



ARBICO PLC
UNAUDITED FINANCIAL STATEMENT
FOR PERIOD ENDED 30 SEPTEMBER, 2022

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Result at a Glance:

	THE GROUP		THE COMPANY	
	2021 SEP N '000	2020 SEP N '000	2021 SEP N '000	2020 SEP N '000
Revenue	3,705,284	3,916,349	3,627,687	3,825,775
Profit/Loss Before Tax	(422,957)	(436,263)	66,351	174,801
Earnings per share	(3.02)	(2.90)	0.26	1.18

BY ORDER OF THE BOARD



COMPANY SECRETARY
FRC/2013/NBA/00000000001615

20 October, 2022

ARBICO PLC								
AUDITED CONSOLIDATED & SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME								
FOR THE PERIOD ENDED 30 JUNE 2022								
	THE GROUP				THE COMPANY			
	9 MONTHS JAN-SEP 2022 N'000	3 MONTHS JUL-SEP 2022 N'000	9 MONTHS JAN-SEP 2021 N'000	3 MONTHS JUL-SEP 2021 N'000	9 MONTHS JAN-SEP 2022 N'000	3 MONTHS JUL-SEP 2022 N'000	9 MONTHS JAN-SEP 2021 N'000	3 MONTHS JUL-SEP 2021 N'000
Revenue	9,774,796	4,241,770	3,697,369	1,699,519	9,381,248	4,032,167	3,697,369	1,777,117
Cost of Sales	(9,002,190)	(5,165,263)	(2,960,059)	(1,427,748)	(8,594,116)	(4,762,877)	(2,666,773)	(1,402,127)
Gross Profit	772,606	(923,493)	737,310	271,771	787,133	(730,710)	1,030,596	374,990
Other Operating Income	8,037	4,509	81,242	(2,157)	7,921	4,499	82,617	(782)
Administrative Expenses	(707,784)	(351,669)	(695,862)	(235,601)	(651,074)	(340,065)	(565,015)	(254,006)
Expected Credit loss	-	-	-	-	-	-	-	-
Operating (loss)/profit	72,859	(1,270,653)	122,690	34,013	143,980	(1,066,276)	548,197	120,201
Finance income	-	-	-	-	-	-	-	-
(Loss)/profit before income taxation	72,859	(1,270,653)	122,690	34,013	143,980	(1,066,276)	548,197	120,201
Income Tax Expenses	-	-	-	-	-	-	(30,010)	-
(Loss)/profit For The Period	72,859	(1,270,653)	122,690	34,013	143,980	(1,066,276)	578,207	120,201
Other comprehensive income (loss)/inc	-	-	-	-	-	-	-	-
Total Comprehensive (loss)/Income	72,859	(1,270,653)	122,690	34,013	143,980	(1,066,276)	578,207	120,201
attributable to:								
Equity holders of parent	73,570		126,945	(1,198,649)	-	-	-	-
Non Controlling Interest	(711)	1,292	(4,255)	(1,606)				
Basic/diluted (loss)/earnings per share								
attributable to								
Ordinary equity holders of the parent	0.50	(5.85)	0.85	5.89	0.97	(4.49)	3.69	8.66

