

NIGACHEM NIGERIA LIMITED

(RC. 97,718)

STATEMENTS OF ACCOUNT

FOR THE YEAR ENDED

31ST MARCH 2016.



Olufemi Jaiyesimi & Co.
(Chartered Accountants)

NIGACHEM NIGERIA LIMITED

(RC. 97,718)

STATEMENTS OF ACCOUNT

FOR THE YEAR ENDED

31ST MARCH 2016.

OLUFEMI JAIYESIMI AND COMPANY
(Chartered Accountants),
NIGERIA.

NIGACHEM NIGERIA LIMITED

2015/2016 FINANCIAL STATEMENTS
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NIGACHEM NIGERIA LIMITED

DIRECTORS AND PROFESSIONAL ADVISERS

DIRECTORS:

Engr. S. C. Ghasarah	- Chairman
Mr. Milind Deshmukh	- Executive Director
Engr. M. A. Yusuf	
Mr. Suresh Menon	
Chief D. I. Amoh	
Mr. Albert O. O. Agbona	

SECRETARY

Akinsec Consulting,
(Corporate Secretaries)
7, Funsho Williams Avenue, (2nd floor),
Ojuelegba,
SURU-LERE,
Lagos.

REGISTERED OFFICE:

20 Sule Abuka Crescent,
Off Opebi Road,
OPEBI,
Lagos.

AUDITORS:

Olufemi Jaiyesimi and Company
(Chartered Accountants),
16, Ogunsefunmi Street,
Anifowoshe,
IKEJA,
Lagos.

BANKERS:

Diamond Bank Plc.
Zenith International Bank Plc.
Standard Chartered Bank Limited
Fidelity Bank Plc.
Guaranty Trust Bank Plc

NIGACHEM NIGERIA LIMITED

YEAR IN BRIEF

	12 Months ended <u>31-03-2016</u> <u>N</u>	12 Months ended <u>31-03-2015</u> <u>N</u>	%
Turnover	3,429,530,152	4,236,273,962	(19)
Cost of sales	(2,403,654,261)	(2,735,781,262)	(12)
Administrative expenses	(837,553,782)	(1,158,101,579)	(28)
Sundry Income	73,706,220	143,850,740	(49)
Profit before taxation	262,028,329	486,241,860	(46)
Taxation	(101,500,000)	(159,600,000)	(36)
Profit after taxation	160,528,329	326,641,860	(51)
Dividend	-	593,939,394	(100)
Capital employed	1,502,328,127	1,341,799,798	12
Capital expenditure	54,621,156	196,922,997	(72)
Depreciation of fixed assets	134,178,797	130,540,050	3
Earning per share (kobo)-Adjusted	37.84	76.99	(51)
Dividend per share (kobo) - Adjusted	-	140.00	(100)
Net assets per share (kobo)- Adjusted	354.12	316.28	12

NIGACHEM NIGERIA LIMITED

DIRECTORS

Engr. S. C. Ghasarah	- Chairman
Mr. Milind Deshmukh	- Executive Director
Engr. M. A. Yusuf	
Mr. Suresh Menon	
Chief D. I. Amoh	
Mr. Albert O. O. Agbona	

REPORT OF THE DIRECTORS

The Directors are pleased to submit to the members their report together with the audited statements of account for the year ended 31st March 2016.

1 COMMENCEMENT OF BUSINESS

The Company was incorporated on 31st July 1987 as a Private Limited Liability Company and commenced business operations in November 1987.

2 PRINCIPAL ACTIVITY

The principal activity of the Company is that of general merchandising.

3 RESULT FOR THE PERIOD

Profit before taxation	N 262,028,329
Less: Taxation	<u>(101,500,000)</u>
Profit after taxation	<u>160,528,329</u>

4 DIVIDEND

The Directors did not proposed any dividend for the year under review.

5 STATE OF AFFAIRS

In the opinion of the Directors, the state of the Company's affairs is satisfactory and there has been no material change since the balance sheet date.

