

BUA Foods Plc RC 621320



UNAUDITED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED
31ST MARCH, 2023



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NOTE 1

Statement of Significant Accounting Policies

The following are the significant accounting policies adopted by the company in the preparation of its Financial Statements.

1. Basis of Preparation

These Financial Statements have been prepared in compliance with IAS 34 Interim Financial Reporting and relevant International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (the IASB).

These Financial Statements were prepared under the historical cost convention.

The principal accounting policies applied in the presentation of the Financial Statements are set out below. These policies have been applied to all the periods presented except for the adoption of new accounting policies.

2. Revenue

Revenue is measured at fair value of the consideration received or receivable net of value added tax, excise duties returns, customers discounts and other sales related discounts.

Revenue from the sale of products is recognised in profit or loss when the contract has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance and collectibility has been ascertained as probable. Collectibility of customers payment is ascertained from the customers historical records, guarantees provided, and advance payments made if any.

The five steps recognition process for revenue is listed below:

- identify the contract with a customer
- identify the performance obligation in the contract
- determine the transaction price
- allocate the price to the performance obligation
- recognise revenue

3. Cost of Goods sold

These are the cost of internally produced goods sold. The cost of internally produced goods include directly attributable costs such as the cost of direct materials, direct labour, and energy costs, as well as production overheads, including depreciation of production facilities. The cost of goods sold includes write-downs of inventories where necessary.

Statement of Significant Accounting Policies contd.

4. **Selling and Distribution Expenses**

Comprises the cost of marketing, cost of organising the sales process and distribution.

5. **Foreign Currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the company operate ('the functional currency'). The functional currency and presentation currency of the Company is the Nigerian Naira (=N=).

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from settlement of foreign currency transactions and from the translation of exchange rates of monetary assets and liabilities denominated in currencies other than the Company's functional currency are recognised in the foreign exchange gain or loss in profit or loss.

6. **Financial Instruments**

Financial instruments represent the Company's financial assets and liabilities. Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. These instruments are typically held for liquidity, investment, trading or hedging purposes. All financial instruments are initially recognized at fair value plus directly attributable transaction cost except those carried at fair value through profit or loss where transaction cost are recognized immediately in profit or loss.

Financial instruments are recognized (derecognized) on the date the Company commits to purchase (sell) the instruments (trade date accounting).

Financial assets include trade and other receivables, cash and bank balances and certain other assets. Financial liabilities include term loans, bank overdraft, trade and certain other liabilities. The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Company's has not classified any of its financial assets as held to maturity.

Subsequent measurement

Subsequent to initial measurement, financial instruments are measured either at fair value or amortised cost, depending on their classifications below. The company's accounting policy for each category is as follows:

i. Trade and Other Receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers, but also incorporate other types of contractual monetary assets. They are initially recognized at fair value plus transaction costs that are directly attributable

Statement of Significant Accounting Policies *contd.*

to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty of default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

ii. Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash.

Impairment of Financial Assets carried at Amortised Cost

The Company assesses at each reporting date whether there is objective evidence that trade and other receivables are impaired. Trade and other receivable is impaired if objective evidence indicates that a loss event has occurred after initial recognition and that loss event has a negative effect on the estimated future cash flows of the receivables that can be estimated reliably. Criteria that are used by the Company in determining whether there is objective evidence of impairment include:

- known cash flow difficulties experienced by the customer;
- a breach of contract, such as default or delinquency in repayment for goods and service;
- breach of credit terms or conditions and;
- it is becoming probable that the customer will enter bankruptcy or other financial reorganisation.

Financial liabilities

These include the following items:

i. Bank borrowings

Bank borrowings are initially recognized at fair value, net of any transaction costs incurred. Borrowings are subsequently carried at amortised costs; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

Statement of Significant Accounting Policies *contd.*

General and specific borrowing costs directly attributable to acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the profit or loss in the period in which they are incurred.

ii. Trade payables and other short-term monetary liabilities

These are initially recognized at fair value and subsequently carried at amortised cost using the effective interest method.

