

Nigerian Enamelware Plc
RC 2192

Unaudited IFRS Financial Statements
For the period ended
31st January 2014

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Chief Executive Officer

Chief Financial Officer

Nigerian Enamelware Plc

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Chief Executive Officer

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NIGERIAN ENAMELWARE PLC RC 2192

UNAUDITED FINANCIAL STATEMENT AS AT 31ST January 2014

<u>Notes</u>	<u>Unaudited IFRS</u> 31/01/2014 N'000	<u>IFRS</u> 30/04/20103 N'000
Non-current assets	1,112,173	1,146,921
Current assets		
Inventories	328,322	263,254
Trade and other receivables	897,355	781,618
Other assets	2,995	-
Due from related companies	-	-
Cash and bank balance	10,229	11,595
Total current assets	1,238,901	1,056,467
Total assets	2,351,074	2,203,388
Equity		
Share capital	31,680	31,680
Retained Earnings	1,208,023	1,152,258
Total equity	1,239,703	1,183,938
Non-current liabilities		
Deferred Taxation	335,540	335,540
Staff Gratuity	-	-
Total Non Current liabilities	335,540	335,540
Current liabilities		
Bank Overdraft	356,817	281,580
Trade and other payables	245,746	311,140
Other liabilities	119,545	28,581
Current tax liabilities	53,723	62,609
Total current liabilities	775,831	683,910
Total liabilities	1,111,371	1,019,450
Total equity and liabilities	2,351,074	2,203,388

	<u>Unaudited IFRS</u> 9 months 01/05/2013 to 31/01/2014 N'000	<u>Unaudited IFRS</u> 9 mths 01/05/2012 to 31/01/2013 N'000	<u>IFRS</u> 12 mths 01/05/2012 to 30/04/2013 N'000
Revenue	1,892,028	1,838,587	2,516,038
Cost of sales	1,609,586	1,566,260	2,194,797
Gross profit	282,442	272,327	321,241
Other income	-	-	80,947
Administrative expenses	111,493	112,222	149,343
Operating profit	170,949	160,105	252,845
Financial costs	81,802	82,600	135,167
Profit before taxation	89,147	77,505	117,678
Taxation (Estimated)	33,382	24,800	43,708
Profit after tax	55,765	52,705	73,970
Earning per share (Kobo)	88	83	117
Other Comprehensive Income			
Profit for the year		52,705	
Sureplus on revaluation of property, plant & machinery			
Adjustment in deferred taxation		-7655	
Additional charges for deoreciation on revalue Property, Plant & Equipment.			
Total Comprehensive income		45,050	

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NIGERIAN ENAMELWARE PLC

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UNAUDITED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 JANUARY 2014

FINANCIAL HIGHLIGHTS

	<u>Unaudited IFRS</u> <u>9 mths</u> <u>01/05/2013</u> <u>to 31/01/2014</u> <u>N'000</u>	<u>Unaudited IFRS</u> <u>9 mths</u> <u>1/5/2012</u> <u>to 31/01/2013</u> <u>N'000</u>	<u>IFRS</u> <u>12 mths</u> <u>01/05/2012</u> <u>to 30/04/2013</u> <u>N'000</u>
Revenue	1,892,028	1,838,587	2,516,038
Profit before Tax	89,147	77,505	117,678
Taxation (Estimate)	33,382	24,800	43,708
Profit after Tax	55,765	52,705	73,970
	<u>Unaudited IFRS</u> <u>31/01/2014</u>	<u>Unaudited IFRS</u> <u>31/01/2013</u>	<u>IFRS</u> <u>30/04/13</u>
Shareholders' Funds	1,239,703	1,549,783	1,183,938

NIGERIAN ENAMELWARE PLC

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PROFIT AND LOSS ACCOUNT

	<u>Unaudited IFRS</u> <u>9 mths</u> <u>01/05/2013</u> <u>to 31/01/2014</u> <u>N'000</u>	<u>Unaudited IFRS</u> <u>9 mths</u> <u>01/05/2012</u> <u>to 31/01/2013</u> <u>N'000</u>	<u>IFRS</u> <u>12 mths</u> <u>01/05/2012</u> <u>to 30/04/2013</u> <u>N'000</u>
<u>Notes</u>			
Revenue	1,892,028	1,838,587	2,516,038
Cost of Sales	1,609,586	1,566,260	2,194,797
Gross Profit	282,442	272,327	321,241
Other Incomes	-	-	80,947
Administration Expenses	111,493	112,222	149,343
Operating Profit	170,949	160,105	252,845
Financial Costs	81,802	82,600	135,167
Profit before Tax	89,147	77,505	117,678
Income Tax (Estimate)	33,382	24,800	43,708
Profit after Tax	55,765	52,705	73,970

