements. Effective for annual periods beginning on or after 1 January 2022.

The amendments add an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. The amendments to IFRS 3 is not expected to have a significant impact on the consolidated and separate financial statements of Group and Company.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

Effective for annual periods beginning on or after 1 January 2022.

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendments to IFRS 16 is not expected to have a significant impact on the consolidated and separate financial statements.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. Effective for annual periods beginning on or after 1 January 2022.

The amendments are intended to provide clarity and help ensure consistent application of the standard. Entities that previously applied the incremental cost approach will see provisions increase to reflect the inclusion of costs related directly to contract activities, whilst entities that previously recognised contract loss provisions using the guidance from the former standard, IAS 11 Construction Contracts, will be required to exclude the allocation of indirect overheads from their provisions. Judgement will be required in determining which costs are "directly related to contract activities", but we believe that guidance in IFRS 15 Revenue from Contracts with Customers will be relevant.

The amendments to IAS 37 is not expected to have a significant impact on the consolidated and separate financial statements.

IFRS 1 First-time Adoption of International Financial Reporting Standards: Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

An entity applies the amendment for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted. These amendments had no impact on the financial statements of the Group and of the Company.

2.5 Standards issued but not yet effective - Continued

IFRS 9 Financial Instruments: Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39.

An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. An entity applies the amendment for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted. These amendments had no impact on the financial statements of the Group and Company.

IAS 41 Agriculture: Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41. An entity applies the amendment to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted. This amendment had no impact on the financial statements of the Group and Company.

Classification of Liabilities as Current or Non-current - Amendments to IAS 1

In January 2020, the Board issued amendments to paragraphs 69 to 76 of IAS 1 Presentation of Financial Statements to specify the requirements for classifying liabilities as current or non-current. Effective for annual periods beginning on or after 1 January 2022.

The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument

The amendments to IAS 1 is not expected to have a significant impact on the consolidated and separate financial statements.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted.

The amendments address the conflict between IFRS 10 Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

The amendments to IFRS 10 and IAS 28 is not expected to have a significant impact on the consolidated and separate financial statements.

2.5 Standards issued but not yet effective - Continued

Covid-19-Related Rent Concessions beyond 30 June 2021 – Amendments to IFRS 16

In May 2020, the IASB amended IFRS 16 to provide relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic (2020 amendment). The 2020 amendment does not apply to lessors.

As a practical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

In March 2021, the Board amended IFRS 16 to extend the availability of the practical expedient by one year (2021 amendment). The practical expedient in the 2021 amendment applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The amendment applies to annual reporting periods beginning on or after 1 April 2021.

Lessees will apply the 2021 amendment retrospectively, recognising the cumulative effect of initially applying it as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which they first apply the amendment. In the reporting period in which a lessee first applies the 2021 amendment, the lessee will not be required to disclose the information required by paragraph 28(f) of IAS 8.

The amendments is not expected to have a significant impact on the consolidated and separate financial statements.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 *Making Materiality Judgements (the PS)* , in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. Effective for annual periods beginning on or after 1 January
2023

The amendments aim to help entities provide accounting policy disclosures that are more useful by:
• Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and;
• Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

Entities should carefully consider whether 'standardised information, or information that only duplicates or summarises the requirements of the IFRSs' is material information and, if not, whether it should be removed from the accounting policy disclosures to enhance the usefulness of the financial statements.

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the Board issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. Effective for annual periods beginning on or after 1 January 2023.

The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the Board.

The amendments is not expected to have a significant impact on the consolidated and separate financial statements.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

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

i) Revenue from Contracts with Customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the timing of sales of goods

The Group concluded that revenue from contract with customers is to be recognised over time because the Group's performance does not create an asset with alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group has determined that the output method is the best method in measuring progress because it can demonstrate that the invoiced amount corresponds directly with the value to the customer of the Group's performance completed to date.

Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of goods include a right of return and penalties that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of goods with rights of return and penalties, given the large number of customer contracts that have similar characteristics. The Group also determined that the estimates of variable consideration are not constrained and that the uncertainty on the variable consideration will be resolved upon delivery of goods which is also the point of invoicing the customer.

Estimates and assumptions

Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by product type, customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade and other receivables is disclosed in Note 19.3.

3. Significant accounting judgements, estimates and assumptions - Continued

Measurement of the expected credit loss allowance for financial asset

The measurement of the expected credit loss allowance for financial assets measured at amortised cost (due from related companies) is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in Note 19.3ii.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Estimates and assumptions

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit 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 of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

4 Segment information

For management purposes, the Group is organised into business units based on their products and services. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Executive Management Team reviews internal management reports on at least a quarterly basis.

Segment gross profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. However, financing (including finance costs and finance income) income taxes and assets and liabilities are managed on a group basis and are not allocated to operating segments. There are no transfers between the operating segments hence there are no transfer prices set for any transactions that may arise. The segments managers are assessed based on the performance on sales and cost of sales. They do not have control over the assets and liabilities. Segments results are as shown below:

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Segment profit or loss

		For the year ended 31 March 2021							
	Note	Books	Annual reports	Calendar	Diary	Label	Total segments	Adjustments and eliminations	Consolidated
		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Revenue									
External customers	5	1,393,508	51,275	19,660	157,190	56,301	1,677,934	-	1,677,934
Inter-segment		-	-	-	-	-	-	-	-
Total revenue		1,393,508	51,275	19,660	157,190	56,301	1,677,934	-	1,677,934
Cost of sales	7	(1,251,634)	(46,055)	(17,658)	(141,186)	(50,569)	(1,507,102)	-	(1,507,102)
Finance cost	12	-	-	-	-	-	-	(152,620)	(152,620)
Depreciation and amortisation	7&9	-	-	-	-	-	-	(195,127)	(195,127)
Selling expenses	8	-	-	-	-	-	-	(41,915)	(41,915)
Administrative expenses (excluding depreciation and amortisation)	9	-	-	-	-	-	-	(114,500)	(114,500)
Credit loss expense	10	-	-	-	-	-	-	11,241	11,241
Other operating income	11	-	-	-	-	-	-	18,141	18,141
Segment profit		141,874	5,220	2,002	16,004	5,732	170,832	(474,780)	(303,948)
Total assets		-	-	-	-	-	-	2,278,858	2,278,858
Total liabilities		-	-	-	-	-	-	2,267,930	2,267,930

4 Segment information - Continued

Segment profit or loss

	Note	Books	Annual reports	Calendar	Diary	Label	Total segments	Adjustments and eliminations	Consolidated
		For the year ended 31 March 2020							
		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Revenue									
External customers	5	2,123,193	109,026	22,194	151,960	33,239	2,439,612	-	2,439,612
Inter-segment		-	-	-	-	-	-	-	-
Total revenue		2,123,193	109,026	22,194	151,960	33,239	2,439,612	-	2,439,612
Cost of sales	7	(1,679,224)	(86,228)	(17,553)	(120,184)	(26,289)	(1,929,478)	-	(1,929,478)
Finance cost	12	-	-	-	-	-	-	(112,145)	(112,145)
Depreciation and amortisation	7&9	-	-	-	-	-	-	(218,457)	(218,457)
Selling expenses	8	-	-	-	-	-	-	(61,554)	(61,554)
Administrative expenses (excluding depreciation and amortisation)	9	-	-	-	-	-	-	(98,300)	(98,300)
Credit loss expense	10	-	-	-	-	-	-	(75,547)	(75,547)
Other operating income	11	-	-	-	-	-	-	1,903	1,903
Segment profit		443,969	22,798	4,641	31,776	6,950	510,134	(564,100)	(53,966)
Total assets		-	-	-	-	-	-	2,617,764	2,617,764
Total liabilities		-	-	-	-	-	-	2,398,570	2,398,570

Adjustments and eliminations

Finance costs, depreciation and amortisation, assets and liabilities are not allocated to individual segments as the underlying instruments are managed on a Group basis.