Fair value

Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's-length transaction. The best evidence of the fair value of a financial instrument on initial recognition is the transaction price, i.e. the fair value of the consideration paid or received, unless the fair value is evidenced either by comparison with other observable current market transactions in the same instrument, without modification or repackaging or based on valuation techniques such as discounted cash flow models and option pricing models whose variables include only data from observable markets. When such valuation models with only observable market data as inputs or the comparison with other observable current market transactions in the same instrument indicate that the fair value differs from the transaction price, the initial difference will be recognised in the profit or loss immediately. The Company does not have any financial instruments (derivatives, etc.) that warrant such valuation method.

Derecognition of financial instruments

Financial assets are derecognized when the contractual rights to receive cash flows from the financial assets have expired or where the company has transferred its contractual rights to receive cash flows on the financial asset such that it has transferred substantially all the risks and rewards of ownership of the financial asset. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset.

Financial liabilities are derecognized when they are extinguished, i.e. when the obligation is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same party on substantially different terms, or the terms of an existing financial liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, with the difference in the respective carrying amounts being recognized in profit or loss.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right is not contingent on future events and is enforceable in the normal course of business, and in event of default, insolvency or bankruptcy of the Company or counterparty.

Statement of Significant Accounting Policies contd.

7. Retirement Benefits

The Company operates two pension scheme for its employees: Defined Contribution Scheme and Defined Benefit Scheme. The defined pension contribution plan is based on a percentage of pensionable earnings funded through contributions from the Company (10%) and employees (8%). The fund is administered by the Pension Fund's administrators. Contributions to this plan are recognised as an expense in the profit or loss in the periods during which services are rendered by employees.

Defined benefit schemes also referred to as employee end of service gratuities are regarded as post-employment benefits.

8. Current Taxation

The tax for the period comprises current, education and deferred taxes. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is recognised in other comprehensive income or directly in equity, respectively.

9. Deferred Taxation

Deferred tax is recognized where the carrying amount of an asset or liability in the statement of financial position differs from its tax base. Recognition of deferred tax is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilized. The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities / (assets) are settled / (recovered).

10. Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item to the Company and the cost can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance cost are charged to the profit or loss during the financial period in which they are incurred.

Statement of Significant Accounting Policies contd.

Capital work in progress are not depreciated. Depreciation of assets commences when assets are available for use. Depreciation on other assets are calculated using straight line method over their expected useful economic lives as follows:

	Useful life (years)
Land	Not depreciable
Buildings	30 - 50
Plant and Machinery	7 -50
Furniture and Fittings	5
Trucks	5
Computer and Office Equipments	5
Motor vehicles	8
Construction Work in Progress	Nil

These assets residual values and useful lives are reviewed and adjusted if appropriate at end of the reporting year.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the estimated selling price in the ordinary course of business less cost to sell and value in use. Impairment losses and reversal of previously recognised impairment losses are recognised within administrative expenses in profit or loss.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefit are expected from its use or disposal. Gains or losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within other income or other expenses-net in profit or loss.

11. Inventories

Inventories are stated at the lower of cost and net realizable value after providing for any obsolescence and damages determined by the management. Costs are those expenses incurred in bringing each product to its present location and condition which are computed as follows:

- Raw materials, spare parts and consumables: Actual costs include transportation, handling charges and other related costs.
- Work in progress and finished goods: Cost of direct materials, direct labour and other direct cost plus attributable overheads based on standard costing.
- Finished Goods: Direct cost plus all production overheads.

Statement of Significant Accounting Policies contd.

Inventories are initially recognized at cost, and subsequently at the lower of cost and net realizable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated cost to sell.

Allowance is made for excessive, obsolete and slow moving items. Write-downs to net realizable value and inventory losses are expensed in the period in which the write-downs or losses occur.

12. Related Party Disclosures

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include:

- Entities over which the company exercises significant influence.
- Shareholders and key management personnel of the Company
- Close family members of key management personnel
- Post-employment benefit plan which is for the benefit of employees of the company or of any entity that is a related party of the Company.

Key management personnel comprise the Board of Directors and key members of the management having authority and responsibility for planning, directing and controlling the activities of the Company. The Company enters into transactions with related parties on an arm's length basis. Prices for transactions with related parties are determined using the current market price or admissible valuation method.

