

NIGERIAN-GERMAN CHEMICALS PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2013

		Group			Company		
	Notes	2013 N'000	2012 N'000	2011 N'000	2013 N'000	2012 N'000	2011 N'000
Assets							
Non-current assets							
Property, plant and equipment	9	8,887,812	7,168,613	6,373,629	7,462,039	5,840,029	5,246,070
Assets under finance lease	10	112,495	158,827	216,322	111,385	157,375	214,528
Deferred taxation	11	92,039	-	16,566	98,634	-	13,705
Investment in subsidiaries	13	-	-	-	161,267	161,267	161,267
Available for sale asset	14	-	148,970	148,706	-	148,970	148,706
		<u>9,092,346</u>	<u>7,476,410</u>	<u>6,755,223</u>	<u>7,833,325</u>	<u>6,307,641</u>	<u>5,784,276</u>
Current assets							
Inventories	15	368,117	419,291	721,958	358,553	402,844	690,083
Trade and other receivables	16	392,294	378,316	536,915	318,661	278,479	399,804
Other assets	17	350,850	333,765	217,841	301,668	262,069	128,666
Due from related parties	19.2	323,542	183,565	139,942	331,360	183,566	139,942
Due from subsidiaries	19.1	-	-	-	961,736	930,452	482,047
Cash and cash equivalents	18	565,237	47,548	68,100	557,098	22,891	46,030
		<u>2,000,040</u>	<u>1,362,485</u>	<u>1,684,756</u>	<u>2,829,076</u>	<u>2,080,301</u>	<u>1,886,572</u>
Liabilities							
Current liabilities							
Short term borrowings	21	594,822	693,946	307,683	562,567	625,245	300,447
Trade and other payables	20	905,162	929,632	775,636	766,061	774,622	654,616
Current portion of long term borrowings	25.1	1,665,338	723,555	665,252	1,577,446	627,746	602,752
Employee benefits	22.1	119,652	98,196	76,970	114,139	92,863	71,908
Taxation payable	12	388,136	408,128	453,652	333,353	353,852	399,924
Finance lease obligation	23	16,334	67,775	61,345	16,334	67,775	61,345
Dividend payable	24	12,917	12,917	12,917	12,917	12,917	12,917
Due to subsidiaries	19.4	-	-	-	4,013	-	-
Due to related parties	19.3	87,750	222,905	359,901	87,750	245,289	11,053
		<u>3,790,111</u>	<u>3,157,054</u>	<u>2,713,356</u>	<u>3,474,580</u>	<u>2,800,309</u>	<u>2,114,962</u>
Net current liabilities		(1,790,071)	(1,794,569)	(1,028,600)	(645,504)	(720,008)	(228,390)
Non-current liabilities							
Employee benefits	22.2	132,542	102,163	112,602	132,542	98,374	108,696
Deferred taxation	11	-	248,904	-	-	274,243	-
Due to related parties	19.3	790,890	791,396	694,334	717,718	670,398	671,208
Borrowings	25.1	3,986,391	2,260,294	2,267,682	3,908,283	2,268,341	2,180,183
		<u>4,909,823</u>	<u>3,402,757</u>	<u>3,074,618</u>	<u>4,758,543</u>	<u>3,311,356</u>	<u>2,960,087</u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net assets		<u><u>2,392,452</u></u>	<u><u>2,279,084</u></u>	<u><u>2,652,005</u></u>	<u><u>2,429,278</u></u>	<u><u>2,276,277</u></u>	<u><u>2,595,799</u></u>
Equity							
Share capital	26	76,893	76,893	76,893	76,893	76,893	76,893
Share premium		377,339	377,339	377,339	377,339	377,339	377,339
Exchange translation reserve	27	11,592	3,190	1,652	-	-	-
Fair value reserve	29	-	264	-	-	264	-
Retained earnings	28	1,926,628	1,821,398	2,196,121	1,975,046	1,821,781	2,141,567
Total equity		<u>2,392,452</u>	<u>2,279,084</u>	<u>2,652,005</u>	<u>2,429,278</u>	<u>2,276,277</u>	<u>2,595,799</u>

The consolidated financial statements were approved by the Board of Directors on **18 August 2014** and signed on its behalf by:

Mr. Babatunde A. Savage
Chairman
FRC/2013/ICAN/00000003514

Mr Adeboye Shonekan
Executive vice chairman
FRC/2013/IODN/00000009069

Mr. Ayodele A. Ogunbunmi
Chief Finance Officer
FRC/2014/ICAN/00000006027

The accompanying notes and statement of significant accounting policies form an integral part of these consolidated financial statements.