4 Segment information- Continued

Reconciliation of profit	2021	2020
	₦'000	₦'000
Segment profit	170,832	510,134
Finance cost	(152,620)	(112,145)
Depreciation and amortisation	(195,127)	(218,457)
Selling expenses	(41,915)	(61,554)
Administrative expenses (excluding depreciation and amortisation)	(114,500)	(98,300)
Credit loss expense	11,241	(75,547)
Other operating income	18,141	1,903
Loss before taxation	(303,948)	(53,966)

	2021	2020
Reconciliation of assets	₦'000	₦'000
Segment operating assets	-	-
Other assets	2,278,858	2,617,764
Total assets	2,278,858	2,617,764

	2021	2020
Reconciliation of liabilities	₦'000	₦'000
Segment operating liabilities	-	-
Other liabilities	2,267,930	2,398,570
Total liabilities	2,267,930	2,398,570

5 Revenue from contracts with customers

	Group 2021	Group 2020	Company 2021	Company 2020
	₦'000	₦'000	₦'000	₦'000
Books	1,393,508	2,123,193	1,322,185	2,054,211
Annual Reports	51,275	109,026	51,275	109,026
Diary	157,190	151,960	37,251	11,632
Calendar	19,660	22,194	19,660	22,194
Label	56,301	33,239	19,364	4,772
	1,677,934	2,439,612	1,449,735	2,201,835

5.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

GROUP

For the year ended 31 March 2021

Segments	Books	Annual Reports	Diary	Calendar	Label	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Geographical markets						
Within Nigeria	1,393,508	51,275	157,190	19,660	56,301	1,677,934
Nigeria:						
South West	1,294,301	51,275	157,190	19,660	56,301	1,578,727
North Central	39,841	-	-	-	-	39,841
North West	59,366	-	-	-	-	59,366
Total	1,393,508	51,275	157,190	19,660	56,301	1,677,934
Timing of revenue recognition						
Services transferred over time	1,393,508	51,275	157,190	19,660	56,301	1,677,934
Total	1,393,508	51,275	157,190	19,660	56,301	1,677,934

For the year ended 31 March 2020

Segments	Books	Annual Reports	Diary	Calendar	Label	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Geographical markets						
Within Nigeria	2,123,193	109,026	151,960	22,194	33,239	2,439,612
Nigeria:						
South West	1,871,500	109,026	151,960	22,194	33,239	2,187,919
North Central	167,081	-	-	-	-	167,081
North West	84,612	-	-	-	-	84,612
Total	2,123,193	109,026	151,960	22,194	33,239	2,439,612
Timing of revenue recognition						
Services transferred over time	2,123,193	109,026	151,960	22,194	33,239	2,439,612
Total	2,123,193	109,026	151,960	22,194	33,239	2,439,612

5 Revenue from contracts with customers - Continued

Set out below is the disaggregation of the Company's revenue from contracts with customers:

COMPANY

	For the year ended 31 March 2021					
Segments	Books	Annual Reports	Diary	Calendar	Label	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Geographical markets						
Nigeria:						
South West	1,222,978	51,275	37,251	19,660	19,364	1,350,528
North Central	39,841	-	-	-	-	39,841
North West	59,366	-	-	-	-	59,366
Total	1,322,185	51,275	37,251	19,660	19,364	1,449,735
Timing of revenue recognition						
Services transferred over time	1,322,185	51,275	37,251	19,660	19,364	1,449,735
Total	1,322,185	51,275	37,251	19,660	19,364	1,449,735

	For the year ended 31 March 2020					
Segments	Books	Annual Reports	Diary	Calendar	Label	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Geographical markets						
Nigeria:						
South West	1,802,518	109,026	11,632	22,194	4,772	1,950,142
North Central	167,081	-	-	-	-	167,081
North West	84,612	-	-	-	-	84,612
Total	2,054,211	109,026	11,632	22,194	4,772	2,201,835
Timing of revenue recognition						
Services transferred over time	2,054,211	109,026	11,632	22,194	4,772	2,201,835
Total	2,054,211	109,026	11,632	22,194	4,772	2,201,835

5.2 Contract balances

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Trade receivables (Note 22)	399,770	655,523	333,513	590,821
Contract liabilities (Note 24)	21,336	25,362	18,046	18,701

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. In 2021, N108 million and N76 million (2020: N152 milion and N122 million) was recognised as provision for expected credit losses on trade receivables for the Group and the Company respectively. See Note 22.1.

Contract liabilities consists of advance payments from customers.

5.3 Right of return

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Right of return assets	20	59	20	59
Refund liabilities - Arising from rights of return	22	110	22	110

5.4 Performance obligations

Information about the Group's performance obligations are summarised below:

Books, Annual Reports, Diary, Calendar and Label

Performance obligation relating to the promises in the contracts are assessed as series of distinct goods that would be satisfied over time and payment is generally due within 30 days from delivery.

6 Fair value measurement

The following table provides the fair value measurement hierarchy of the Group's liabilities.

Fair value measurement hierarchy for liabilities as at 31 March 2021:

	Date of valuation	Total	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		₦'000	₦'000	₦'000	₦'000
Liabilities for which fair values are disclosed:					
The Group					
Interest-bearing loans and borrowings	31-Mar-21	661,563	-	-	661,563
The Company					
Interest-bearing loans and borrowings	31-Mar-21	451,803	-	-	451,803

There were no transfers between Level 1 and Level 2 during 2021.

Fair value measurement hierarchy for liabilities as at 31 March 2020:

	Date of valuation	Total	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		₦'000	₦'000	₦'000	₦'000
Liabilities for which fair values are disclosed:					
The Group					
Interest-bearing loans and borrowings	31-Mar-20	677,906	-	-	677,906
The Company					
Interest-bearing loans and borrowings	31-Mar-20	434,019	-	-	434,019

There were no transfers between Level 1 and Level 2 during 2020.

For financial instruments such as trade receivables & other receivables and trade payables, the carrying amount approximates it's fair value.

7 Cost of Sales

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Materials consumed	1,025,188	1,366,048	897,499	1,227,051
Salaries and related staff cost- Production	111,951	136,029	89,388	109,129
Electricity and fuel	84,944	96,454	74,460	88,436
Repairs and maintenance of Plant , Machinery and Building	66,503	76,701	58,459	72,351
Vehicle repairs and maintenance- Production	18,292	27,707	18,292	27,707
Cleaning and waste management	6,384	7,922	6,384	7,922
Depreciation	182,451	210,076	138,718	166,520
Inventory write off	7,962	3,665	6,000	1,703
Other production overheads	3,427	4,876	3,339	4,761
	1,507,102	1,929,478	1,292,539	1,705,580

Other production overheads are mainly from fuel for vehicles used in the production environment and local travelling costs. Depreciation represents depreciation on plant and machinery and tools and spares for the purpose of cost of sales.

8 Selling and distribution expenses

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Salaries and related staff cost	18,130	22,361	16,181	19,586
Travelling expenses	567	2,758	567	2,758
Vehicle repairs and maintenance	790	3,865	790	3,865
Advertising and publicity	22,428	32,570	22,428	32,570
	41,915	61,554	39,966	58,779

9 Administrative expenses

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Amortisation	130	130	130	130
Audit fee	10,500	10,500	9,000	9,000
Bank charges	3,410	11,939	2,976	9,586
Depreciation	12,546	8,251	9,472	5,709
Directors' emoluments (Note 33.1)	12,213	22,031	11,480	20,745
Donation	50	-	50	-
Unrealised foreign exchange loss	19,947	16,652	19,947	17,686
General expenses (Note 9.2)	38,833	46,269	27,082	31,670
Legal and other professional fees	6,350	5,201	5,630	5,179
Printing and stationery	10,338	10,332	4,293	3,755
Rates and insurance	10,769	8,970	10,685	8,878
Repairs, maintenance and up-keeps	16,380	15,583	11,031	8,060
Salaries and related staff cost	160,684	152,292	151,535	138,085
Subscription	1,131	1,016	1,131	658
Vehicle running expenses	6,346	7,591	4,175	4,809
	309,627	316,757	268,617	263,950

Depreciation represents depreciation on property, plant and equipment used for administrative purposes.

Other professional fees represent tax consultancy and accounting support services rendered to the company during the year.

9.1 Depreciation, amortisation and cost of inventories included in the statement of profit or loss

	Group		Company	
	2021	2020	2021	2020
Included in cost of sales:	₦'000	₦'000	₦'000	₦'000
Costs of inventories recognised as an expense	362,889	383,322	242,993	279,028
Depreciation (Note 7)	182,451	210,076	138,718	166,520
Included in administrative expenses:				
Depreciation and amortisation (Note 9)	12,676	8,381	9,602	5,839

9.2 General expenses

	Group 2021 ₦'000	Group 2020 ₦'000	Company 2021 ₦'000	Company 2020 ₦'000
Communication	6,171	4,736	6,171	4,539
Entertainment	6,347	6,967	724	533
Fuel	1,456	632	643	579
Other expenses	24,859	33,934	19,544	26,019
	38,833	46,269	27,082	31,670

Other expenses include cost of uniforms, annual general meeting expenses and other miscellaneous expenses.

10 Credit loss expense

The table below shows the ECL charges and reversal on financial instruments for the year recorded in the income statement:

2021	Group Stage 1 Collective ₦'000	Group Simplified Model ₦'000	Group Total ₦'000	Company Stage 1 Collective ₦'000	Company Simplified Model ₦'000	Company Total ₦'000
Trade receivables	-	(44,185)	(44,185)	-	(46,459)	(46,459)
Related party receivables	-	32,940	32,940	-	32,940	32,940
Staff loan	4	-	4	4	-	4
	4	(11,245)	(11,241)	4	(13,519)	(13,515)

2020	Group Stage 1 Collective ₦'000	Group Simplified Model ₦'000	Group Total ₦'000	Company Stage 1 Collective ₦'000	Company Simplified Model ₦'000	Company Total ₦'000
Trade receivables	-	41,683	41,683	-	28,116	28,116
Related party receivables	-	33,866	33,866	-	33,866	33,866
Staff loan	(2)	-	(2)	(2)	-	(2)
	(2)	75,549	75,547	(2)	61,982	61,980

11 Other operating income

	Group 2021 ₦'000	Group 2020 ₦'000	Company 2021 ₦'000	Company 2020 ₦'000
Sales of waste	18,138	1,486	17,520	-
Profit on disposal of asset	3	399	-	-
Other income	-	18	-	17
	18,141	1,903	17,520	17

Sales of waste represents scrap materials sold. Other income includes production overhead recovery.