13. Basic Earnings Per Share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding at the statement of financial position date.

14. Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation and the amount has been reliably estimated.

15. Borrowing Costs Capitalized

Borrowing costs that relate to qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale and which are not measured at fair value, are capitalized. All other borrowing costs are recognized in profit or loss.

Statement of Significant Accounting Policies contd.

16. Right of Use of Asset

Right of use asset are initially measured at cost comprising of the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date, less any lease incentives received.
- any initial direct costs, and
- restoration costs.

The Right of Use and lease liability are presented separately from other non-lease assets and liability in the statement of financial position.

17. Leases

The Company primarily leases building used as offices and warehouse. The lease terms are typically for fixed periods ranging from 1 year to 2 years but may have extension options as described below. On renewal of lease, the terms may be renegotiated.

Contracts may contain both lease and non-lease components. The Company has elected not to separate lease and non-lease components and instead accounts them as a single lease component. Lease terms are negotiated on an individual basis and contain different terms and conditions including extension and termination options. The lease agreement do not impose any covenants; however, leased assets may not be used as security for borrowing purposes.

18. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments has been identified as BUA Foods Plc leadership team which comprises of the Board of Directors and other executive officers.

19. Comparative Figures

Where necessary, comparative figures with notes have been restated to conform to changes in presentation in the current year.

Statement of Profit or Loss and Other Comprehensive Income for Three Months Ended

		Unaudited	Unaudited	Unaudited	Unaudited
		Q1 2023	Q1 2022	Q1 2023	Q1 2022
	Notes	₦'000	₦'000	₦'000	₦'000
		Group	Group	Company	Company
Turnover	1	144,318,353	90,066,980	83,675,976	65,875,778
Cost of Sales	2	87,660,700	61,736,953	51,083,890	48,896,944
Gross Profit		56,657,653	28,330,027	32,592,087	16,978,833
Administrative expenses	4a	2,617,951	1,518,513	2,060,195	1,063,908
Selling & distribution expenses	4b	6,285,143	708,340	3,668,407	708,340
Other income	3	401,952	391,479	391,723	390,735
Operating Profit		48,156,512	26,494,654	27,255,208	15,597,321
Finance Costs		2,129,854	1,655,646	1,338,984	1,574,949
Minimum Tax		81,406.00	-	81,406	-
Profit Before Tax		45,945,252	24,839,008	25,834,818	14,022,373
Income Taxes		5,476,303	1,994,517	5,476,303	1,994,517
Net Profit After Tax		40,468,949	22,844,491	20,358,515	12,027,856
EPS		2.25	1.27	1.13	0.67