ARBICO PLC							
AUDITED CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION							
AS AT 30 SEPTEMBER 2022							
	THE GROUP			THE COMPANY			
	9 MONTHS JAN-SEP 2022 N'000	3 MONTHS JUL-SEP 2022 N'000	JAN-DEC 2021	9 MONTHS JAN- SEP 2022 N'000	3 MONTHS JUL- SEP 2022 N'000	JAN-DEC 2021	
ASSETS							
NON - CURRENT ASSETS							
Property Plant and Equipment	1,579,986	29,597	1,473,334	1,457,348	1,421,250	1,350,124	
Intangible Assets	4,070	(394)	5,288	4,070	1,651	5,649	
Deferred Tax Asset	1,261,958	-	546,621	1,262	546,621	546,621	
Investment in Subsidiary				27,104	27,104	27,104	
TOTAL NON CURRENT ASSETS	2,846,013	29,203	2,025,243	2,750,479	29,202	1,929,498	
CURRENT ASSETS	14,852,733	614,029	9,182,889	14,643,238	1,000,905	8,894,339	
TOTAL CURRENT ASSETS	14,852,733	614,029	9,182,889	14,643,238	1,000,905	8,894,339	
TOTAL ASSETS	17,698,746	643,232	11,208,132	16,363,609	1,030,107	10,823,837	
LIABILITIES							
NON - CURRENT LIABILITIES							
Share Deposit	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	
TOTAL NON CURRENT LIABILITY	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	
CURRENT LIABILITIES	16,365,775	1,514,635	8,999,136	15,177,286	1,696,755	7,802,503	
TOTAL CURRENT LIABILITY	16,365,775	1,514,635	8,999,136	15,177,286	1,696,755	7,802,503	
TOTAL LIABILITY	18,315,775	3,464,635	10,949,136	17,127,286	3,646,755	9,752,503	
EQUITY							
Share Capital	74,250	74,250	74,250	74,250	74,250	74,250	
Share Premium	141,184	141,184	141,184	141,184	141,184	141,184	
Retained Earnings	(2,021,030)	(873,549)	(1,140,640)	(475,890)	(1,398,969)	(337,633)	
Reserve Surplus	1,193,534	1,193,534	1,193,534	1,193,534	1,193,534	1,193,534	
Non Controlling Interest	(4,966)	2,145	(9,331)	-	-	-	
TOTAL EQUITY	(617,028)	537,564	258,996	933,078	9,999	1,071,335	
TOTAL EQUITY AND LIABILITY	17,698,747	4,002,199	11,208,132	18,060,364	3,656,754	10,823,838	

Approved by the Board on:
20 October, 2022



Alkimos Makaronidis
Director
FRC/2019/IODN/000000019977



Oluyemi Akinfenwa
Financial Controller
FRC/2012/ICAN/000000000449



Eyo Asuquo
Director
FRC/2017/CIBN/00000000016193

	Group						Company					
	Issued Capital	Share Premium	Asset Revaluation surplus	Accumulated Losses	Non controlling interest	Total	Issued Capital	Share Premium	Asset Revaluation surplus	Accumulated Losses	Total	
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
As at 1 January 2022	74,250	141,184	(1,193,534)	(2,090,408)	(8,447)	(3,076,955)	74,250	141,184	(1,193,534)	(1,286,517)	(2,264,617)	
Profit/(Loss) for the year/Changes			1,193,534	(2,021,030)	(4,966)	(832,463)			1,193,534	(1,142,537)	50,996	
Other comprehensive income												
Total comprehensive income	74,250	141,184	(0)	(4,111,438)	(13,413)	(3,909,418)	74,250	141,184	(0)	(2,429,054)	(2,213,621)	
At 31 December 2022	74,250	141,184	(0)	(4,111,438)	(13,413)	(3,909,418)	74,250	141,184	(0)	(2,429,054)	(2,213,621)	
0												
	Group						Company					
	Issued Capital	Share Premium	Asset Revaluation surplus	Accumulated Losses	Non controlling interest	Total	Issued Capital	Share Premium	Asset Revaluation surplus	Accumulated Losses	Total	
For the period Ended June 2022	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
As at 1 January 2021	74,250	141,184		(1,376,804)	7,670	1,169,040	74,250	141,184		(660,521)	(445,087)	
Profit/(Loss) for the year/Changes			1,193,534	(448,090)	(4,921)	740,523			1,193,534	39,111	1,232,645	
Other comprehensive income												
Total comprehensive income			1,193,534	(448,090)	(4,921)	740,523	-	-	1,193,534	39,111	1,232,645	
At 31 December 2021	74,250	141,184	1,193,534	(1,824,894)	(12,591)	(428,517)	74,250	141,184	1,193,534	(621,410)	787,558	