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UNAUDITED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 JANUARY 2014

BALANCE SHEET

		<u>Unaudited IFRS</u>	<u>IFRS</u>
	<u>Notes</u>	<u>31/01/2014</u>	<u>30/04/2013</u>
		<u>N'000</u>	<u>N'000</u>
Non-current assets			
Property, plant and equipment	5	1,112,173	1,146,921
Total non-current assets		<u>1,112,173</u>	<u>1,146,921</u>
Current assets			
Inventories	6	328,322	263,254
Trade and other receivables	7	897,355	781,618
Other assets	8	2,995	-
Due from related companies		-	-
Cash and bank balance		10,229	11,595
Total current assets		<u>1,238,901</u>	<u>1,056,467</u>
Total assets		<u>2,351,074</u>	<u>2,203,388</u>
Equity			
Share capital	12	31,680	31,680
Retained earnings	13	1,208,023	1,152,258
Total equity		<u>1,239,703</u>	<u>1,183,938</u>
Non-current liabilities			
Deferred tax liabilities		335,540	335,540
Total non-current liabilities		<u>335,540</u>	<u>335,540</u>
Current liabilities			
Borrowings		356,817	281,580
Trade and other payables	9	245,746	311,140
Other liabilities	9	119,545	28,581
Current tax liabilities	10	53,723	62,609
Total current liabilities		<u>775,831</u>	<u>683,910</u>
Total liabilities		<u>1,111,371</u>	<u>1,019,450</u>
Total equity and liabilities		<u>2,351,074</u>	<u>2,203,388</u>

NIGERIAN ENAMELWARE PLC

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UNAUDITED FINANCIAL STATEMENT

FOR THE PERIOD ENDED 31 JANUARY 2014

Reconciliation of profit after taxation to net cash provided by operating activities

	<u>Unaudited IFRS</u> 31/01/2014 N'000	<u>IFRS</u> 30/04/2013 N'000
Cashflow from operating activities		
Cash receipt from customers	1,773,296	2,309,044
Cash paid to suppliers and employees	(1,614,336)	(2,282,696)
Tax liabilities paid	(42,268)	(6,748)
Administrative expenses paid	(111,493)	-
Income tax paid	-	(51,850)
Net cash generated by operating activities	<u>5,199</u>	<u>(32,250)</u>
 Cashflow from investing activities		
Purchase of fixed assets	-	-
Interest received from similar income	-	80,947
	<u>-</u>	<u>80,947</u>
 Cashflow from financing activities		
Interest paid	(81,802)	(135,167)
Dividend paid	-	(27,245)
Net cash generated by financing activities	<u>(81,802)</u>	<u>(162,412)</u>
 Net increase/(decrease) in cash and cash equivalent	(76,603)	(113,715)
Cash and cash equivalent at beginning of year	<u>(269,985)</u>	<u>(156,270)</u>
cash and cash equivalent at end of year	<u>(346,588)</u>	<u>(269,985)</u>
 REPRESENTED BY		
Bank and cash balance	10,229	11,595
Bank overdraft balance	(356,817)	(281,580)
	<u>(346,588)</u>	<u>(269,985)</u>

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Chief Executive Officer

Chief Financial Officer

NIGERIAN ENAMELWARE PLC

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UNAUDITED FINANCIAL STATEMENT

FOR THE PERIOD ENDED 31 JANUARY 2014

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The following are the principal accounting policies adopted by the company in the preparation of its financial statements.

1. Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the inclusion of leasehold land and buildings at valuation.

2. Turnover

This represents the net invoice value of sales to third parties locally.

3. Fixed assets

These are stated at cost or valuation less accumulated depreciation.