NIGERIAN-GERMAN CHEMICALS PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2013

	Notes	Group		Company	
		2013 N'000	2012 N'000	2013 N'000	2012 N'000
Continuing operations					
Revenue	30	3,007,655	2,929,945	2,940,451	2,732,164
Cost of sales	32	(1,608,840)	(1,672,652)	(1,550,392)	(1,501,667)
Gross profit		1,398,815	1,257,293	1,390,059	1,230,497
Distribution expenses	33	(297,980)	(331,070)	(297,980)	(331,069)
Administrative expenses	34	(943,499)	(935,634)	(896,536)	(813,799)
Other income	31	132,070	227,258	112,921	211,364
Operating profit		289,406	217,847	308,464	296,993
Finance costs	35	(485,703)	(373,367)	(485,703)	(374,154)
Loss on continuing operations before taxation		(196,297)	(155,520)	(177,239)	(77,161)
Current tax expense	12	(16,971)	26,546	(16,464)	26,036
Deferred tax write back/(charge)	12	344,407	(265,153)	372,877	(287,948)
Profit/(loss) on continuing operations after taxation		131,139	(394,127)	179,174	(339,073)
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss:					
Actuarial (loss)/gain on defined benefit plans	22	(25,909)	19,404	(25,909)	19,287
Gain on translation of foreign operations	27	8,402	1,538	-	-
Items that may be reclassified subsequently to profit or loss:					
(Loss)/gain on available for sale assets	29	(264)	264	(264)	264
Total other comprehensive (loss)/income		(17,771)	21,206	(26,173)	19,551
Total comprehensive income/(loss)		113,368	(372,921)	153,001	(319,522)
Basic and diluted earnings/(loss) per share	37	147	(485)	199	(416)

The accompanying notes and statement of significant accounting policies form an integral part of these consolidated financial statements.

NIGERIAN-GERMAN CHEMICALS PLC

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2013

	Notes	GROUP		COMPANY	
		2013 N'000	2012 N'000	2013 N'000	2012 N'000
Cash flows from operating activities					
Cash receipts from customers		3,125,747	3,315,175	3,013,190	3,064,227
Payment to suppliers and employees		(2,684,522)	(2,357,754)	(2,682,984)	(2,388,237)
Cash generated from operations		<u>441,225</u>	<u>957,421</u>	<u>330,206</u>	<u>675,990</u>
Value added tax-output		(175,946)	(180,492)	(104,625)	(88,920)
Value added tax-input		167,091	169,737	166,992	149,285
Income tax paid		(36,963)	(20,036)	(36,963)	(20,036)
Net cash from operating activities	38	<u>395,407</u>	<u>926,630</u>	<u>355,610</u>	<u>716,319</u>
Cash flows from investing activities					
Purchase of property, plant and equipment		(1,909,456)	(992,423)	(1,811,222)	(784,685)
Proceed on disposal of property, plant and equipment		126	-	-	-
Net cash used in investing activities		<u>(1,909,330)</u>	<u>(992,423)</u>	<u>(1,811,222)</u>	<u>(784,685)</u>
Cash flows from financing activities					
Term loan obtained	25	3,162,233	2,092,038	2,996,234	2,092,038
Term loan repayment	25	(494,353)	(2,041,123)	(406,593)	(1,978,885)
Finance lease paid	23	(51,441)	(18,570)	(51,441)	(18,570)
Short term borrowings	21	(34,048)	334,084	(66,048)	334,084
Finance costs		(485,703)	(373,367)	(485,703)	(374,154)
Net cash from/(used in) financing activities		<u>2,096,688</u>	<u>(6,938)</u>	<u>1,986,449</u>	<u>54,513</u>
Net increase/(decrease) in cash and cash equivalents		<u>582,765</u>	<u>(72,731)</u>	<u>530,837</u>	<u>(13,853)</u>
Cash and cash equivalents at 1 April		<u>(262,314)</u>	<u>(189,583)</u>	<u>(218,270)</u>	<u>(204,417)</u>
Cash and cash equivalents at 31 March	18	<u><u>320,451</u></u>	<u><u>(262,314)</u></u>	<u><u>312,567</u></u>	<u><u>(218,270)</u></u>

The accompanying notes and statement of significant accounting policies form an integral part of these consolidated financial statements.