	THE GROUP				THE COMPANY		
	2022 SEPT N'000	2021 SEPT N'000	2021 DEC N'000		2022 SEPT N'000	2021 SEPT N'000	2021 DEC N'000
Operating activities							
(Loss)/profit before tax	72,859	122,690	234,504		143,980	548,197	122,888
Adjustments to reconcile (loss)/profit before tax to net cash flows				-			525,593
Depreciation of Property, plant and equipment	193,857	2,529,898	342,452		193,875	2,460,032	320,238
Amortisation of intangible assets	1,579		1,892		1,579		1,892
Net unrealized foreign exchange (gain)/loss			(29,046)			(51)	(29,046)
Profit on disposal of PPE			(56)				19
Finance Income		(20)					
Impairment of receivables			151,043				
Expected credit loss - contract assets							
Expected credit loss - countercompany receivables							
contract asset recognised in revenue							
contract liability recognized in revenue							
	195,436	2,529,878	466,285	-	195,454	2,459,981	293,103
Working capital adjustments							
Increase in trade and other receivables	(556,073)	1,056,685	2,592,355		(52,860)	1,278,943	2,908,272
(Increase)/decrease in prepayments	(55,290)	(600,586)	103,444		64,217	(608,119)	102,356
Increase in inventories	(894,338)	(288,279)	(665,967)		679,701	(180,024)	(330,328)
Increase in contract asset	(5,668,246)	(2,301,995)	(4,325,945)		5,278,151	(2,243,062)	(4,313,397)
increase/(decrease) trade and other payables	3,793,273	308,675	(2,109,674)		4,028,193	(223,890)	(2,460,697)
increase/(decrease) in advance from customers	4,372,913	1,883,936	4,755,811		4,527,596	1,641,123	4,537,258
Advance payment in fixed deposit (restricted)							
Incomed tax paid							
Cash flows from/(used in) operating activities	1,260,534	58,436	350,024	-	14,524,999	(335,029)	443,464
Net cash flows from/(used in) operating activities							
Investing activities							
Purchase of PPE	(239,582)	-333,310	(129,963)		(239,582)	(355,174)	(92,496)
Finance Income	1,329		(2,444)		1,329		(2,804)
Proceed from sale of PPE	-		-				
Purchase of Intangible assets		6,865	56			6,504	(19)
Increase in other investment							1
Advance payment in fixed deposit (restricted)			-				
Financing activities movement	(837,070)	1,027,756	180,682		(1,174,194)	987,471	32,808
Net cash flows used in investing activities	(1,075,323)	701,311	48,331	-	(1,412,447)	638,801	(62,510)
Net increase/(decrease) in cash and cash equivalents	185,211	3,289,625	864,640	-	643,530	2,763,753	674,057
Net foreign exchange difference	-	-	29,046	-	-	-	29,046
Cash and cash equivalents at the beginning of the year	725,403	409,668	444,595		648,625	322,376	356,207
Cash and cash equivalents at the end of the year	910,614	3,699,293	1,338,281	-	1,292,155	3,086,129	1,059,310

ARBICO PLC

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate information

Arbico Plc is a company incorporated on 18 June 1958 in Nigeria and commenced business thereafter. The company's shares were quoted on the Stock Exchange on November 30, 1978. Its principal activities comprise construction and civil engineering as well as investment in and operation of infrastructure. The registered office is located at Plot D Block 7 Industrial Crescent Ilupeju, Lagos.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the provisions of the Financial Reporting Council of Nigeria Act, No. 6 2011, the provision of the Companies and Allied Matters Act, CAP 20 and the Laws of the Federation of Nigeria 2004 as applicable. The financial statements have been prepared on a historical cost basis, except for land and buildings that have been measured at fair value.

The financial statements are presented in Naira and all values are rounded to the nearest thousand (N'000), except when otherwise indicated.