6 DIRECTORS' INTEREST

The interest of the Directors in the issued share capital of the Company as at 31st March 2016 was as follows:

	<u>NUMBER OF SHARES HELD</u>	
	<u>2015/2016</u>	<u>2014/2015</u>
Engr. S. C. Ghasarah -(Indirect)	144,909,091 shares	144,909,091 shares
Mr. Milind Deshmukh	Nil shares	Nil shares
Engr. M. A. Yusuf	10,000,000 shares	10,000,000 shares
Mr. Suresh Menon -(Indirect)	233,333,333 shares	233,333,333 shares
Chief D. I. Amoh	20,000,000 shares	20,000,000 shares
Mr. Albert O. O. Agbona	<u>Nil shares</u>	<u>Nil shares</u>

7 SHAREHOLDING

The shareholding position as at 31st March 2016, was as follows:

	<u>NUMBER OF SHARES HELD</u>			
	<u>2015/2016</u>		<u>2014/2015</u>	
Nigerian citizens	190,909,091	Shares 45%	190,909,091	Shares 45%
Foreign citizens	233,333,333	Shares 55%	233,333,333	Shares 55%
	<u>424,242,424</u>	<u>100%</u>	<u>424,242,424</u>	<u>100%</u>

8 RESPONSIBILITIES OF DIRECTORS

In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Decree, 1990 the Company's Directors are responsible for the preparation of financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of its profit and cash flow statement for the period and comply with the provisions of the Decree. These responsibilities include ensuring that:

- i) adequate internal control procedures are instituted to safeguard assets and prevent and detect fraud and other irregularities;
- ii) proper accounting records are maintained;
- iii) applicable accounting standards are followed;
- iv) suitable accounting policies are used and consistently applied;
- v) the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

9 ACQUISITION OF OWN SHARES

The Company did not acquire any of its own shares during the year under review.

10 DONATIONS AND GIFTS

The Sum of N16,212,476 was given as donation and gifts during the year under review.

11 POST BALANCE SHEET EVENTS

There were no post balance sheet events which could have had material effect on the state of affairs of the Company as well as the profit for the year ended March 31, 2016 which have not been adequately provided for.

12 EMPLOYMENT AND EMPLOYEES

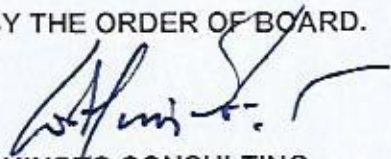
Employment of Disabled Persons

It is the policy of the Company that there should be no discrimination in considering application for employment including those from disabled persons. All employees whether or not disabled are given equal opportunities to develop.

13 AUDITORS

The Auditors, **Messrs Olufemi Jaiyesimi & Company**, (Chartered Accountants), have indicated their willingness to continue in office as Auditors to the Company, and a resolution will be proposed at the Annual General Meeting to authorise the Directors to fix their remuneration.

BY THE ORDER OF BOARD.



AKINSEC CONSULTING
(Company Secretaries)
Lagos, NIGERIA,

2016



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Off Abeokuta Str. Behind Forte Oil Station on
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Website: www.ojcconsulting.com

O. A. Jaiyesimi, FCA

Olufemi Jaiyesimi & Co.
(Chartered Accountants)

**REPORT OF THE AUDITORS
TO THE SHAREHOLDERS OF
NIGACHEM NIGERIA LIMITED**

We have audited the accompanying financial statements of **Nigachem Nigeria Limited**, which comprise the balance sheet as at March 31 2016, and the income statement of changes in equity and statement of cash flows for the year ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

Directors are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting principles applicable in Nigeria and for such internal control as management determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nigerian Standards on Auditing (NSAs). Those standards requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditors consider the internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit includes evaluating appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements, in all material respects, give a true and fair view of the financial position of **Nigachem Nigeria Limited** as at March 31, 2016, and of its cash flows for the period then ended in accordance with generally accepted accounting principles applicable in Nigeria.

Report on other legal requirements

The companies and Allied Matters Act, CAP C20 LFN,2004 requires that in carrying out our audit we consider and report to you on the following matters. 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 company; and
- (iii) The Company's balance sheet and profit and loss account are in agreement with the books of account.

Femi Jaiyesimi - FCA - (FRC/2013/ICAN/0000001920)
For: OLUFEMI JAIYESIMI & CO
(Chartered Accountants.)
Lagos, NIGERIA.

2016, 2016.