Statement of Financial Position as at

	Notes	Unaudited	Audited	Unaudited	Audited
		YTD 31ST MAR 2023	YTD 31ST DEC 2022	YTD 31ST MAR 2023	YTD 31ST DEC 2022
		₦'000	₦'000	₦'000	₦'000
Assets					
Non-Current Assets		Group	Group	Company	Company
Property, Plant and Equipments	5	331,305,873	330,523,752	250,480,476	251,073,929
Right of Use Assets	6	6,020,201	31,165	30,955	31,165
Investment in Subsidiaries		-	-	407,670	407,670
Total Non-Current Assets		337,326,074	330,554,917	250,919,101	251,512,764
Current Assets					
Inventories	7	27,817,278	29,760,594	25,213,263	19,184,468
Trade and other receivables	8	122,083,356	119,325,516	118,564,992	114,988,875
Due from Related Companies		111,051,481	95,420,170	153,670,403	171,396,018
Cash and Short Term Deposits	9	51,352,526	32,163,428	51,312,711	32,111,028
Total Current Assets		312,304,641	276,669,708	348,761,370	337,680,389
Total Assets		649,630,715	607,224,625	599,680,470	589,193,153
Liabilities and Equity					
Equity					
Share Capital	10	9,000,000	9,000,000	9,000,000	9,000,000
Reorganisation and other reserves		(943,228)	(943,228)	391,961	391,961
Retained Earnings		263,373,513	222,904,564	239,127,631	218,769,116
Total Equity		271,430,285	230,961,336	248,519,592	228,161,077
Liabilities					
Non-current liabilities					
Deferred Tax Liabilities		38,496,200	33,776,943	38,496,200	33,776,943
Borrowings		4,046,958	3,475,257	4,046,958	3,475,257
Lease Liabilities		5,025,829	33,558	33,542	33,558
Government Grants		206,665	206,665	206,665	206,665
Deposit for Shares		32,243,723	32,243,723	32,243,723	32,243,723
Total Non-Current Liabilities		80,019,375	69,736,146	75,027,088	69,736,146
Current Liabilities					
Contract Liabilities		31,986,255	47,139,328	31,986,262	47,139,328
Current Income Tax Liabilities		10,742,240	9,903,788	10,742,240	9,903,788
Lease Liabilities		1,473,893	4,193	4,202	4,193
Bank Overdraft	9	970,333	4,490,873	970,333	4,490,873
Borrowings	11	202,406,494	208,195,755	202,406,494	208,195,755
Trade and Other Payables	12	50,553,205	36,744,571	29,975,623	21,513,358
Government Grants		48,635	48,635	48,635	48,635
Total Current Liabilities		298,181,056	306,527,143	276,133,790	291,295,930
Total Liabilities		378,200,430	376,263,289	351,160,878	361,032,076
Total Liabilities and Equity		649,630,715	607,224,625	599,680,470	589,193,153

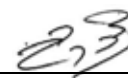
The financial statements and notes on pages 9 to 17 were approved by the Board of Directors on 20th April, 2023 and signed on its behalf by:



Abdul Samad Rabiu CFR, CON
Chairman
FRC/2014/IODN/00000010111



Ayodele Abioye
Managing Director
FRC/2022/PRO/FORM/C07/003/00000023864



Abdulrasheed Olayiwola
Chief Finance Officer
FRC/2014/ICAN/00000010407

Unaudited Statements of Changes in Equity for The Three Months Ended 31st March, 2023

Group	Share Capital	Retained Earnings	Reorganization and Other Reserves	Total Equity
	₦'000	₦'000	₦'000	₦'000
Balance as at 1 January 2023	9,000,000	222,904,564	(943,228)	230,961,336
Profit for the period	-	40,468,949	-	40,468,949
Balance as at 31 March 2023	9,000,000	263,373,513	(943,228)	271,430,285
Balance as at 1 January 2022	9,000,000	192,661,901	(943,228)	200,718,673
Profit for the period	-	22,844,491	-	22,844,491
Balance as at 31 March 2022	9,000,000	215,506,392	(943,228)	223,563,164
Company				
Balance as at 1 January 2023	9,000,000	218,769,116	391,961	228,161,077
Profit for the period	-	20,358,515	-	20,358,515
Balance as at 31 March 2023	9,000,000	239,127,631	391,961	248,519,592
Balance as at 1 January 2022	9,000,000	191,200,843	391,961	200,592,804
Profit for the period	-	12,027,856	-	12,027,856
Balance as at 31 March 2022	9,000,000	203,228,699	391,961	212,620,660