12 Finance cost

	Group 2021 ₦'000	Group 2020 ₦'000	Company 2021 ₦'000	Company 2020 ₦'000
Interest on bank overdraft & other facilities	148,654	108,168	130,472	90,036
Interest on commercial notes	3,966	3,977	3,966	3,977
	152,620	112,145	134,438	94,013

See Note 19.2 (iv) with respect to finance lease facility.

13 Employee benefits expense

	Group 2021 ₦'000	Group 2020 ₦'000	Company 2021 ₦'000	Company 2020 ₦'000
Included in cost of sales:				
Salaries and related staff cost	111,951	136,029	89,388	109,129
Included in selling and distribution expenses:				
Salaries and related staff cost	18,130	22,361	16,181	19,586
Included in cost of administrative expenses:				
Salaries and related staff cost	160,684	152,292	151,535	138,085
Total employee benefits expense	290,765	310,682	257,104	266,800

14 (Loss)/profit before taxation

(Loss)/profit before taxation is stated after charging:

	Group 2021 ₦'000	Group 2020 ₦'000	Company 2021 ₦'000	Company 2020 ₦'000
Depreciation of property, plant and equipment (Note 7 and 9)	194,997	218,327	148,190	172,229
Amortisation of intangible assets (Note 9)	130	130	130	130
Directors' emoluments (Note 9)	12,213	22,031	11,480	20,745
Auditor's remuneration (Note 9)	10,500	10,500	9,000	9,000
Personnel expenses (Note 13)	290,765	310,682	257,104	266,800
Other income (Note 11)	(18,141)	(1,903)	(17,520)	(17)

Personnel expenses represents salaries and related staff costs which include allowances, overtime, staff support cost and gratuity.

Other income represents income on government grant, sales of scrap materials and bank commission received.

15 Taxation

15.1 Current income tax:

	Group 2021 ₦'000	Group 2020 ₦'000	Company 2021 ₦'000	Company 2020 ₦'000
Current income tax charge	573	27,302	-	26,100
Education tax	76	5,463	-	5,463
Minimum tax	3,674	-	3,674	-
	4,323	32,765	3,674	31,563
Deferred tax credit	(102,819)	(38,786)	(90,238)	(12,160)
Income tax (credit)/expense	(98,496)	(6,021)	(86,564)	19,403

	Group 2021 ₦'000	Group 2020 ₦'000	Company 2021 ₦'000	Company 2020 ₦'000
Deferred tax on OCI				
Deferred tax on actuarial loss	(1,206)	(5,665)	(1,357)	(5,665)

15.1 Current income tax - Continued

Reconciliation of effective tax rate

Reconciliation between tax expense and the product of accounting profit multiplied by Academy Press Plc domestic tax rate for the year ended 31 March 2021 and 2020 is as follows:

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Accounting (loss)/profit before tax	(303,948)	(53,966)	(254,790)	17,550
Statutory income tax @ 30%	(91,184)	(16,190)	(76,437)	5,265
Education tax @ 2% of assessable profit	76	5,463	-	5,463
Non Deductible expenses	(11,062)	3,504	(10,127)	8,675
Impact of minimum tax rule	3,674	1,202	3,674	-
Income tax (credit)/expense reported in the profit or loss	(98,496)	(6,021)	(86,564)	19,403
Effective tax rate	32%	11%	34%	111%

15.2 Reconciliation of current tax liabilities

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
At 1 April	305,779	283,526	287,009	264,574
Charge for the year	4,323	32,765	3,674	31,563
Payments in the year	(37,532)	(10,512)	(37,532)	(9,128)
At 31 March	272,570	305,779	253,151	287,009

15.3 Reconciliation of Deferred tax asset and (liabilities)

Deferred tax asset

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
At 1 April	258,580	214,129	180,476	162,651
Credit for the year	102,819	38,786	90,238	12,160
Recognised in other comprehensive income	1,206	5,665	1,357	5,665
At 31 March	362,605	258,580	272,071	180,476

15.4 Deferred tax reconciliation - Statement of financial position

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Property, plant and equipment	243,033	261,484	140,342	148,186
Unutilised capital allowances	(524,613)	(484,040)	(361,953)	(323,356)
Trade and other receivables	(51,017)	(7,161)	(43,174)	-
Unrealised exchange loss	(5,984)	(4,996)	(5,984)	(5,306)
Intangible assets	55	-	55	-
Employee benefit obligation	(1,693)	(338)	(1,357)	-
Unutilised tax losses	(22,386)	(23,529)	-	-
	(362,605)	(258,580)	(272,071)	(180,476)

15.5 Deferred tax reconciliation - Statement of profit or loss and other comprehensive income

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Property, plant and equipment	(18,451)	46,237	(7,844)	47,762
Unutilised capital allowances	(40,573)	(58,312)	(38,597)	(42,624)
Trade and other receivables	(43,856)	(25,796)	(43,174)	(21,158)
Unrealised exchange loss	(988)	4,170	(678)	3,860
Intangible assets	55	-	55	-
Employee benefit obligation	(1,355)	(5,665)	(1,357)	(5,665)
Unutilised tax losses	1,143	(5,085)	-	-
Deferred tax credit for the year	(104,025)	(44,451)	(91,595)	(17,825)

16 Loss per Share

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Weighted average number of ordinary shares for basic/diluted loss per share	604,800	604,800	604,800	604,800
Loss attributable to ordinary equity holders	(191,248)	(21,892)	(168,226)	(1,853)
Basic/diluted loss per share (naira)	(0.316)	(0.036)	(0.278)	(0.003)

17 Property, plant and equipment (Group)

	Leasehold Land	Building & Improvement	Plant and Machinery	Furniture & Fittings	Motor Vehicles	Tools & Spares	Asset under Construction	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Costs								
At 1 April, 2019	87,099	269,122	3,507,437	66,221	78,485	22,677	350	4,031,391
Addition	-	-	30,162	5,148	-	2,806	23,368	61,484
Disposal	-	-	(1,702)	-	(3,820)	-	-	(5,522)
At 31 March, 2020	87,099	269,122	3,535,897	71,369	74,665	25,483	23,718	4,087,353
Addition	-	-	85,700	26,616	56,916	1,736	-	170,968
Disposal	-	-	(242)	(3,150)	(41,070)	-	-	(44,462)
Transfer	-	-	-	-	-	-	(23,368)	(23,368)
At 31 March, 2021	87,099	269,122	3,621,355	94,835	90,511	27,219	350	4,190,491
Depreciation								
At 1 April, 2019	9,554	42,323	2,585,036	60,032	74,922	19,048	-	2,790,915
Charge for the year	317	3,467	208,529	2,997	1,470	1,547	-	218,327
Disposal	-	-	(1,460)	-	(3,820)	-	-	(5,280)
At 31 March, 2020	9,871	45,790	2,792,105	63,029	72,572	20,595	-	3,003,962
Charge for the year	317	3,467	180,571	2,512	6,250	1,880	-	194,997
Disposal	-	-	(14)	(630)	(41,070)	-	-	(41,714)
At 31 March, 2021	10,188	49,257	2,972,662	64,911	37,752	22,475	-	3,157,245
Carrying amount								
At 31 March, 2021	76,911	219,865	648,693	29,924	52,759	4,744	350	1,033,246
At 31 March, 2020	77,228	223,332	743,792	8,340	2,093	4,888	23,718	1,083,391

Transfer represents reclassification from asset under construction to inventories as a result of the reassessment of use in the books of the subsidiary, APSPSL.

17 Property, plant and equipment (Company)

	Leasehold Land	Building	Plant and Machinery	Furniture & Fittings	Motor Vehicles	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Costs						
At 1 April, 2019	33,474	102,042	3,039,996	53,401	72,144	3,301,057
Addition	-	-	29,920	5,148	-	35,068
Disposal	-	-	-	-	(3,820)	(3,820)
At 31 March, 2020	33,474	102,042	3,069,916	58,549	68,324	3,332,305
Addition	-	-	85,700	25,506	48,999	160,205
Disposal	-	-	-	(3,150)	(41,070)	(44,220)
At 31 March, 2021	33,474	102,042	3,155,616	80,905	76,253	3,448,290
Depreciation						
At 1 April, 2019	9,554	21,180	2,412,730	48,813	70,201	2,562,478
Charge for the year	317	1,881	166,520	2,608	903	172,229
Disposal	-	-	-	-	(3,820)	(3,820)
At 31 March, 2020	9,871	23,061	2,579,250	51,421	67,284	2,730,887
Charge for the year	317	1,881	138,718	2,026	5,248	148,190
Disposal	-	-	-	(630)	(41,070)	(41,700)
At 31 March, 2021	10,188	24,942	2,717,968	52,817	31,462	2,837,377
Carrying amount						
At 31 March, 2021	23,286	77,100	437,648	28,088	44,791	610,913
At 31 March, 2020	23,603	78,981	490,666	7,128	1,040	601,418

There are no restrictions on title to the items of property, plant and equipment. The Group and the Company has not pledged any item of property, plant and equipment as security for liabilities in the year ended 31 March 2021 (2020:Nil).