4. Depreciation

Depreciation of fixed assets is provided on the straight line basis to write off the cost or revalued amount over their anticipated useful lives at the following annual rates:

Leasehold land and buildings	-	Over the term of the lease
Plant and machinery		5%
Furniture and equipment		10%
Motor vehicles		33 $\frac{1}{3}$ %

5. Stocks and work-in-progress

Raw materials are valued at the lower of cost and net realizable value. Finished goods and work-in-progress are valued at cost. Cost includes an appropriate proportion of production overheads.

6. Debtors

Debtors are stated after deduction of specific provision for debts considered doubtful of collection.

NIGERIAN ENAMELWARE PLC

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UNAUDITED FINANCIAL STATEMENT

FOR THE PERIOD ENDED 31 JANUARY 2014

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

7. Foreign currencies

Transactions in foreign currencies are recorded in Naira at the rates of exchange ruling at the dates of the transactions. Assets and liabilities in foreign currencies are converted to Naira at the rates of exchange ruling at the balance sheet date. Gains or losses arising therefrom are taken to the profit and loss account.

8. Taxation

Income tax is provided on taxable profit at the current rate.

9. Retirement benefits

The company makes provisions for retirement benefits in accordance with the Pension Reform Act 2004 with employer and employee contributing 7.5% each.

In addition, the Company makes provision for staff gratuity based on the length of service of each staff in accordance with the existing staff conditions of service.

10. Provisions

Provision is recognized when the Company has a present obligation, whether legal or constructive, as a result of a past event for which 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 in accordance with SAS 23.

NIGERIAN ENAMELWARE PLC

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UNAUDITED FINANCIAL STATEMENT

FOR THE PERIOD ENDED 31 JANUARY 2014

NOTES TO THE ACCOUNTS

1. THE COMPANY

1.1 Legal form

Nigerian Enamelware Plc was incorporated in Nigeria on 21 May 1960 as a limited liability company. It went public on 28 December 1979 in compliance with the Indigenisation Decree of 1977 and was granted a listing on the Nigerian Stock Exchange. It adopted its present name of Nigerian Enamelware Plc on 6 June 1991 in compliance with the Companies and Allied Matters Act, CAP C20, LFN 2004.

1.2 Principal activities

Nigerian Enamelware Plc is engaged in the manufacturing and marketing of enamelware, plastic products, galvanized buckets. Raw materials consisting of steel coils, chemicals, enamel and moulds are obtained from both local and overseas suppliers.

2. TURNOVER

Turnover represents the total amount invoiced to customers for goods supplied and services rendered after deducting trade discount and commissions.

	<u>Unaudited IFRS</u> N'000 9 mths 01/05/2013 to 31/01/2014	<u>Unaudited IFRS</u> N'000 9 mths 01/05/2012 to 31/01/2013	<u>IFRS</u> N'000 12 mths 01/05/2012 to 30/04/2013
Enamelware products etc.	<u>1,892,028</u>	<u>1,838,587</u>	<u>2,516,038</u>

3. PROFIT BEFORE TAXATION

is arrived at after charging

Interests & similar charges

	<u>81,802</u>	<u>82,600</u>	<u>135,167</u>
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4. Taxation

Taxation is provided on taxable profit at current rate (estimate)

	<u>33,382</u>	<u>24,800</u>	<u>43,708</u>
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NIGERIAN ENAMELWARE PLC

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UNAUDITED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 JANUARY 2014

NOTES TO THE ACCOUNTS

5. FIXED ASSETS

.1 Summary Property, plant and equipment	Leasehold land & building N'000	Plant and machinery N'000	Furniture & equipment N'000	Motor Vehicles N'000	Total N'000
At 30 April 2013	536,433	710,696	667	1,168	1,248,964
Additions					-
Transfer					
Disposals					
At 30 January 2014	536,433	710,696	667	1,168	1,248,964
Accumulated depreciation and impairment					
At 30 April 2013	21,914	78,793	168	1,168	102,043
Charge for the year	8,047	26,651	50	-	34,748
Impairment loss					
Eliminated on disposal					
At 30 January 2014	29,961	105,444	218	1,168	136,791
Carrying amount					
At 30 April 2013	514,519	631,903	499	-	1,146,921
At 31 January 2014	506,472	605,252	449	-	1,112,173

2. The leasehold land and buildings which are held under a long lease are stated at professional valuation at 15 July, 1980 plus subsequent additions at cost. The valuation which was based on open market value between a willing buyer and a willing seller resulted in a revaluation surplus which had been credited to fixed assets revaluation reserve. The company does not carry out revaluation of fixed assets on a regular basis. Other fixed assets are stated at cost.