NIGACHEM NIGERIA LIMITED

ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH, 2016

Basis of preparation of financial statements:

1 Basis of accounting

These accounts have been prepared under the historical cost convention.

2 Fixed assets

Fixed assets are stated at cost less accumulated depreciation thereon.

3 Depreciation

Depreciation is charged when the asset is brought into use and is calculated on fixed assets so as to write-off the cost of the assets over their estimated useful lives at the following annual rates:

Factory Building	-	10% per annum
Building	-	10% per annum
Plant and machinery	-	10% per annum
Motor vehicles	-	25% per annum
Furniture and Equipment	-	20% per annum

4 Stock

Stock in trade has been valued at the lower of cost and net realizable value.

5 Debtors

Debtors are stated after providing for those debts which are considered doubtful of collection.

6 Foreign currencies

Transactions in foreign currencies are recorded in the books in Naira at the rate ruling on the dates of the transactions. Assets and liabilities in foreign currencies are translated into Naira at the rates ruling at the balance sheet date.

7 Dividend

Proposed dividend for the year is recognised as a liability only when declared and approved by shareholders at the Annual General Meeting.

8 Turnover

This represents the value of goods invoiced to third parties

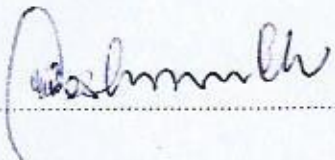
9 Repairs and maintenance

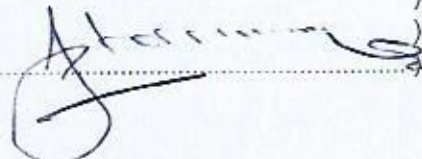
Normal repairs and maintenance are written off to income during the period incurred.

NIGACHEM NIGERIA LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

<u>ASSETS EMPLOYED:</u>	<u>Notes</u>	<u>N</u>	<u>12 Months ended 31-03-2016 N</u>	<u>N</u>	<u>12 Months ended 31-03-2015 N</u>
FIXED ASSETS	1		904,870,709		984,429,350
CURRENT ASSETS:					
Stock	2	986,885,554		1,738,827,160	
Debtors and prepayments	3	1,267,882,874		1,053,958,426	
Cash and bank balances	4	492,473,673		88,831,836	
		<u>2,747,242,100</u>		<u>2,881,617,422</u>	
Less: CURRENT LIABILITIES:					
Creditors and accruals	5	498,967,044		1,107,343,263	
Bank Overdraft	6	-		76,213,608	
Short term loans	7	756,845,113		462,460,710	
Taxation	8b	300,033,132		134,790,000	
Proposed Dividend	9	593,939,394		593,939,394	
		<u>2,149,784,684</u>		<u>2,374,746,974</u>	
NET CURRENT ASSETS			<u>597,457,417</u>		<u>506,870,448</u>
TOTAL ASSETS			<u>1,502,328,127</u>		<u>1,491,299,798</u>
NON-CURRENT LIABILITIES:					
Deferred Taxation	8c		-		(149,500,000)
NET ASSETS			<u>1,502,328,127</u>		<u>1,341,799,798</u>
<u>CAPITAL AND RESERVES:</u>					
SHARE CAPITAL	10		424,242,424		424,242,424
SHARE PREMIUM ACCOUNT	11		474,825,027		474,825,027
PROFIT AND LOSS ACCOUNT	12		603,260,676		442,732,347
			<u>1,502,328,127</u>		<u>1,341,799,798</u>





) - DIRECTORS

(0)