18 Intangible assets

	Group		Company	
	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Costs				
At 1 April	2,773	2,773	2,773	2,773
Addition	-	-	-	-
At 31 March	2,773	2,773	2,773	2,773
Amortisation				
At 1 April	2,460	2,330	2,460	2,330
Charge for the year	130	130	130	130
At 31 March	2,590	2,460	2,590	2,460
Carrying amount				
At 31 March	183	313	183	313

19 Financial assets and financial liabilities

19.1 Financial assets

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Debt instruments at amortised cost				
Cash and bank balances (Note 23)	3,656	2,648	2,814	1,420
Trade and other receivables (Note 22)	432,090	694,186	562,320	789,238
Total financial assets	435,746	696,834	565,134	790,658

Trade and other receivables include trade receivables, receivables from related parties, staff loans and allowance for expected credit losses.

19.2 Financial liabilities

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Current interest bearing loans and borrowings	85,220	103,089	1,053	5,727
Non-current interest loans and borrowings	723,407	719,656	538,607	504,056
Other financial liabilities (Note 25)	335,168	346,580	308,799	319,082
	1,143,795	1,169,325	848,459	828,865

Other financial liabilities includes trade payables and due to related parties.

Interest bearing loans and borrowings

		Group		Company	
		2021	2020	2021	2020
Unsecured borrowings at amortised cost	*Ref.*	₦'000	₦'000	₦'000	₦'000
Commercial Notes					
Bank overdraft		6,020	10,689	1,053	5,727
Enterprise Development Company Ltd	i.	30,000	30,000	30,000	30,000
Secured borrowings at amortised cost					
Hambleside International Limited	ii.	424,230	365,837	424,230	365,837
Union Bank of Nigeria Plc	iii.	264,000	308,000	-	-
Sterling Assets Management and Trustees Ltd	iv.	84,377	108,219	84,377	108,219
		808,627	822,745	539,660	509,783
Current portion		85,220	103,089	1,053	5,727
Non-current portion		723,407	719,656	538,607	504,056

Refer to Note 19.4 for changes in financial liabilities arising from financing activities and for movements in interest bearing loans and borrowings.

19.2 Financial liabilities - Continued

	Ref.	Interest Rate	Maturity	Group 2021	Group 2020
				₦'000	₦'000
Bank Overdraft				6,020	10,689
Other borrowing/lenders commercial notes:					
Enterprise Development Group Ltd	i.	13%	Undated	30,000	30,000
Hambleside International	ii.	5%	Dec-24	424,230	365,837
Union Bank of Nigeria Plc	iii.	7% & 10%	4 years	264,000	308,000
Sterling Assets Management and Trustees Ltd	iv.	25%	Dec-23	84,377	108,219
				808,627	822,745

	Ref.	Interest Rate	Maturity	Company 2021	Company 2020
				₦'000	₦'000
Bank Overdraft				1,053	5,727
Other borrowing/lenders commercial notes:					
Enterprise Development	i.	13%	Undated	30,000	30,000
Hambleside International	ii.	5%	Dec-24	424,230	365,837
Sterling Assets Management and Trustees Ltd	iv.	25%	Dec-23	84,377	108,219
				539,660	509,783

i. Enterprise Development Group Ltd

The commercial note facility of N30,000,000 was obtained from a related party - Enterprise Development Company Nigeria Limited towards enhancement of the Company's working capital with no definite repayment date. The facility was granted at an interest rate of 13% per annum. Either party is required to give 90 days notice of intention to terminate.

ii. Hambleside International Limited

In September 2016, Hambleside International Limited proposed the conversion of the Company's exposure on bills to Medium Term Liability (MTL) on new terms and conditions. Upon conversion, it stood at N616,000,000 after a waiver of GBP107,796 was granted at an interest rate of 5% per annum, while the repayment period is 42 equal monthly instalments, commencing from October 2016. In 2020, the loan was reviewed. The Company reached an agreement to further extend the loan for another 5 years beginning January 2020 with the same interest rate. Repayment for the Group on a monthly basis will be USD35,000 with the Company's portion to be USD21,500.

iii. Union Bank of Nigeria Plc

This represents a facility that was restructured in 2019 to pay a total sum of N350,000,000 over a period of 4 years.

iv. Sterling Assets Management and Trustees Ltd (SAMTL)

This represents a facility in which the Company will pay N10,000,000 in post-dated cheques in 10 equal installments and the interest due per the rate agreed. The loan was disbursed into the bank statement of the Company on 12 March 2020 and is with respect to an agreement between Academy Press Specialised Print Services Limited (APSPSL) and SAMTL for the repayment of loan given to APSPSL for the acquisition of plant and equipment. APSPSL negotiated and agreed on the price with the vendor before contacting SAMTL for a loan to complete payment.

19.3 Financial instruments risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, due from related parties, staff loans and cash and bank balances that derive directly from its operations.

The group is exposed to market risk, credit risk and liquidity risk. The group's senior management oversees the management of these risks. The group's risk management is governed by the Board, through the Board Financial, Risk and Audit committee. The board of directors reviews and agrees policies for managing each of these risks, which are summarised below.

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 types 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: current loans and borrowings and deposits.

Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries. Management has set up a policy requiring the Group to manage their foreign currency risk against their functional currency. The Group is required to manage its entire foreign currency risk exposure with the Group finance. To manage their foreign currency risk arising from future commercial transactions and recognized assets and liabilities, companies in the Group ensure that significant transaction are contracted in the Group's functional currency. Foreign currency risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the group's functional currency. The group is mostly affected by changes in USD and British Pounds rates than any other foreign currency.

The table below shows the sensitivity analysis of the Group's profit before tax based on changes in exchange rates:

Group and Company		Effect on profit before tax:	
		Naira strengthening	Naira weakening
		₦'000	₦'000
31 March 2021			
USD Dollar	10%	54,737	(54,737)
British Pounds	10%	(224)	224
31 March 2020			
USD Dollar	5%	25,716	(25,716)
British Pounds	5%	(31)	31

A weakening of the Naira against the above currencies at reporting date would have had the equal opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

19.3 Financial instruments risk management objectives and policies - Continued

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group'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. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Group's maximum exposure to credit risk for the components of the statement of financial position is its carrying amount.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 23. The Group does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Deposits with banks and other financial institutions

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Surplus funds are spread amongst reputable commercial banks and funds must be within treasury limits assigned to each of the counterparty. Counterparty treasury limits are reviewed by the Group's Financial Controller periodically and may be updated throughout the year subject to approval of the Financial Controller. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty's failure. The Group's maximum exposure to credit risk for the components of the statement of financial position is its carrying amount.

19.3 Financial instruments risk management objectives and policies - Continued

i Impairment of financial assets

Trade receivables

For trade receivables, the Group applied the simplified approach in computing ECL. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses (ECL). The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables as at 31 March 2021 and 2020 using a provision matrix:

TRADE RECEIVABLES FROM CUSTOMERS

Group

31 March 2021				Trade receivables Days past due				
	Current	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	>120 days	Credit impaired	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	7.19%	11.50%	12.12%	12.46%	15.39%	26.45%	100.00%	
Estimated total gross carrying amount at default	113,880	17,624	17,536	70,845	3,626	122,379	53,880	399,770
Expected credit loss	8,188	2,027	2,125	8,824	558	32,374	53,880	107,976

31 March 2020				Trade receivables Days past due				
	Current	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	>120 days	Credit impaired	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	1.01%	6.40%	18.63%	22.25%	24.91%	31.53%	100.00%	
Estimated total gross carrying amount at default	368,572	16,000	36	9,518	154,624	-	106,773	655,523
Expected credit loss	3,726	1,025	7	2,118	38,512	-	106,773	152,161

19.3 i Financial instruments risk management objectives and policies - Continued

Impairment of financial assets - Continued

Company

31 March 2021

	Trade receivables Days past due							
	Current	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	>120 days	Credit impaired	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	4.50%	5.83%	6.98%	8.93%	12.53%	26.07%	100.00%	
Estimated total gross carrying amount at default	113,880	17,624	17,536	24,792	3,626	122,379	33,676	333,513
Expected credit loss	5,123	1,027	1,225	2,213	454	31,900	33,676	75,618

31 March 2020

	Trade receivables Days past due							
	Current	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	>120 days	Credit impaired	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	1.01%	6.40%	18.63%	18.63%	18.63%	31.53%	100.00%	
Estimated total gross carrying amount at default	368,572	16,000	36	9,518	99,736	-	96,959	590,821
Expected credit loss	3,726	1,025	7	1,773	18,587	-	96,959	122,077

TRADE RECEIVABLES FROM RELATED PARTIES

GROUP

31 March 2021

	Trade receivables from related parties Days past due							
	Current	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	>120 days	Credit impaired	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	12.34%	12.34%	12.34%	67.31%	67.31%	67.31%	100.00%	
Estimated total gross carrying amount at default	-	20,987	101,386	35,733	-	-	29,133	187,239
Expected credit loss	-	2,591	12,514	24,053	-	-	29,133	68,291