3. Revenue

Construction contracts

The company principally operates fixed price contracts however sometimes the contract cost are varied due to additional works, If the outcome of such a contract can be reliably measured, revenue associated with the construction contract is recognized by reference to the stage of completion of the contract activity at year end (output method e.g. Surveys of Work completed to date) or obligations satisfied. In accordance with IFRS 15 revenue is recognized:

The outcome of a construction contract can be estimated reliably when:

- (i) The contract obligation has been performed.
- (ii) The work done can be accurately estimated or surveyed.
- (iii) The company's performance does not create an asset with an alternative use to the entity and the company has an enforceable right to payment for performance completed to date

When the work done does not satisfy these conditions the contract cost to date is held as a current asset (recoverable cost).

In applying output method, revenue recognized corresponds to the total contract revenue (as defined below) multiplied by the actual completion rate based on survey of work done. Contract revenue not yet billed are recognized and consequently held as contract assets in current assets

Contract revenue — Contract revenue corresponds to the initial amount of revenue agreed in the contract and any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue; and they are capable of being reliably measured.

Contract costs — Contract costs include costs that relate directly to the specific contract and costs that are attributable to contract activity in general and can be allocated to the contract. Costs that relate directly to a specific contract comprise; site labor costs (including site supervision); costs of materials used in construction; costs of design, cost of depreciation on plant and machinery and technical assistance that is directly related to the contract.

The company contracts are typically negotiated for the construction of a single asset or a group of assets which are closely interrelated or interdependent in terms of their design, technology and function. In certain circumstances, the percentage of completion method is applied to the separately identifiable components of a single contract or to a group of contracts together in order to reflect the substance of a contract or a group of contracts.

Assets covered by a single contract are treated separately when:

- (a) The separate proposals have been submitted for each asset
- (b) Each asset has been subject to separate negotiation and the contractor and customer have been able to accept or reject that part of the contract relating to each asset
- (c) The costs and revenues of each asset can be identified

Contract cost for which their obligations have not been expressly stated or cannot be reliably measured are held as recoverable cost under current assets

A group of contracts are treated as a single construction contract when:

- (a) the group of contracts is negotiated as a single package;
- (b) the contracts are so closely interrelated that they are, in effect, part of a single project with an overall profit margin
- (c) the contracts are performed concurrently or in a continuous sequence

The three criteria must be met before combination can occur.

3. Revenue

	THE GROUP		THE COMPANY	
	2021 SEP N '000	2020 SEP N '000	2021 SEP N '000	2020 SEP N '000
Revenue	3,705,284	3,916,349	3,627,687	3,825,775
Profit/Loss Before Tax	(422,957)	(436,263)	66,351	174,801
Earnings per share	(3.02)	(2.90)	0.26	1.18

4. Other Income:

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	SEP	SEP	SEP	SEP
	N'000	N'000	N'000	N'000
Claims on Insurance	-	11,406	-	11,406
Other Income	87,628	64,293	87,628	64,293
Finance Income	-	2,657	-	2,657
	87,628	78,356	87,628	78,356

5. Staff cost & Employees Benefit

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	SEP	SEP	SEP	SEP
	N'000	N'000	N'000	N'000
Salaries&Wages	204,926	315,364	128,832	211,505
Staff Welfare	6,311	6,353	6,302	6,353
Staff Medical	16,502	15,013	16,503	14,585
Labour	28,376		19,353	
	256,115	336,730	170,990	232,443

6. Plant Property & Equipment

There are no restrictions on title to the items of property, plant and equipment. The Company has not pledged any item of property, plant and equipment as security for liabilities. The fair value of the company's buildings is in line with the carrying amount. However, revaluation of the buildings is done at management discretion.