NIGACHEM NIGERIA LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2016

	Notes	N	12 Months ended 31-03-2016 N	N	12 Months ended 31-03-2015 N
TURNOVER	13		3,429,530,152		4,236,273,962
Less: Cost of sales			<u>(2,403,654,261)</u>		<u>(2,735,781,262)</u>
Gross Profit	14		1,025,875,891		1,500,492,699
Administration cost					
Staff Cost		192,170,261		195,112,039	
Administrative cost		143,756,635		193,053,511	
Selling & distribution Cost		36,866,331		45,913,301	
Technical & Management Charges		290,454,133		516,275,633	
Finance Charges		137,605,418		139,009,868	
Provision for doubtful debts		1,338,023		42,362,740	
Depreciation		<u>35,362,981</u>		<u>26,374,486</u>	
			<u>(837,553,782)</u>		<u>(1,158,101,579)</u>
Trading profit			188,322,109		342,391,120
Other Income			<u>73,706,220</u>		<u>143,850,740</u>
Profit before tax	15		262,028,329		486,241,860
Taxation	8a		<u>(101,500,000)</u>		<u>(159,600,000)</u>
Profit after tax			160,528,329		326,641,860
Declared dividend			-		-
Retained Profit for the year			<u>160,528,329</u>		<u>326,641,860</u>
Earnings per share - (kobo) (adjusted)			<u>37.84</u>		<u>76.99</u>
Dividend per share - (kobo) (adjusted)			<u>-</u>		<u>140.00</u>

The accounting policies on page 6 and the attached notes form an integral part of these accounts.

NIGACHEM NIGERIA LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2016

<u>CASH FLOW FROM OPERATING ACTIVITIES</u>	N	12 Months ended <u>31-03-2016</u> N	N	12 Months ended <u>31-03-2015</u> N
Profit before taxation		262,028,329		486,241,860
<u>ADJUSTMENT FOR NON-MONETARY ITEMS:</u>				
Depreciation		134,178,797		130,540,050
Profit/(loss) on disposal of assets		(899,000)		(3,828,905)
Prior year adjustment		-		-
OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL		395,308,126		612,953,005
(Increase)/Decrease in stock	751,941,606		(1,091,645,207)	
(Increase)/Decrease in debtors & prepayments	(213,924,448)		113,675,817	
Increase/(Decrease) in creditors & accruals	(608,376,219)		663,689,902	
Increase/(Decrease) in Short term loans	294,384,403		81,215,135	
		<u>224,025,342</u>		<u>(233,064,353)</u>
CASH FLOW FROM OPERATING ACTIVITIES		619,333,468		379,888,652
Taxation paid		63,743,132		(340,504,613)
Deferred tax		(149,500,000)		-
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>				
Purchase of fixed assets	(54,621,156)		(196,922,997)	
Proceed from sale of assets	900,000		63,000,000	
		<u>(53,721,156)</u>		<u>(133,922,997)</u>
		479,855,444		(94,538,958)
<u>FINANCING ACTIVITIES:</u>				
Dividend paid	-		-	-
Share Capital	-		-	-
Share Premium	-		-	-
		<u>-</u>		<u>-</u>
NET DECREASE IN LIQUID FUNDS		479,855,444		(94,538,958)
CASH EQUIVALENT AT BEGINNING		12,618,229		107,157,187
CASH EQUIVALENT AT CLOSE		<u>492,473,673</u>		<u>12,618,229</u>
REPRESENTED BY:				
Cash and bank balances		492,473,673		88,831,836
Bank Overdraft		-		(76,213,608)
		<u>492,473,673</u>		<u>12,618,229</u>

NIGACHEM NIGERIA LIMITED

NOTES ON THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2016

1 FIXED ASSETS

Fixed assets at the balance sheet date were made up as follows:

Cost	Factory		Plant and Machinery	Motor Vehicles	Office Equip. & Furniture	Total	
	Land	Building					
	N	N	N	N	N	N	
As at 1st April 2015	84,468,381	431,981,405	156,429,816	524,184,188	98,002,900	52,603,025	1,347,669,714
Additions	5,707,170	16,353,960	-	18,209,459	7,925,200	6,425,367	54,621,156
Disposals	-	-	-	-	(3,477,500)	-	(3,477,500)
As at 31st March 2016	<u>90,175,551</u>	<u>448,335,365</u>	<u>156,429,816</u>	<u>542,393,647</u>	<u>102,450,600</u>	<u>59,028,391</u>	<u>1,398,813,370</u>
Depreciation							
As at 1st April 2015	-	71,442,601	49,875,586	145,504,903	63,053,387	33,363,888	363,240,365
Charge for the year	-	34,393,425	23,729,266	53,602,499	14,296,392	8,157,215	134,178,797
Disposals	-	-	-	-	(3,476,500)	-	(3,476,500)
As at 31st March 2016	-	<u>105,836,026</u>	<u>73,604,852</u>	<u>199,107,402</u>	<u>73,873,279</u>	<u>41,521,103</u>	<u>493,942,662</u>
Net Book Value							
As at 31st March 2016	<u>90,175,551</u>	<u>342,499,339</u>	<u>82,824,964</u>	<u>343,286,245</u>	<u>28,577,322</u>	<u>17,507,288</u>	<u>904,870,709</u>
As at 31st March 2015	<u>84,468,381</u>	<u>360,538,804</u>	<u>106,554,230</u>	<u>378,679,285</u>	<u>34,949,514</u>	<u>19,239,137</u>	<u>984,429,350</u>