19.3 Financial instruments risk management objectives and policies - Continued

i Impairment of financial assets - Continued

GROUP

31 March 2020

	Current	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	>120 days	Credit impaired	Total
	Trade receivables from related parties - Days past due							
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	1.99%	1.99%	1.99%	1.99%	14.02%	100.00%	100.00%	
Estimated total gross carrying amount at default	97,381	2,675	-	-	109,512	-	-	209,568
Expected credit loss	1,940	53	-	-	33,358	-	-	35,351

Company

31 March 2021

	Current	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	>120 days	Credit impaired	Total
	Trade receivables from related parties - Days past due							
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	12.34%	12.34%	12.34%	12.34%	12.34%	36.06%	100.00%	
Estimated total gross carrying amount at default	-	20,987	101,386	53,701	149,277	-	29,133	354,484
Expected credit loss	-	2,591	12,514	6,629	17,424	-	29,133	68,291

31 March 2020

	Current	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	>120 days	Credit impaired	Total
	Trade receivables from related parties - Days past due							
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	1.99%	1.99%	1.99%	1.99%	1.99%	100.00%	100.00%	
Estimated total gross carrying amount at default	168,248	2,675	-	-	141,229	-	29,133	341,285
Expected credit loss	3,351	53	-	-	2,814	-	29,133	35,351

19.3 Financial instruments risk management objectives and policies - Continued

ii *Expected credit loss measurement - Staff loans*

The Group applied the general approach in computing expected credit losses (ECL) for staff loans. The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.
ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The 12-month and Lifetime PDs are derived by mapping the internal rating grade of the obligors to the PD term structure of an external rating agency for all asset classes. The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type. The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs, etc. – are monitored and reviewed on a regular basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period. The significant changes in the balances of the other financial assets including information about their impairment allowance are disclosed below respectively.
The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. The reconciliation of these balances are as stated above.

iii Analysis of inputs to the ECL model under multiple economic scenarios

An overview of the approach to estimating ECLs is set out in Note 2.3l Summary of significant accounting policies and in Note 3 Significant accounting judgements, estimates and assumptions. To ensure completeness and accuracy, the Company obtains the data used from third party sources (Central Bank of Nigeria, Standards and Poor's etc.) and a team of expert within its credit risk department verifies the accuracy of inputs to the Company's ECL models including determining the weights attributable to the multiple scenarios.

The following tables outline the impact of multiple scenarios on the allowance:

	Group	Company
31 March 2021	Staff loans	Staff loans
	₦'000	₦'000
Upside (10%)	1	1
Base (80%)	8	8
Downside (10%)	1	1
Total	10	10
31 March 2020	Staff loans	Staff loans
	₦'000	₦'000
Upside (11%)	1	-
Base (80%)	5	3
Downside (9%)	-	1
Total	6	4

19.3 Financial instruments risk management objectives and policies - Continued

Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

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 Company's policy is that not more than 25% of borrowings should mature in the next 12-month period. Approximately 10% of the Company's debt will mature in less than one year at 31 March 2021 (2020: 10%) based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

Financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Group

Year ended 31 March 2021	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Contractual cash flows
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Interest-bearing loans and borrowings	808,627	6,020	4,346	78,576	865,418	-	954,360
Trade and other payables	335,168	-	-	335,168	-	-	335,168
	1,143,795	6,020	4,346	413,744	865,418	-	1,289,528

Trade and other payables are non-interest bearing and includes trade payables and amount due to related parties.

Year ended 31 March 2020	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Contractual cash flows
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Interest-bearing loans and borrowings	822,745	10,689	54,864	82,811	780,961	-	929,325
Trade and other payables	346,580	-	-	346,580	-	-	346,580
	1,169,325	10,689	54,864	429,391	780,961	-	1,275,905

Trade and other payables are non-interest bearing and includes amount due to related parties.

19.3 Financial instruments risk management objectives and policies - Continued

Financial liabilities - Continued

Company

Year ended 31 March 2021	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Contractual cash flows
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Interest-bearing loans and borrowings	539,660	1,053	4,346	-	601,418	-	606,817
Trade and other payables	308,799	-	-	308,799	-	-	308,799
	848,459	1,053	4,346	308,799	601,418	-	915,616

Trade and other payables are non-interest bearing and includes amount due to related parties.

Year ended 31 March 2020	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Contractual cash flows
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Interest-bearing loans and borrowings	509,783	5,727	2,864	2,231	575,541	-	586,363
Trade and other payables	319,082	-	-	319,082	-	-	319,082
	828,865	5,727	2,864	321,313	575,541	-	905,445

Trade and other payables are non-interest bearing and includes amount due to related parties.

19.4 Changes in liabilities arising from financing activities

Group	1 April 2020	Additional loan	Interest expense	Loan repayment	Bank overdraft	Interest paid	Exchange difference	31 March 2021
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Interest bearing loans and borrowings	822,745	34,551	152,620	(44,000)	(4,669)	(165,456)	12,836	808,627
Total liabilities from financing activities	822,745	34,551	152,620	(44,000)	(4,669)	(165,456)	12,836	808,627

Group	1 April 2019	Additional loan	Interest expense	Loan repayment	Bank overdraft	Interest paid	Exchange difference	31 March 2020
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Interest bearing loans and borrowings	730,355	114,390	112,145	(22,000)	-	(121,686)	9,541	822,745
Total liabilities from financing activities	730,355	114,390	112,145	(22,000)	-	(121,686)	9,541	822,745

19.4 Changes in liabilities arising from financing activities - Continued

Company	1 April 2020	Additional loan	Interest expense	Loan repayment	Bank overdraft	Interest paid	Exchange difference	31 March 2021
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Interest bearing loans and borrowings	509,783	34,551	134,438	-	(4,674)	(147,274)	12,836	539,660
Total liabilities from financing activities	509,783	34,551	134,438	-	(4,674)	(147,274)	12,836	539,660

Company	1 April 2019	Additional loan	Interest expense	Loan repayment	Bank overdraft	Interest paid	Exchange difference	31 March 2020
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Interest bearing loans and borrowings	395,393	114,390	94,013	-	-	(104,588)	10,575	509,783
Total liabilities from financing activities	395,393	114,390	94,013	-	-	(104,588)	10,575	509,783

19.5 Capital management

For the purpose of the Group's capital management, capital includes issued capital, share premium and retained earnings attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio between 50% and 70%. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and bank balances.

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Interest-bearing loans and borrowings (Note 19.2)	808,627	822,745	539,660	509,783
Trade and other payables (Note 25)	1,138,560	1,223,129	680,829	691,655
Less: cash and short term deposit (Note 23)	(3,656)	(2,648)	(2,814)	(1,420)
Net debt	1,943,531	2,043,226	1,217,675	1,200,018
Total Capital: Equity	145,283	339,473	254,554	425,945
Capital and net debt	2,088,814	2,382,699	1,472,229	1,625,963
Gearing ratio	93.04%	85.75%	82.71%	73.80%

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 2020.

20 Investment in subsidiaries

	Group		Company	
	2021	2020	2021	2020
	₦ 000	₦ 000	₦ 000	₦ 000
Investment in Academy Press Specialised Print Services Limited	-	-	44,500	44,500
Investment in Lithotec Limited	-	-	5,050	5,050
Impairment of investment in subsidiary	-	-	(49,550)	(49,550)
	-	-	-	-

Investment in subsidiary has been fully impaired.

21 Inventories

	Group		Company	
	2021	2020	2021	2020
	₦ 000	₦ 000	₦ 000	₦ 000
Paper	99,325	99,392	70,005	60,374
Bindery and lithographic materials	36,709	55,801	22,104	41,289
Ink and chemicals	46,104	59,455	21,942	32,970
Work-in-progress	920	12,100	920	12,100
Machinery spare part	144,725	144,049	122,180	123,537
Consumables	4,235	3,442	3,257	2,623
Goods-in-transit	30,871	9,083	2,585	6,135
	362,889	383,322	242,993	279,028
Inventory write-down	(77,093)	(69,131)	(73,169)	(67,169)
	285,796	314,191	169,824	211,859

22 Trade and other receivables

	Group		Company	
	2021	2020	2021	2020
	₦ 000	₦ 000	₦ 000	₦ 000
Financial assets				
Trade receivables	399,770	655,523	333,513	590,821
Due from related parties	187,239	209,568	354,484	341,285
Staff loans	21,358	16,613	18,242	14,566
	608,367	881,704	706,239	946,672
Allowance for expected credit losses	(176,277)	(187,518)	(143,919)	(157,434)
	432,090	694,186	562,320	789,238
Non-financial assets				
Advances and prepayments	38,947	48,674	37,162	42,748
Other receivables	122,315	215,722	108,195	117,637
	593,352	958,582	707,677	949,623

22 Trade receivables and other receivables - Continued

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Other receivables relate to withholding tax receivables as regards the entity's invoices to their customers.

The staff loans represent interest free loans given to members of staff of Academy Press Plc. The loans repayments are usually monthly or quarterly; depending on the agreement with individual members of staff. The loans are carried at amortised cost using the effective interest method and are tested for impairment for uncollectability.

The staff loans stated at the fair value of interest free loans given to staff of Academy Press Plc. These are amortised annually and recognised in profit or loss as interest expense. They are also disclosed as part of the employee benefit for the period. The terms are:

•The fair value (i.e. present value of the future cash flow) of the loan was determined using the market interest rate or the Central prime lending rate.