Statement Of Cash Flows For The Three Months Ended

	Unaudited YTD 31ST MAR 2023	Unaudited YTD 31ST MAR 2022	Unaudited YTD 31ST MAR 2023	Unaudited YTD 31ST MAR 2022
	₦'000	₦'000	₦'000	₦'000
	Group	Group	Company	Company
Cash Flows From Operating Activities				
Profit for the period	45,945,252	24,839,008	25,834,818	14,022,373
Adjustments for:	-	-	-	-
Depreciation of Property, Plant and Equipments	2,423,423	1,577,277	2,319,933	1,572,400
Depreciation of right of use	101,724	251,323	211	210
Finance Income	-	(387,295)	-	(386,551)
Finance Cost	2,129,854	1,655,646	1,338,984	1,574,949
Minimum tax	81,406	-	81,406	-
SUB TOTAL	50,681,659	27,935,960	29,575,351	16,783,381
Changes in contract Liabilities	(7,297,911)	-	(7,297,908)	-
Changes in receivables from customers	(2,804,422)	(19,749,043)	(3,622,699)	(19,728,442)
Changes in Due from related companies	(36,336,436)	(13,185,519)	(2,979,518)	3,248,181
Changes in inventory	1,266,889	11,065,427	(6,705,221)	5,698,533
Changes in payable to suppliers	27,381,539	17,346,659	22,035,176	16,389,872
Changes lease liabilities	6,581,608	76,586	539,281	(4,111)
SUB TOTAL	(11,208,732)	(4,445,890)	1,969,112	5,604,033
Net Cash from operating activities	39,472,927	23,490,070	31,544,463	22,387,414
Cash flows from investing activities				
Acquisition / Disposal of property, plant and equipment	(3,205,541)	(470,343)	(1,726,479)	593,610
Purchase of biological assets	-	(33,494)	-	-
Interest received	-	387,295	-	386,551
Net Cash used in investing activities	(9,296,300)	(116,542)	(1,726,479)	980,161
Cash flows from financing activities				
Proceed from borrowings	-	3,441,102	-	3,441,102
Repayment of borrowings	(5,217,559)	(26,647,269)	(5,217,559)	(26,647,269)
Interest paid	(1,876,944)	(552,524)	(1,876,944)	(552,524)
Lease liability payment	(372,480)	(19)	(1,261)	(19)
Net Cash from financing activities	(7,466,983)	(23,758,710)	(7,095,764)	(23,758,710)
Net increase/(decrease) in cash and cash equivalents	22,709,644	(385,182)	22,722,221	(391,135)
Cash and cash equivalents at the beginning of the period	27,672,549	27,487,372	27,620,157	27,462,947
Cash and cash equivalents at the end of the period	50,382,193	27,102,190	50,342,378	27,071,812

Notes to The Unaudited Financial Statements for The Three Months Ended 31st March 2023

	Unaudited YTD 31st MAR 2023	Unaudited YTD 31st MAR 2022	Unaudited YTD 31st MAR 2023	Unaudited YTD 31st MAR 2022
	₦'000	₦'000	₦'000	₦'000
	Group	Group	Company	Company
1. Net Revenue				
Sales - Sugar(Non Fortified)	31,406,628	22,657,602	18,030,040	15,294,205
Sales - Sugar(Fortified)	61,609,343	31,477,803	14,466,717	14,728,881
Sales - Molasses	188,651	142,884	65,488	64,000
Sales - Bakery Flour	29,637,025	18,324,000	29,637,025	18,324,000
Sales - Pasta	19,408,186	15,934,842	19,408,186	15,934,842
Sales - Wheat Bran	1,684,520	1,529,850	1,684,520	1,529,850
Sales - Head Rice	384,000	-	384,000	-
Total	144,318,353	90,066,980	83,675,976	65,875,778
2. Cost of Sales				
Raw Materials	79,937,837	54,557,351	45,737,528	42,248,091
Energy	3,075,287	2,188,656	1,785,021	1,816,393
Depreciation	2,327,885	1,483,639	2,226,373	1,482,279
Other Factory Expenses	2,319,690	3,507,307	1,334,967	3,350,181
Total	87,660,700	61,736,953	51,083,890	48,896,944
3. Other Income				
Scrap	13,852	4,184	11,723	4,184
Lease Rental	380,000	-	380,000	-
Sundry income	8,100	387,295	-	386,551
Total	401,952	391,479	391,723	390,735
4a. Components of Administration Expenses				
Salaries, Wages & Benefit	500,143	385,966	323,062	316,092
Transport and Travelling	98,595	7,595	97,831	7,438
Medical	6,195	5,084	5,515	4,051
Expartriate expenses	36,013	19,592	35,889	18,434
Entertainment	9,338	823	8,097	582
Staff Welfare & Training	25,268	12,773	20,216	10,379
Electricity	2,838	1,582	1,518	518
Printing & Stationeries	8,968	7,615	5,964	5,900
Rent, Rate & Insurance	139,920	5,451	37,392	(1,246)
Office Maintenance	6,355	5	5,555	5
Donations	16,890	-	390	-
Telephone & Internet	17,395	1,860	3,442	1,842
Subscription	29,273	1,787	28,633	1,105
Legal & Professional	88,686	30,223	54,936	30,223
Postages & Courier	1,090	312	806	273
Office Expenses	-	37,150	-	36,984
General Expenses	530,291	232,428	449,669	221,075
Security Expenses	32,944	17,091	28,214	15,681
Diesel & Fuel	117,008	66,726	128,177	64,345
Advertisement	56,814	15,223	50,806	13,796
Cleaning & Water	25,171	19,567	19,477	16,493
Hotel, Accomodation, Event Space etc	7,430	3,302	6,859	3,302
Bank Charges	473,339	-	473,299	-
Maintenance & Repair	190,725	206,946	180,677	206,514
Depreciation	197,262	93,638	93,771	90,121
Haulage of Sugar	-	345,774	-	-
Total	2,617,951	1,518,513	2,060,195	1,063,908
4b. Selling and Distribution Expenses				
Selling & Distribution Expenses	6,285,143	708,340	3,668,407	708,340