12 Months
ended
31-03-2016

12 Months
ended
31-03-2015

2 STOCKS

Finished Goods- Explosives	54,877,993	117,741,304
Finished Goods- Cord & Accessories	622,575,943	844,890,670
Finished Goods- Ammonium Nitrate	8,573,850	287,040,632
Raw Materials	166,209,137	307,204,162
Packing Material	129,444,069	124,566,306
Factory stock & goods in transit	-	50,737,644
Fuel & Diesel	2,118,259	6,646,442
As per balance sheet	<u>986,885,554</u>	<u>1,738,827,160</u>

3 DEBTORS AND PREPAYMENTS

Trade debtors	1,001,829,090	895,070,033
Deposit for letters of credit	500,000	500,000
NNL JV Share Capital Current Account	-	55,787,583
Staff Loans	24,253,482	23,754,075
Prepayments	241,300,303	78,846,735
As per balance sheet	<u>1,267,882,874</u>	<u>1,053,958,426</u>

4 CASH AND BANK BALANCES

Bank balances	466,718,023	65,048,895
Cash account	25,755,650	23,782,942
As per balance sheet	<u>492,473,673</u>	<u>88,831,836</u>

5 CREDITORS AND ACCRUALS

Trade creditors	419,380,524	769,120,602
Solar JV Payable	1,325,625	2,816,228
Sil-Adiman JV Payable	205,554	1,967,831
Sundry creditors	27,666,322	5,902,614
Accruals	50,389,019	327,535,988
As per balance sheet	<u>498,967,044</u>	<u>1,107,343,263</u>

NIGACHEM NIGERIA LIMITED

NOTES ON THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2016

	N	12 Months ended 31-03-2016 N	N	12 Months ended 31-03-2015 N
6 BANK OVERDRAFT				
Diamond Bank 1		-		76,084,998
Diamond Bank 3		-		128,610
As per balance sheet		<u>-</u>		<u>76,213,608</u>
7 SHORT TERM LOAM				
Diamond Bank		157,480,000		423,970,713
GT Bank Plc.		169,965,561		38,489,997
RMB		38,603,250		-
Solar Industries		390,796,302		-
As per balance sheet		<u>756,845,113</u>		<u>462,460,710</u>
8(a) TAXATION - Profit & Loss account				
Income tax		92,871,199		145,500,000
Education tax		8,415,095		14,100,000
Prior year - Under provision		213,706		-
Deferred tax		-		-
As per Profit & Loss Account		<u>101,500,000</u>		<u>159,600,000</u>
The Charge for income tax has been computed in accordance with the provisions of the Companies Income Tax Act, CAP C21, LFN 2004 as amended to date and Education tax is based on the provision of the Education Tax Act, CAP E4, LFN 2004 at the following rates:				
Income tax		<u>30%</u>		<u>30%</u>
Education tax		<u>2%</u>		<u>2%</u>
8(b) TAXATION - Balance Sheet				
Balance as at 1st January		134,790,000		460,194,613
Provision for the year		101,500,000		159,600,000
		<u>236,290,000</u>		<u>619,794,613</u>
Payment during the year	(585,500,000)		(172,787,300)	
Withholding tax credit utilised	-		(7,212,700)	
Reclassification	649,243,132		(144,500,000)	
Withholding tax deducted at source	-		(160,504,613)	
		63,743,132		(485,004,613)
As per balance sheet		<u>300,033,132</u>		<u>134,790,000</u>
8(c) DEFERRED TAXATION				
Balance as at 1st January		149,500,000		5,000,000
Provision for the year		-		-
Reclassification		(149,500,000)		144,500,000
As per balance sheet		<u>-</u>		<u>149,500,000</u>
9 DIVIDEND PAYABLE				
(a) Declared dividend represents dividend proposed for the preceding year but declared during the current year.				
(b) The movement in dividend payable account was as follows:				
Balance as at 1st January		593,939,394		-
Declared during the year		-		593,939,394
As per balance sheet		<u>593,939,394</u>		<u>593,939,394</u>