Property, plant and equipment						
THE GROUP	Land and building N'000	Plant, tool and equipment N'000	Motor Vehicles N'000	Office furniture and equipment N'000	IT Infrastructure N'000	Total N'000
Cost :						
At 1 January 2021	836,612	2,332,129	477,384	8,142	56,937	3,711,204
Additions during the year	339,704	27,499			14,353	381,556
Disposals during the year			-18,126			(18,126)
At 30 September 2021	1,176,316	2,359,628	495,510	8,142	71,290	4,074,634
Dupreciation:						
At 1 January 2021	152,912	1,647,513	394,895	4,314	43,258	2,242,892
Charge for the year	15,179	245,156	27,007	1,321	7,883	296,546
Disposals for the year	12,097		12,499			24,596
At 30 September 2021	155,994	1,892,669	409,403	5,635	51,141	2,514,842
Carrying value:						
At 30 September 2021	1,020,322	466,959	86,107	2,507	20,149	1,559,792
THE COMPANY	Land and building N'000	Plant, tool and equipment N'000	Motor Vehicles N'000	Office furniture and equipment N'000	IT Infrastructure N'000	Total N'000
Cost :						
At 1 January 2021	836,612	2,143,085	477,384	5,041	56,937	3,519,060
Additions during the year	339,704	27,499	-	0	13,992	381,195
Disposals during the year			(18,126)			(18,126)
At 30 September 2021	1,176,316	2,170,584	495,510	5,041	70,930	3,882,129
Dupreciation:						
At 1 January 2021	152,912	1,623,703	394,895	3,024	42,929	2,217,463
Charge for the year	15,179	201,240	27,006	727	7,956	252,108
Disposals for the year	(12,097)		(12,499)			-24,596
At 30 September 2021	155,994	1,824,943	409,402	3,751	50,885.29	2,444,975
Carrying value:						
At 30 September 2021	1,020,322	345,641	86,108	1,290	20,044	1,437,154

7. Intangible Assets

Intangible assets	GROUP Computer software	COMPANY Computer software
Cost :		
At 1 January 2021	21,613	21,252
Additions during the year	-5,344	-4,983
At 30 September 2021	16,269	16,269
Amortisation		
At 1 January 2019	13,245	13,245
Charge for the year	1,521	1,521
At 30 September 2021	14,766	14,766
Carrying value:		
At 30 September 2021	1,503	1,503

8. Trade & Other Receivables

Schedule of Other Receivables				
	THE GROUP		THE COMPANY	
	2021 SEP N'000	2020 SEP N'000	2021 SEP N'000	2020 SEP N'000
Trade Receivables	726,070	4,284,647	1,051,972	4,278,292
Other Receivables	181,759	798,065	181,739	798,065
	907,829	5,082,712	1,233,711	5,076,357

Withholding tax receivable (WHT) represent amount deducted at source by customers from payment to the Company in line the withholding tax law. The customer is expected to remit the amount withheld to the relevant tax authority and obtain withholding tax credit note in the name of Arbico Plc. The WHT credit note can be used to offset future tax liability.

9. Trade & other Payables

	THE GROUP		THE COMPANY	
	2021 SEP N'000	2020 SEP N'000	2021 SEP	2020 SEP N'000
Trade Payables	5,089,849	2,885,529	4,244,451	493,314
Other Payables	3,536,262	889,963	3,003,696	3,876,454
	8,626,111	3,775,492	7,248,147	4,369,768

Other taxes payable include Pay-As-You-Earn (PAYE), value added tax payable and withholding tax payable. Accruals are with respect to job done by sub-contractors for which project certificate/invoices have not been received as agreed milestones have not been reached.

10. Disclosure on Director's Dealing.

There is no directors' dealing of any kind brought to the notice of the company, as the company has put in place and improving on it, the procedures for reporting such if it exists. This disclosure is in line with the requirement of provisions of Rule 17.15 of the issuers' rules 2015.

11. Shareholding Pattern as at September 30, 2021

	Unit	%
Strategic Shareholder	118,750,000	79.97
Director Direct Shareholding	107,360	0.07
Free Float	29,642,640	19.96
PAID UP SHARE CAPITAL	148,500,000	100.00

11.1 Strategic Shareholders

	Unit	%
R28 Limited	103,900,000	69.97
A.O.G Limited	14,850,000	10.00
Elder N.C.U Okoro	107,360	0.07
Nigerians	29,642,640	19.96
PAID UP SHARE CAPITAL	148,500,000	100.00

11.1 Compliance with Free Float

As at the reporting date, the company is fully compliant with the free float requirement. This disclosure is in line with the requirement of provisions of Rule 2.1.1 of the free float rules on self-assessment and self-regulation.