Notes to the Unaudited Financial Statements for the Three Months Ended 31st March, 2023

5a. Property, Plant & Equipments (Group)

Cost	Land & Building ₦'000	Plant & Machinery ₦'000	Furniture & Fittings ₦'000	Motor Vehicle ₦'000	Trucks ₦'000	Office Equipment ₦'000	Bearer Plant ₦'000	CWIP ₦'000	Total Cost ₦'000
Balance as at January 1, 2023	13,299,046	185,230,257	351,430	839,489	2,097,662	631,350	704,712	173,401,812	376,555,756
Addition	3,433	45,094,307	24,968	31,829	-	11,891	23,586	6,054,802	51,244,816
Transfer	-	-	-	-	-	-	-	(48,039,275)	(48,039,275)
Balance as at March 31, 2023	13,302,479	230,324,564	376,398	871,318	2,097,662	643,241	728,298	131,417,339	379,761,297
Balance as at January 1, 2022	11,230,841	170,861,519	299,608	717,671	2,097,662	520,431	-	174,803,817	360,531,549
Addition	28,337	195,746	51,822	121,818	-	110,919	704,712	14,810,854	16,024,207
Transfer	2,039,868	14,172,992	-	-	-	-	-	(16,212,859)	-
Balance at December 31, 2022	13,299,046	185,230,257	351,430	839,489	2,097,662	631,350	704,712	173,401,812	376,555,756

Accumulated Depreciation									
Balance as at January 1, 2023	2,137,789	40,493,034	247,588	651,205	2,097,662	404,727	-	-	46,032,004
Charge of the period	65,707	2,286,265	18,907	17,755	-	34,787	-	-	2,423,423
Balance as at March 31, 2023	2,203,496	42,779,299	266,495	668,960	2,097,662	439,514	-	-	48,455,427
Balance as at January 1, 2022	1,873,159	33,874,407	177,734	579,716	1,999,613	351,267	-	-	38,855,895
Charge for the period	264,630	6,618,627	69,854	71,489	98,049	53,460	-	-	7,176,109
Balance as at December 31, 2022	2,137,789	40,493,034	247,588	651,205	2,097,662	404,727	-	-	46,032,004

Net Book Value									
Balance as at March, 2023	11,098,983	187,545,265	109,903	202,358	-	203,727	728,298	131,417,339	331,305,873
Balance at December 31, 2022	11,161,257	144,737,223	103,842	188,284	-	226,623	704,712	173,401,812	330,523,752

5b. Property, Plant & Equipments (Company)