NIGACHEM NIGERIA LIMITED

NOTES ON THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2016

	N	12 Months ended 31-03-2016 N	N	12 Months ended 31-03-2015 N
10 SHARE CAPITAL				
Authorised, issued and fully paid:				
450,000,000 ordinary shares of N1.00 each		<u>450,000,000</u>		<u>450,000,000</u>
Called-up, Issued and fully paid:				
424,242,424 ordinary shares of N1.00 each:				
Balance as at 1st January		424,242,424		424,242,424
Allotment during the year		-		-
Balance as per balance sheet		<u>424,242,424</u>		<u>424,242,424</u>
11 SHARE PREMIUM ACCOUNT				
Balance brought forward		474,825,027		474,825,027
Premium on share purchased		-		-
Balance as per balance sheet		<u>474,825,027</u>		<u>474,825,027</u>
This represents the premium on the allotment of 233,333,333 ordinary shares of N1.00k each at N2.035K per share.				
12 REVENUE RESERVE				
Balance brought forward		442,732,347		710,029,881
Dividend declared		-		(593,939,394)
Profit after taxation		160,528,329		326,641,860
Interim dividend declared		-		-
Balance as per balance sheet		<u>603,260,676</u>		<u>442,732,347</u>
13 TURNOVER				
Manufacturing		2,008,006,730		2,442,974,038
Trading		623,526,963		838,833,449
Ammonium Nitrate		797,996,459		954,466,475
As per profit and loss account		<u>3,429,530,152</u>		<u>4,236,273,962</u>
14 GROSS MARGIN				
Manufacturing		490,086,309		945,834,270
Trading		223,798,142		310,312,276
Ammonium Nitrate		311,991,440		244,346,154
As per Profit and Loss Account		<u>1,025,875,891</u>		<u>1,500,492,699</u>
15 PROFIT BEFORE TAXATION IS ARRIVED AT:				
After Charging:				
Directors' remuneration:				
Fees	750,000		750,000	
Other allowances	<u>18,298,525</u>		<u>19,601,350</u>	
		19,048,525		20,351,350
Interest on Loan		84,192,370		80,748,944
Auditors' remuneration		3,500,000		3,500,000
Depreciation		<u>134,178,797</u>		<u>130,540,050</u>

NIGACHEM NIGERIA LIMITED

NOTES ON THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2016

	12 Months ended <u>31-03-2016</u>		12 Months ended <u>31-03-2015</u>
N	N	N	N

16 CAPITAL COMMITMENT

There were no capital commitments at the balance sheet date (2014/2015 - Nil)

17 CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet (2014/2015 - Nil)

18 COMPARATIVE FIGURES

Certain comparative figures have been restated where necessary to reflect a more meaningful comparison.

NIGACHEM NIGERIA LIMITED

STATEMENT OF VALUE-ADDED
FOR THE YEAR ENDED 31ST MARCH 2016

	12 Months ended <u>31-03-2016</u>		12 Months ended <u>31-03-2015</u>	
	N	%	N	%
TURNOVER	3,429,530,152		4,236,273,962	
Sundry Income	<u>73,706,220</u>		<u>143,850,740</u>	
	3,503,236,372		4,380,124,701	
Less: Bought-in-goods and services	<u>(2,957,273,908)</u>		<u>(3,612,262,788)</u>	
VALUE ADDED	<u>545,962,465</u>	<u>100</u>	<u>767,861,913</u>	<u>100</u>
APPLIED AS FOLLOWS:				
To pay Employees' wages, salaries and other benefits:	164,378,785	30.1	174,496,623	22.7
To pay provider of capital:				
Interest on overdraft & loan	84,192,370	15.4	80,748,944	10.5
Dividend	-	-	-	-
To pay Government:				
Taxation	101,500,000	18.6	159,600,000	20.8
To provide for maintenance of Assets:				
Depreciation	35,362,981	6.5	26,374,486	3.4
Deferred taxation	-	-	-	-
Retained profit	<u>160,528,329</u>	<u>29.4</u>	<u>326,641,860</u>	<u>42.5</u>
	<u>545,962,465</u>	<u>100</u>	<u>767,861,913</u>	<u>100</u>