NIGERIAN GERMAN CHEMICALS PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2013

Group	Issued share capital N'000	Share premium N'000	Exchange translation reserve N'000	Fair value reserve N'000	Retained earnings N'000	Total equity N'000
At 1 April 2011	<u>76,893</u>	<u>377,339</u>	<u>1,652</u>	<u>-</u>	<u>2,196,121</u>	<u>2,652,005</u>
Changes in equity for 2012						
Loss for the year	-	-	-	-	(394,127)	(394,127)
Other comprehensive income						
Items that will not be reclassified						
subsequently to profit or loss:						
Actuarial gain on defined benefit pension plans	-	-	-	-	19,404	19,404
Items that may be reclassified						
subsequently to profit or loss:						
Fair value changes on available for sale assets	-	-	-	264	-	264
Exchange gain on foreign operations	-	-	1,538	-	-	1,538
Total comprehensive						
income/(loss) for the year	<u>-</u>	<u>-</u>	<u>1,538</u>	<u>264</u>	<u>(374,722)</u>	<u>(372,921)</u>
Issue of share capital	-	-	-	-	-	-
Transaction costs for equity issue	-	-	-	-	-	-
Dividends paid during the period	-	-	-	-	-	-
At 31 March 2012	<u><u>76,893</u></u>	<u><u>377,339</u></u>	<u><u>3,190</u></u>	<u><u>264</u></u>	<u><u>1,821,399</u></u>	<u><u>2,279,084</u></u>
At 31 March 2012	<u>76,893</u>	<u>377,339</u>	<u>3,190</u>	<u>264</u>	<u>1,821,399</u>	<u>2,279,084</u>
Changes in equity for 2013						
Profit for the year	-	-	-	-	131,139	131,139
Transfer to income statement	-	-	-	(264)	-	(264)
Other comprehensive income						
Items that will not be reclassified						
subsequently to profit or loss:						
Actuarial loss on defined benefit pension plans	-	-	-	-	(25,909)	(25,909)
Items that may be reclassified						
subsequently to profit or loss:						
Fair value changes on available for sale assets	-	-	-	-	-	-
Exchange (loss)/gain on foreign operations	-	-	8,402	-	-	8,402
Total comprehensive						
income/(loss) for the year	<u>-</u>	<u>-</u>	<u>8,402</u>	<u>(264)</u>	<u>105,230</u>	<u>113,368</u>
Issue of share capital	-	-	-	-	-	-
Transaction costs for equity issue	-	-	-	-	-	-
Dividends paid during the period	-	-	-	-	-	-
At 31 March 2013	<u><u>76,893</u></u>	<u><u>377,339</u></u>	<u><u>11,592</u></u>	<u><u>-</u></u>	<u><u>1,926,629</u></u>	<u><u>2,392,452</u></u>

NIGERIAN GERMAN CHEMICALS PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2013

Company	Issued share capital N'000	Fair value reserve N'000	Share premium N'000	Retained earnings N'000	Total equity N'000
At 1 April 2011	<u>76,893</u>	<u>-</u>	<u>377,339</u>	<u>2,141,567</u>	<u>2,595,799</u>
Changes in equity for 2012					
Loss for the year	-	-	-	(339,073)	(339,073)
Other comprehensive income					
Actuarial gain on defined benefit pension plans	-	-	-	19,287	19,287
Fair value changes on available for sale assets	-	264	-	-	264
Exchange gain on foreign operations	-	-	-	-	-
Total comprehensive income/(loss) for the year	<u>-</u>	<u>264</u>	<u>-</u>	<u>(319,786)</u>	<u>(319,522)</u>
Issue of share capital	-	-	-	-	-
Transaction costs for equity issue	-	-	-	-	-
Dividends paid during the period	-	-	-	-	-
At 31 March 2012	<u>76,893</u>	<u>264</u>	<u>377,339</u>	<u>1,821,781</u>	<u>2,276,277</u>
At 31 March 2012	<u>76,893</u>	<u>264</u>	<u>377,339</u>	<u>1,821,781</u>	<u>2,276,277</u>
Changes in equity for 2013					
Profit for the year	-	-	-	179,174	179,174
Transfer to income statement	-	(264)	-	-	(264)
Other comprehensive income					
Actuarial loss on defined benefit pension plans	-	-	-	(25,909)	(25,909)
Fair value changes on available for sale assets	-	-	-	-	-
Exchange gain or loss on foreign operations	-	-	-	-	-
Total comprehensive loss for the year	<u>-</u>	<u>(264)</u>	<u>-</u>	<u>153,265</u>	<u>153,001</u>
Issue of share capital	-	-	-	-	-
Transaction costs for equity issue	-	-	-	-	-
Dividends paid during the period	-	-	-	-	-
At 31 March 2013	<u>76,893</u>	<u>-</u>	<u>377,339</u>	<u>1,975,046</u>	<u>2,429,278</u>

The accompanying notes and statement of significant accounting policies form an integral part of these consolidated