• A monthly deduction is made from payroll over the tenor of the loan.

•Terms of repayment are agreed with any staff that is existing in the business but have outstanding loan receivables.

22.1 Allowance for expected credit losses
Trade receivables
An analysis of changes in the aggregate ECL allowances on trade receivables is as follows:

	Group		Company	
	2021	2020	2021	2020
ECL allowance on trade receivables:	₦'000	₦'000	₦'000	₦'000
As at 1 April	152,161	110,478	122,077	93,961
Provision for expected credit losses	(44,185)	41,683	(46,459)	28,116
As at 31 March	107,976	152,161	75,618	122,077

Receivables from related parties
An analysis of changes in the gross carrying amount and the aggregate ECL allowances on receivables from related parties is as follows:

	Group		Company	
	2021	2020	2021	2020
Gross carrying amount for related parties:	₦'000	₦'000	₦'000	₦'000
As at 1 April	209,568	110,064	341,285	241,211
New assets originated or purchased	36,383	173,016	36,383	173,016
Assets derecognised or repaid (excluding write offs)	(58,712)	(73,512)	(23,184)	(72,942)
As at 31 March	187,239	209,568	354,484	341,285

22 Trade receivables and Other receivables - Continued

22.1 Allowance for expected credit losses - Continued

	Group		Company	
	2021	2020	2021	2020
ECL allowance on related parties:	₦'000	₦'000	₦'000	₦'000
As at 1 April	35,351	1,485	35,351	1,485
Provision for expected credit losses	32,940	33,866	32,940	33,866
As at 31 March	68,291	35,351	68,291	35,351

Other financial assets - Staff loan

An analysis of changes in the gross carrying amount and the aggregate ECL allowances on staff loan is as follows:

	Group		Company	
	2021	2020	2021	2020
Gross carrying amount for staff loan:	₦'000	₦'000	₦'000	₦'000
As at 1 April	16,613	18,143	14,566	17,797
New assets originated or purchased	6,169	3,046	4,669	3,046
Assets derecognised or repaid (excluding write offs)	(1,424)	(4,576)	(993)	(6,277)
As at 31 March	21,358	16,613	18,242	14,566

	Group		Company	
	2021	2020	2021	2020
ECL allowance on staff loan:	₦'000	₦'000	₦'000	₦'000
As at 1 April	6	8	4	6
Provision for expected credit losses	4	-	4	-
Unused amount reversed	-	(2)	-	(2)
As at 31 March	10	6	10	4

23 Cash and cash equivalents

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Cash on hand	286	636	212	562
Cash at bank	3,370	2,012	2,602	858
Cash and bank balances	3,656	2,648	2,814	1,420

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following at 31 March:

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Cash and bank balance	3,656	2,648	2,814	1,420
Bank overdraft (Note 19.2)	(6,020)	(10,689)	(1,053)	(5,727)
Cash and cash equivalents	(2,364)	(8,041)	1,761	(4,307)

24 Contract liabilities

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Deposit by customers	21,336	25,362	18,046	18,701
	21,336	25,362	18,046	18,701

Deposit by customers

This represents advances received from customers in respect of projects that have not been carried out. This is a non-interest bearing liability.

Contract liabilities consists of advance payments from customers. Movements in contract liabilities for the year ended are as follows:

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
As at 1 April	25,362	22,085	18,701	18,825
Advance payments received from customers	1,746	3,277	1,746	-
Revenue recognized in the period from:				
Advance payments applied to current period	(5,772)	-	(2,401)	(124)
As at 31 March	21,336	25,362	18,046	18,701

25 Trade and other payables

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Financial liabilities				
Trade payable	319,623	330,593	297,470	309,764
Due to related parties	15,545	15,987	11,329	9,318
	335,168	346,580	308,799	319,082
Non-financial liabilities				
Other creditors and accruals (Note 25.2)	617,581	645,101	274,567	301,799
Other payables (Note 25.1)	185,811	231,448	97,463	70,774
	1,138,560	1,223,129	680,829	691,655

25.1 Other payables

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Withholding tax payable	28,442	25,803	28,442	25,803
Value added tax	108,663	174,425	35,464	27,648
Housing fund	6,408	6,595	5,688	6,088
Pension	42,298	24,625	27,869	11,235
	185,811	231,448	97,463	70,774

26.2 Other creditors and accruals

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Professional fees	102,796	104,239	95,519	85,744
Directors' fee	13,032	12,486	11,772	11,376
Sales discount and refund	33,344	22,977	25,279	17,377
AP cooperative society	27,880	18,533	27,352	18,005
Industrial training fund	13,475	10,695	7,917	5,434
IPP electricity	24,514	24,514	24,514	24,514
Hambleside	223,718	158,181	-	-
General	178,822	293,476	82,214	139,349
	617,581	645,101	274,567	301,799

General consists of sundry accruals such as accrued discount, secretariat fee and Nigeria Social Insurance Trust Fund.

26 Employee benefit obligation

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Defined benefit obligation	(139,044)	(142,805)	(129,469)	(133,325)
Fair value of plan assets	112,229	121,360	112,229	121,360
Net employee defined benefit obligation	(26,815)	(21,445)	(17,240)	(11,965)
31 March	(26,815)	(21,445)	(17,240)	(11,965)
Non-current	(26,815)	(21,445)	(17,240)	(11,965)
Current	-	-	-	-
	(26,815)	(21,445)	(17,240)	(11,965)

26.1 Employee benefit obligation

The employee benefit scheme closed future benefit accrual and converted to defined contribution arrangement as at 30 August 2016. Hence, the liabilities are calculated as the gratuity benefits members are entitled to as at 30 August 2016 rolled up with returns to the valuation date. Consequently, there has been no current service cost or similar charges since the closure.

Group
2021 changes in the defined benefit obligation and fair value of plan assets

		Employee benefit cost charged to profit or loss			Re-measurement gains/(losses) in other comprehensive income				
	1-Apr-20	Net Interest	Sub-total included in profit or loss	Contributions by employer	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in economic assumptions	Sub-total included in OCI	Benefits paid	31-Mar-21
Gratuity Plan	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000
Defined benefit obligation	(142,805)	(8,839)	(8,839)	-	-	7,613	7,613	4,987	(139,044)
Fair value of plan assets	121,360	7,489	7,489	-	-	(11,633)	(11,633)	(4,987)	112,229
Benefit liability	(21,445)	(1,350)	(1,350)	-	-	(4,020)	(4,020)	-	(26,815)

26.1 Employee benefit obligation - Continued

Group
2020 changes in the defined benefit obligation and fair value of plan assets

		Employee benefit cost charged to profit or loss			Re-measurement gains/(losses) in other comprehensive income				
	1-Apr-19	Net Interest	Sub-total included in profit or loss	Contributions by employer	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in economic assumptions	Sub-total included in OCI	Benefits paid	31-Mar-20
Gratuity Plan	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000
Defined benefit obligation	(145,822)	(21,114)	(21,114)	-	-	21,714	21,714	2,417	(142,805)
Fair value of plan assets	142,321	20,620	20,620	-	-	(39,411)	(39,411)	(2,170)	121,360
Benefit (liability)/asset	(3,501)	(494)	(494)	-	-	(17,697)	(17,697)	247	(21,445)

26.1 Employee benefit obligation - Continued
Company

2021 changes in the defined benefit obligation and fair value of plan assets

		Employee benefit cost charged to profit or loss			Re-measurement gains/(losses) in other comprehensive income				
	1-Apr-20	Net Interest	Sub-total included in profit or loss	Contributions by employer	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in economic assumptions	Sub-total included in OCI	Benefits paid	31-Mar-21
Gratuity Plan	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000
Defined benefit obligation	(133,325)	(8,242)	(8,242)	-	-	7,111	7,111	4,987	(129,469)
Fair value of plan assets	121,360	7,489	7,489	-	-	(11,633)	(11,633)	(4,987)	112,229
Benefit liability	(11,965)	(753)	(753)	-	-	(4,522)	(4,522)	-	(17,240)

26.1 Employee benefit obligation - Continued

Company
2020 changes in the defined benefit obligation and fair value of plan assets

		Employee benefit cost charged to profit or loss		Re-measurement gains/(losses) in other comprehensive income					
	1-Apr-19	Net Interest	Sub-total included in profit or loss	Contributions by employer	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in economic assumptions	Sub-total included in OCI	Benefits paid	31-Mar-20
Gratuity Plan	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000	₦ 000
Defined benefit obligation	(136,284)	(19,739)	(19,739)	-	-	20,528	20,528	2,170	(133,325)
Fair value of plan assets	142,321	20,620	20,620	-	-	(39,411)	(39,411)	(2,170)	121,360
Benefit asset/(liability)	6,037	881	881	-	-	(18,883)	(18,883)	-	(11,965)

26.2 Employee benefits assumptions

The principal assumptions used in determining gratuity plan benefit obligations for the Group's plan are shown below:

	Gratuity plan 2021	Gratuity plan 2020
Average long term discount rate (per annum)	5.9%	6.3%
Average benefit increase (per annum)	1%	1%

Withdrawal from service (Age band):	Annual rate of Withdrawal	Annual rate of Retirement
18-29	4.5%	0.0%
30-44	6.0%	0.0%
45-49	0.0%	2.5%
50-59	0.0%	2.0%
60	0.0%	100.0%

Employee benefits plan

A quantitative sensitivity analysis for significant assumption as at 31 March 2021 is as shown below:

Assumptions	Discount rate		Future salary increases	
	1%	1%	1%	1%
Sensitivity Level	Increase	Decrease	Increase	Decrease
	₦'000	₦'000	₦'000	₦'000
Impact on the net defined benefit obligation	(558)	558	4,025	(4,025)

A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below:

Assumptions	Discount rate		Future salary increases	
	1%	1%	1%	1%
Sensitivity Level	Increase	Decrease	Increase	Decrease
	₦'000	₦'000	₦'000	₦'000
Impact on the net defined benefit obligation	(552)	552	3,985	(3,985)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Note: Inflation rate has no significant changes that would affect the defined benefit obligation.