Cost	Land & Building ₦'000	Plant & Machinery ₦'000	Furniture & Fittings ₦'000	Motor Vehicle ₦'000	Trucks ₦'000	Office Equipment ₦'000	Bearer Plant ₦'000	CWIP ₦'000	Total Cost ₦'000
Balance as at January 1, 2023	12,335,743	184,386,042	184,257	686,566	2,097,662	198,920	-	96,262,065	296,151,256
Addition	2,299	45,090,359	21,511	31,829	-	10,697	-	4,176,139	49,332,835
Transfer	-	-	-	-	-	-	-	(47,606,356)	(47,606,356)
Balance as at March 31, 2023	12,338,042	229,476,401	205,768	718,395	2,097,662	209,617	-	52,831,848	297,877,735
Balance as at January 1, 2022	10,253,300	170,030,777	140,079	624,349	2,097,662	142,350	-	103,460,505	286,749,022
Addition	42,575	182,273	44,178	62,217	-	56,570	-	9,014,420	9,402,234
Transfer	2,039,868	14,172,992	-	-	-	-	-	(16,212,860)	-
Balance at December 31, 2022	12,335,743	184,386,042	184,257	686,566	2,097,662	198,920	-	96,262,065	296,151,256

Accumulated Depreciation									
Balance as at January 1, 2023	2,113,246	40,003,265	142,545	575,894	2,097,662	144,713	-	-	45,077,326
Charge of the period	63,662	2,228,178	9,120	8,789	-	10,183	-	-	2,319,933
Balance as at March 31, 2023	2,176,908	42,231,443	151,665	584,683	2,097,662	154,896	-	-	47,397,259
Balance as at January 1, 2022	1,846,970	33,535,576	100,711	524,024	1,999,613	111,698	-	-	38,118,592
Charge for the period	266,276	6,467,689	41,834	51,870	98,049	33,015	-	-	6,958,734
Balance as at December 31, 2022	2,113,246	40,003,265	142,545	575,894	2,097,662	144,713	-	-	45,077,326

Net Book Value									
Balance as at March, 2023	10,161,134	187,244,958	54,103	133,712	-	54,722	-	52,831,848	250,480,476
Balance at December 31, 2022	10,222,497	144,382,777	41,712	110,672	-	54,207	-	96,262,065	251,073,929

5.1 Revaluation of Property, Plant and Equipment

No recent revaluation has been done by the company. The Directors are of the opinion that the carrying value of property, Plant & machinery approximate its fair value.

Notes to the Unaudited Financial Statements for the Three Months ended 31st March 2023

	Unaudited YTD 31st MAR 2023	Audited YTD 31st DEC 2022	Unaudited YTD 31st MAR 2023	Audited YTD 31st DEC 2023
	₦'000	₦'000	₦'000	₦'000
	Group	Group	Company	Company
6. Rights of Use Asset				
Building leases	6,124,452	3,136,394	33,693	123,036
Accumulated Depreciation of ROU	(104,251)	(3,105,229)	(2,738)	(91,871)
Balance at end of period	6,020,201	31,165	30,955	31,165
7. Inventories				
Raw Materials	17,964,329	20,616,459	16,579,276	13,428,164
Work In Progress	1,232,109	417,647	1,060,448	251,120
Finished Goods	4,899,948	4,349,809	4,522,787	2,408,948
Packaging, Energy & Consumables	2,518,588	1,653,576	1,967,342	1,370,908
Goods in Transit	1,202,304	2,723,103	1,083,411	1,725,328
Balance at end of period	27,817,278	29,760,594	25,213,263	19,184,468
There is no amount of write-down of inventories recognised as an expense during the period.				
None of the inventories of the Company were pledged as security for loan as at the reporting date.				
8. Trade and Other Receivables				
Prepayments	5,068,991	4,620,233	1,710,579	287,337
Trade Debtors	105,180	538,346	105,180	534,601
Other Receivables	116,909,185	114,166,937	116,749,234	114,166,937
Balance at end of period	122,083,356	119,325,516	118,564,992	114,988,875
All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.				
9. Cash and Short Term Deposits				
Cash at Hand	4,627	25,980	4,609	21,768
Cash in Bank	51,347,900	32,137,448	51,308,103	32,089,260
Balance at end of period	51,352,526	32,163,428	51,312,711	32,111,028
Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.				
The Company has not pledged part of its short-term deposits in order to fulfil collateral requirements with any Banks. Cash and Bank equivalent is exclusive of overdraft balance.				
For the purpose of the statement of cash flow, cash and cash equivalents comprise the following as at:				
Cash at Hand	4,627	25,980	4,609	21,768
Cash in Bank	51,347,900	32,137,448	51,308,103	32,089,260
Overdraft	(970,333)	(4,490,873)	(970,333)	(4,490,873)
Balance at end of period	50,382,193	27,672,555	50,342,378	27,620,155