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Financial Officer

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UNAUDITED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 JANUARY 2014

NOTES TO THE ACCOUNTS

	<u>31/01/2014</u>	<u>30/04/2013</u>
6. STOCKS		
Raw materials	37,033	47,407
Work-in-progress	79,463	22,669
Finished goods	199,715	190,700
Machinery spare parts	3,563	-
Consumables	14200	10,658
Provision for obsolete stocks	(5,652)	(8,180)
	<u>328,322</u>	<u>263,254</u>
7. TRADE DEBTORS		
Trade debtors	915,812	808,029
Provision for Doubtful debts	(18,457)	(26,774)
	<u>897,355</u>	<u>781,255</u>
8. OTHER DEBTORS AND PREPAYMENTS		
Prepayments	2,885	-
Staff debtors	110	363
	<u>2,995</u>	<u>363</u>
9. CREDITORS AND ACCRUALS		
Trade and other payables	245,746	311,140
Other liabilities	119,545	28,581
	<u>365,291</u>	<u>339,721</u>
10 PROVISION FOR TAXATION		
At the beginning of the period/year	62,609	57,737
Charge for the period/year	33,382	56,722
Payment during period/year	(42,268)	(51,850)
	<u>53,723</u>	<u>62,609</u>
	<u>335,540</u>	<u>335,540</u>
Deferred Taxation		
	<u>335,540</u>	<u>335,540</u>

NIGERIAN ENAMELWARE PLC

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UNAUDITED FINANCIAL STATEMENT

FOR THE PERIOD ENDED 31 JANUARY 2014

NOTES TO THE ACCOUNTS

	31/01/2014 N'000	30/04/2013 N'000
11. SHARE CAPITAL		
.1 Authorised		
240,000,000 ordinary shares of 50k each	<u>120,000</u>	<u>120,000</u>
.2 Issued and fully paid		
63,360,000 ordinary shares of 50k each	<u>31,680</u>	<u>31,680</u>
13. Retained earnings		
At the beginning of the period	1,152,258	1,105,533
Profit contributable to owners of the company	55,765	73,970
Dividend paid	-	(27,245)
At the end of the period	<u>1,208,023</u>	<u>1,152,258</u>

NIGERIAN ENAMELWARE PLC

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FOR THE PERIOD ENDED 31 JANUARY 2014

14. HOLDING COMPANY

The holding company is I-Feng Limited incorporated in Hong Kong and holds 60% of the company's equity.

15. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

.1 Retirement benefits

The company provides a gratuity scheme for the benefit of its regular employees. These benefits are based on the employees' years of service and the terminal salary. The contribution of the employer and the employee to the retirement benefits scheme as required by the Pension Reform Act 2004 is 7.5% and 7.5% respectively.

Financial commitments

- .2 The Directors are of the opinion that all known liabilities and commitments which are relevant in assessing the state of affairs of the company have been taken into consideration in the preparation of these accounts.

Charge on assets

- .3 The company's overdraft and acceptance facilities inclusive of documentary credits are secured by a negative pledge.