The following is the benefits payments for members leaving the company using the rates stated below:

Years of service	Gratuity benefit
0 – 4 years	Nil
5 – 9 years	1 month basic salary for each completed year of service
10 years	12 months basic salary
11 years	13 months basic salary
12 years	14 months basic salary
13 years	15 months basic salary
14 years	16 months basic salary
15 – 35 years	1 month total salary for each completed year of service

26.3 Plan assets

The fair values of each major class of plan assets are as follows:

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Equity investment	43,296	47,296	43,296	47,296
Bank deposit	2,329	2,340	2,329	2,340
Corporate debtors	66,604	71,724	66,604	71,724
	112,229	121,360	112,229	121,360

Corporate debtors represent a portion of plan assets issued to West African Book Publishers Limited as loan.

27 Share Capital

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
604,800,000 (2020: 604,800,000) Issued and fully paid share capital at N0.05K each	302,400	302,400	302,400	302,400

28 Retained earnings

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
At 1 April	12,562	77,158	99,034	144,345
Loss for the year	(191,248)	(21,892)	(168,226)	(1,853)
Other comprehensive loss; net of tax	(2,942)	(12,464)	(3,165)	(13,218)
Dividend paid (Note 29)	-	(30,240)	-	(30,240)
At 31 March	(181,628)	12,562	(72,357)	99,034

29 Distributions made and proposed

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
Cash dividends on ordinary shares declared and paid:				
Final dividend for 2019 paid in 2020 (at N0.05k per share)	-	30,240	-	30,240

The directors have not recommended payment of dividend for the year ended 31 March 2021 (2020: Nil).

30 Non-Controlling Interest

	Group		Company	
	2021	2020	2021	2020
	₦'000	₦'000	₦'000	₦'000
At 1 April	(120,279)	(94,658)	-	-
Loss for the year	(14,204)	(26,053)	-	-
Other comprehensive income; net of tax	128	432	-	-
At 31 March	(134,355)	(120,279)	-	-

30.1 Material partly owned subsidiary

Financial information of subsidiary that have material non-controlling interest is provided below;

Proportion of equity interests held by non-controlling interests

Name	Country of incorporation	2021	2020
Academy Press Specialised Printing Services Limited (APSPSL)	Nigeria	34.84%	34.84%

	2021	2020
	₦'000	₦'000
Accumulated balances of material non-controlling interests		
Academy Press Specialised Printing Services Limited	(134,355)	(120,279)
Loss allocated to material non-controlling interest		
Academy Press Specialised Printing Services Limited	(14,204)	(26,053)

The summarised financial information of this subsidiary is provided below. This information is based on amount before intercompany eliminations.

Summarised statement of profit or loss	APSPSL 2021	APSPSL 2020
	₦'000	₦'000
Revenue from contract with customer	228,198	237,777
Costs of sales	(209,089)	(223,898)
Selling expenses	(1,949)	(2,775)
Administrative expenses	(50,512)	(66,374)
Finance cost	(18,182)	(18,132)
Other income	612	1,886
Loss before taxation	(50,922)	(71,516)
Income tax expense	11,932	25,424
Loss for the year	(38,990)	(46,092)
Other comprehensive income; net of tax	351	1,186
Total comprehensive income	(38,639)	(44,906)
Attributable to;		
Non-controlling interest	(14,076)	(25,621)

Summarised statement of financial position as at 31 March	APSPSL 2021	APSPSL 2020
	₦'000	₦'000
Inventories, cash and bank balances and other current assets	233,959	296,681
Property, plant and equipment and other non-current asset	403,653	463,296
Trade and other payables	(594,391)	(634,118)
Interest bearing loans and borrowings	(264,000)	(308,000)
Total equity	(220,779)	(182,141)
Attributable to;		
Equity holders of parent	(86,424)	(61,862)
Non-controlling interest	(134,355)	(120,279)

Summarised statement of cash flows	APSPSL 2021	APSPSL 2020
	₦'000	₦'000
Operating	78,821	(548)
Investing	(10,763)	(2,407)
Financing	(68,451)	(13,236)
	(393)	(16,191)

31 Related Companies

Group	Nature of Transaction	2021 Balance receivables ₦'000	2021 Balance payables ₦'000	2020 Balance receivables ₦'000	2020 Balance payables ₦'000
Lithotec Limited	Payments to Suppliers	11,239	-	8,084	-
Edcon	Interest Repayment on Commercial paper	-	(8,749)	-	(6,548)
Richware	Interest Repayment on Commercial paper	-	(2,836)	-	(2,770)
APBF	Payments to Suppliers	6,101	(3,960)	2,299	(6,669)
WABP	Payments for printing jobs	169,899	-	199,185	-
		187,239	(15,545)	209,568	(15,987)
Impairment allowance		(68,291)	-	(35,351)	-
		118,948	(15,545)	174,217	(15,987)

Company	Nature of Transaction	2021 ₦'000 Balance receivables	2021 ₦'000 Balance payables	2020 ₦'000 Balance receivables	2020 ₦'000 Balance payables
APSPSL	Payments to Suppliers	146,830	-	107,500	-
Lithotec Limited	Payments to Suppliers	32,288	-	29,133	-
Edcon	Interest Repayment on Commercial paper	-	(8,493)	-	(6,548)
Richware	Interest Repayment on Commercial paper	-	(2,836)	-	(2,770)
WABP	Payments for printing jobs	175,366	-	204,652	-
		354,484	(11,329)	341,285	(9,318)
Impairment allowance		(68,291)	-	(35,351)	-
		286,193	(11,329)	305,934	(9,318)

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Below are related party transactions during the year:

Company	2021 ₦'000 Sales	2021 ₦'000 Expenses	2020 ₦'000 Sales	2020 ₦'000 Expenses
APSPSL	-	-	13,766	3,948
WABP	209,299	113,349	217,194	94,594
	209,299	113,349	230,960	98,542

32 Information relating to employees and the Directors during the year

	Group 2021 ₦'000	Group 2020 ₦'000	Company 2021 ₦'000	Company 2020 ₦'000
32.1 Directors				
Short term benefits				
Fees	3,312	3,312	2,862	2,862
Post - employment benefits	1,818	2,793	1,818	2,793
Sitting allowance	7,083	15,926	6,800	15,090
	12,213	22,031	11,480	20,745

32 Information relating to employees and the Directors during the year - Continued

Fees and other emoluments paid to:

The chairman	1,830	2,460	1,830	2,460
Other directors	10,383	19,571	9,650	18,285
	----------	-----------	----------	----------
	12,213	22,031	11,480	20,745
	======	=====	======	=====

32.2 Emoluments of Directors and their number within the specified range are as follows:-

			Group		Company	
			2021	2020	2021	2020
₦		₦	Number	Number	Number	Number
Below		1,000,000	3	3	3	3
1,000,001	-	2,500,000	5	6	4	5
2,500,001	-	7,500,000	5	5	1	1
Above		7,500,000	1	1	1	1
			----------	----------	----------	----------
			14	15	9	10
			=====	=====	=====	=====

With effect from 1 January, 2010, all Directors who are staff of the Company are not entitled to remuneration.

	Group		Company	
	2021	2020	2021	2020
32.3 Employee benefits	₦'000	₦'000	₦'000	₦'000
Salaries and wages	271,908	285,150	240,543	246,211
Post - employment benefits	18,857	25,532	16,561	20,589
	-------------	-------------	-------------	-------------
	290,765	310,682	257,104	266,800
	======	======	======	======

32.4 The average number of persons employed by Academy Press Plc during the year is as follows:

	2021	2020
	Number	Number
Managerial and senior staff	8	5
Junior staff	27	1
	---	------
	35	6
	==	===

32.5 The number of employees excluding Directors in receipt of emoluments including allowances and pension contributions within the following ranges were:

		2021	2020
₦	₦	Number	Number
<2,000,000		215	211
2,000,000 - 3,000,000		4	5
		-------	-------
		219	216
		====	====

33 Commitments and contingencies

There were no known commitments and contingencies as at 31 March 2021 (2020: Nil). The directors are of the opinion that all known liabilities and commitments have been taken into consideration in the preparation of these financial statements.