Notes to the Unaudited Financial Statements for the Three Months ended 31st March 2023

	Unaudited YTD 31ST MAR 2023	Audited YTD 31ST DEC 2022	Unaudited YTD 31ST MAR 2023	Audited YTD 31ST DEC 2022
	₦'000	₦'000	₦'000	₦'000
	Group	Group	Company	Company
10. Share Capital				
10a. Authorised				
18,000,000,000 Ordinary shares of N0.50k each	9,000,000	9,000,000	9,000,000	9,000,000
11a. Borrowings				
Non-Current Borrowings				
Bank borrowings	4,046,958	3,475,257	4,046,958	3,475,257
Current				
Short term loan	202,406,494	208,195,755	202,406,494	208,195,755
Total Borrowings	206,453,452	211,671,012	206,453,452	211,671,012
11b. Movement in Borrowings are Analysed as Follows:				
Opening amount as at 1st January	211,671,012	243,827,950	211,671,012	243,827,950
Additional drawdowns in the year	-	276,336,593	-	276,336,593
Principal repayments	(5,217,559)	(310,410,627)	(5,217,559)	(310,410,627)
Government grant received	-	(303,935)	-	(303,935)
Interest expenses	1,876,944	7,206,426	1,876,944	6,696,357
Interest paid	(1,876,944)	(7,206,426)	(1,876,944)	(6,696,357)
Total Borrowings	206,453,452	209,449,981	206,453,452	209,449,981
11c. Net Debt Comprises				
Cash and cash equivalents	(51,352,526)	(32,163,428)	(51,312,711)	(32,111,028)
Borrowings - current	202,406,494	208,195,755	202,406,494	208,195,755
Borrowings - non-current	4,046,958	3,475,257	4,046,958	3,475,257
Borrowings - overdraft	970,333	4,490,873	970,333	4,490,873
Net debt	156,071,259	183,998,457	156,111,074	184,050,856
12. Trade and Other Payables				
Provisions and Accruals/ Accrued Audit Fees	5,158,756	109,205	5,157,486	109,205
Other Payables	62,862	4,027,767	34,037	2,850,095
Trade Creditors/ Other Current Liabilities	9,758,343	4,025,206	6,581,484	3,348,770
Withholding/ Value Added Tax Payables	35,573,243	28,582,393	18,202,616	15,205,288
Total	50,553,205	36,744,571	29,975,623	21,513,358

Notes to the Unaudited Financial Statements for the Year ended 31st March, 2023

13. SHAREHOLDING STRUCTURE/FREE FLOAT DECLARATION

Description	31st March 2023	
	Units	Percentage
Issue Share Capital	18,000,000,000	100%
Details of Substantial Shareholdings (5% and Above)		
Abdulsamad Rabiu CFR, CON; Direct Holdings	16,172,601,967	89.85%
Total Substantial Shareholdings	16,172,601,967	89.85%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interest		
Abdulsamad Rabiu CFR, CON; (Indirect - Representing BUA Industries Limited)	500,485,433	2.78%
Ayodele Abioye	250,000	0.00%
Abdulrasheed Olayiwola	250,000	0.00%
Kabiru Rabiu	1,401,654	0.01%
Chimaobi Kenneth Madukwe	442,135	0.00%
Rashid Ur Imran	-	0.00%
Finn Arnoldsen	250,000	0.00%
Total Directors' Shareholdings	503,079,222	2.80%
Other Influential Shareholdings		
Rabiu Abdulsamad Isyaku	473,628,201	2.63%
Total Other Influential Shareholdings	473,628,201	2.63%
Free Float Units and Percentage	850,690,710	4.73%
Free Float in Value		
Close Price on NGX as at 31st March = N102.00	86,770,442,220	

Description

BUA Foods Plc with a free float value of N86,770,442,220.00 as at 31st, March 2023 is compliant with the Nigerian Exchange Group's "The NGX" free float requirements for companies on the Main Board.



BUA

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