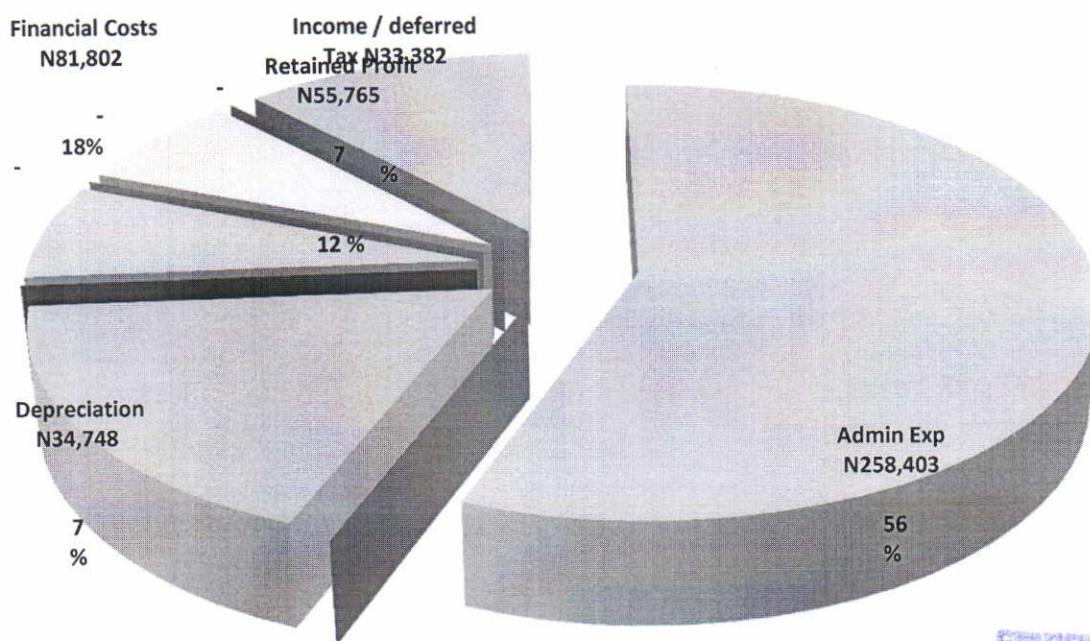
NIGERIAN ENAMELWARE PLC

Annual Report & Accounts 2014

Statement of Value Added

	31/01/2014	%	30/04/2013	%
	N'000		N'000	
Sales	1,892,028		2,516,038	
Other Income	-		-	
Bought-in-materials and services	(1,427,928)		(1,821,115)	
	<u>464,100</u>	100	<u>694,923</u>	100
Distribution:		%		%
Salaies, wages & social benefit	258,403	56	389,801	56
Interest expenses	81,802	18	135,167	19
Income tax	33,382	7	56,722	8
Deferred tax	-	-	(13,014)	(2)
Depreciation	34,748	7	52,277	8
Retained Profit	<u>55,765</u>	<u>12</u>	<u>73,970</u>	<u>11</u>
	<u>464,100</u>	100	<u>694,923</u>	100

Statement of Value Added



NIGERIAN ENAMELWARE PLC

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UNAUDITED FINANCIAL STATEMENT

FOR THE PERIOD ENDED 31 JANUARY 2014

BALANCE SHEET

	Unaudited 9 mths ended 31 January 2014 N'000	Audited year ended 30 April 2013 N'000	Audited year ended 30 April 2012 N'000	Audited year ended 30 April 2011 N'000	Audited year ended 30 April 2010 N'000
ASSETS					
Fixed Assets	1,112,173	1,146,921	1,195,378	94,257	40,080
Net Current Assets	463,070	372,557	290,389	218,697	201,599
Prov for Deferred Taxation	(335,540)	(335,540)	(348,554)	(11,969)	(3,805)
Prov for Staff Gratuity	-	-	-	(3,702)	(3,375)
NET ASSETS	1,239,703	1,183,938	1,137,213	297,283	234,499
CAPITAL AND RESERVES					
Share Capital	31,680	31,680	31,680	31,680	31,680
Reserve for Bonus Issue	-	-	-	-	-
Revaluation Reserve	-	-	-	5,717	5,717
General Reserve	1,208,023	1,152,258	1,105,533	259,886	197,102
	1,239,703	1,183,938	1,137,213	297,283	234,499

PROFIT AND LOSS ACCOUNT

	Unaudited period 1/5/13 to 31/01/2014 9 months	Audited year ended 30 April 2013	Audited year ended 30 April 2012	Audited year ended 30 April 2011	Audited year ended 30 April 2010
Turnover	1,892,028	2,516,038	2,490,376	2,365,078	2,356,933
Profit before Taxation	89,147	117,678	96,216	123,707	110,288
Taxation (Estimate)	(33,382)	(43,708)	(32,275)	(35,579)	(35,383)
Profit after Taxation	55,765	73,970	63,941	88,128	74,905

PER SHARE DATA

	9 mths	12 mths	12 mths	12 mths	12 mths
Earnings (Kobo) - diluted	88	117	101	139	118
Net assets (Kobo)	20	19	18	469	814