34 Events after reporting period

The overall risk to operations in the year under review (year ended 31 March 2021)

Covid 19 has subjected businesses, the country and the entire world to so many uncertainties. The need to do a continuous assessment of the impact of the pandemic on the Group's operation for decision making is imperative.

So many opinions and permutations are being offered daily by experts and authorities alike. Most of them have been useful but the element of bias and sentiments cannot be ruled out. Management review and assessment is therefore purely based on the assumptions that are peculiar to Academy Press Plc.

Funding and liquidity

The group's low performance in the year under review as it relates to Books and Booklets is as a result of delay in the re-opening of the Education Sector. However, a large part of the revenue has been deferred till subsequent year, which Management believes that the effect shall be felt before the end of second quarter of the current financial year (year ended 31 March 2022).

Balance sheet analysis

Inventories/Property, plant and equipment (PPE)

All Inventories of the Group and the Company are still in good shape since they are non-perishable items, coupled with property,plant and equipment, except for depreciation being charged on the continuous usage of the equipment.

Going concern

The group recorded a net loss of N205 million for the year ended 31 March 2021 (2020: N48 million) while the Company recorded a net loss of N168 million (2020: N1.8 million) and as at that date, the Group has net current liabilities of N613 million (2020:N357 million), while the company has net current liabilities of N55 million (2020: net current assets of N178 million), also the Group has net assets of N11 million (2020: N219million) while the company has net assets of N254 million (2020: N425 million). Subsequent to the period end, the Group and the Company have the following plans and initiatives to mitigate the indicators of Going Concern:

i. The Group and Company are considering diversification to light packaging business which will stabilize over a period of 3 years and is expected to be a major contributor to the Group and company’s revenue and profitability in the nearest future

ii. The Company is experiencing growth in revenue in the first quarter 2022 financial year which is expected to continue subsequently

iii. There are other strategic steps on intense marketing, increasing business in Flexo printing and acquisition of more valuable printing machines to enhance printing and boost sales.

iv. The Group and Company have also made well- structured arrangement towards ensuring that long term and current interest bearing loans and borrowings are totally liquidated based on agreement without defaulting at any time.

Trade and other receivables

Expected credit loss

The company and its subsidiaries have performed analysis and reviewed the receivables and the impact the COVID-19 pandemic would have on the receivables.

Management has concluded however that the amount recognized in the financial statements do not require further adjustment but will continue to monitor the situation as new information becomes available.

Client default

Subsequent to 31 March 2021, none of the Group and Company's customers have indicated their inability to continue with the existing contracts, following the continued spread of the pandemic. Hence, the receivables from customers are still recoverable

Interest-bearing loans and borrowings

The group and the Company has discussed with loan providers for the purpose of managing the performance of the loans while measures are put in place so that obligations are met as and when due.

ACADEMY PRESS PLC
VALUE ADDED STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

	Group			
	31-Mar-21		31-Mar-20	
	N 000		N 000	
Revenue	1,677,934		2,439,612	
Bought in materials and services – Local	(1,361,511)		(1,854,197)	
	316,423		585,415	
Other operating income	18,141		1,903	
Value added	334,564		587,318	
Applied as follows:				
		%		%
To employees:				
- as salaries and labour related expenses	290,765	87%	310,682	53%
To providers of capital:				
- as interest	152,620	46%	112,145	19%
To Government:				
- as group taxes	4,323	1%	32,765	6%
Retained for Growth & Expansion:				
- for assets replacement (depreciation)	194,997	58%	218,327	37%
- Amortisation	130	0%	130	0%
- Deferred taxation	(102,819)	-31%	(38,786)	-7%
- Loss for the period	(205,452)	-61%	(47,945)	-8%
	334,564	100%	587,318	100%

	Company			
	31-Mar-21		31-Mar-20	
	N 000		N 000	
Revenue	1,449,735		2,201,835	
Bought in materials and services – Local	(1,182,183)		(1,651,130)	
	267,552		550,705	
Other operating income	17,520		17	
Value added	285,072		550,722	
Applied as follows:				
		%		%
To employees:				
- as salaries and labour related expenses	257,104	90%	266,800	48%
To providers of capital:				
- as interest	134,438	47%	94,013	17%
To government:				
- as group taxes	3,674	1%	31,563	6%
Retained for growth & expansion:				
- for assets replacement (depreciation)	148,190	52%	172,229	31%
- Amortisation	130	0%	130	0%
- Deferred taxation	(90,238)	18%	(12,160)	-2%
- Loss for the period	(168,226)	-59%	(1,853)	0%
	285,072	149%	550,722	100%

The value added represents the additional wealth which the Group and Company has been able to create by its own and employees efforts.

This statement shows the allocation of the wealth among employees, government, capital providers and that retained in the business for expansion and future creation of more wealth.

ACADEMY PRESS PLC
FIVE YEAR FINANCIAL SUMMARY

Group

Non-current assets	2021	2020	2019	2018	2017
	₦'000	₦'000	₦'000	₦'000	₦'000
Property, plant and equipment	1,033,246	1,083,391	1,240,475	1,482,004	1,806,019
Intangible assets	183	313	443	657	903
Deferred taxation assets	362,605	258,580	214,129	144,927	-
Employee benefit assets	-	-	-	19,375	-
Net current liabilities	(613,548)	(356,627)	(499,384)	(739,531)	(684,590)
	782,486	985,657	955,663	907,432	1,122,332
Deferred taxation liabilities	-	-	-	(24,732)	-
Interest bearing loans and advances	(723,407)	(719,656)	(620,666)	(574,126)	(820,126)
Contract liabilities	(21,336)	(25,362)	(22,085)	-	-
Retirement benefit obligation	(26,815)	(21,445)	(3,501)	-	(31,294)
Government grant	-	-	-	-	(45,774)
Net assets	10,928	219,194	309,411	308,574	225,138
Share capital	302,400	302,400	302,400	302,400	302,400
Share premium	24,511	24,511	24,511	24,511	24,511
Retained earning	(181,628)	12,562	77,158	41,344	(81,011)
Attributable to equity holders of the parent	145,283	339,473	404,069	368,255	245,900
Non-controlling interest	(134,355)	(120,279)	(94,658)	(59,681)	(20,762)
Total shareholders' equity	10,928	219,194	309,411	308,574	225,138
Revenue	1,677,934	2,439,612	2,432,783	2,177,587	2,117,452
(Loss)/profit before tax	(303,948)	(53,966)	1,323	(10,273)	(387,459)
Taxation	98,496	6,021	33,370	73,911	(125,266)
(Loss)/profit after tax	(205,452)	(47,945)	34,693	63,638	(512,725)
Non-controlling interest	(14,204)	(26,053)	(25,828)	(38,487)	(31,770)
(Loss)/profit attributable to members	(191,248)	(21,892)	60,521	102,125	(480,955)
Naira per share:					
Basic (loss)/earnings per share	(0.316)	(0.036)	0.100	0.170	(0.800)
Diluted (loss)/earnings per share	(0.316)	(0.036)	0.100	0.170	(0.800)

Note:

Basic earnings, dividend, and net assets per share for the five years have been calculated on the basis of ordinary shares of 50kobo each in issue at the end of the respective years.

ACADEMY PRESS PLC
FIVE YEAR FINANCIAL SUMMARY

Company

Non-current assets	2021	2020	2019	2018	2017
	₦'000	₦'000	₦'000	₦'000	₦'000
Property, plant and equipment	610,913	601,418	738,579	938,545	1,220,347
Intangible assets	183	313	443	657	903
Deferred taxation assets	272,071	180,476	162,651	145,435	-
Employee benefit assets	-	-	6,037	37,701	-
Investment in subsidiary	-	-	-	-	-
Net current (liabilities)/assets	(54,720)	178,460	(27,963)	(75,108)	(81,799)
	828,447	960,667	879,747	1,047,230	1,139,451
Interest bearing loans and advances	(538,607)	(504,056)	(389,666)	(574,125)	(820,126)
Contract liabilities	(18,046)	(18,701)	(18,825)	-	-
Retirement benefit obligation	(17,240)	(11,965)	-	-	(13,077)
Government grant	-	-	-	-	(45,774)
Net assets	254,554	425,945	471,256	473,105	260,474
Share capital	302,400	302,400	302,400	302,400	302,400
Share premium	24,511	24,511	24,511	24,511	24,511
Retained earning	(72,357)	99,034	144,345	146,193	(66,437)
Total shareholders' equity	254,554	425,945	471,256	473,105	260,474
Revenue	1,449,735	2,201,835	2,037,092	1,892,738	1,842,636
(Loss)/profit before taxation	(254,790)	17,550	73,640	95,374	(353,426)
Taxation	86,564	(19,403)	(42,191)	98,643	(133,665)
(Loss)/profit after taxation	(168,226)	(1,853)	31,449	194,017	(487,091)
Naira per share:					
Basic (loss)/earnings per share	(0.278)	(0.003)	0.500	0.320	(0.810)
Diluted (loss)/earnings per share	(0.278)	(0.003)	0.500	0.170	(0.810)

Note:
Basic earnings, dividend, and net assets per share for the five years have been calculated on the basis of ordinary shares of 50kobo each in issue at the end of the respective years.