NIGACHEM NIGERIA LIMITED

FIVE-YEAR FINANCIAL SUMMARY
FOR THE YEAR ENDED

	12 Months ended <u>31-03-2016</u>	12 Months ended <u>31-03-2015</u>	12 Months ended <u>31-03-2014</u>	12 Months ended <u>31-03-2013</u>	12 Months ended <u>31-03-2012</u>
	N	N	N	N	N
<u>BALANCE SHEET</u>					
<u>ASSETS EMPLOYED:</u>					
Fixed assets	904,870,709	984,429,350	977,217,497	1,034,860,951	1,004,243,720
Net current assets	597,457,417	506,870,448	636,879,835	693,566,962	585,146,407
Total Assets	1,502,328,127	1,491,299,798	1,614,097,332	1,728,427,913	1,589,390,127
Deferred taxation	-	(149,500,000)	(5,000,000)	(5,000,000)	(5,000,000)
Net Assets	1,502,328,127	1,341,799,798	1,609,097,332	1,723,427,913	1,584,390,127
<u>CAPITAL AND RESERVES</u>					
Share capital	424,242,424	424,242,424	424,242,424	424,242,424	424,242,424
Bonus issue reserves	-	-	-	-	-
Share premium	474,825,027	474,825,027	474,825,027	474,825,027	443,333,333
Profit and Loss account	603,260,676	442,732,347	710,029,881	824,360,462	716,814,371
Shareholders funds	1,502,328,127	1,341,799,798	1,609,097,332	1,723,427,913	1,584,390,127
<u>PROFIT AND LOSS ACCOUNT</u>					
Turnover	<u>3,429,530,152</u>	<u>4,236,273,962</u>	<u>3,873,956,747</u>	<u>3,022,787,967</u>	<u>2,335,715,476</u>
Profit before tax	262,028,329	486,241,860	964,789,506	780,943,757	406,585,705
Taxation	(101,500,000)	(159,600,000)	(309,000,000)	(238,540,000)	(124,629,000)
Profit after tax	160,528,329	326,641,860	655,789,506	542,403,757	281,956,705
Profit brought forward	442,732,345	710,029,879	824,360,462	716,814,371	467,377,666
Prior year adjustment	-	-	-	-	(32,520,000)
	603,260,673	1,036,671,739	1,480,149,968	1,259,218,128	716,814,371
Declared Dividend	-	(593,939,394)	(770,120,089)	(434,857,666)	-
Interim Dividend	-	-	-	-	-
	603,260,673	442,732,345	710,029,879	824,360,462	716,814,371
Amount set aside for bonus issue	-	-	-	-	-
Retained Profit carried forward	603,260,673	442,732,345	710,029,879	824,360,462	716,814,371
Earnings per share (kobo) (adjusted)	37.84	76.99	154.58	127.85	66.46
Dividend per share (kobo) (adjusted)	-	140.00	181.53	102.50	-
Net Assets per share (kobo) (adjusted)	354.12	316.28	379.29	406.24	373.46

NIGACHEM NIGERIA LIMITED

TRADING, PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2016

	N	12 Months ended <u>31-03-2016</u> N	N	12 Months ended <u>31-03-2015</u> N
TURNOVER		3,429,530,152		4,236,273,962
Less: Cost of sales:		(2,403,654,261)		(2,735,781,262)
Gross margin		<u>1,025,875,891</u>		<u>1,500,492,699</u>
Sundry Income		<u>73,706,220</u>		<u>143,850,740</u>
Gross Profit		1,099,582,111		1,644,343,439
Less: OVERHEADS :				
Directors' Fees & allowances	19,798,525		20,351,350	
Salaries and Wages	144,580,260		154,145,273	
Rent and Rates	12,556,600		12,262,402	
Electricity	270,500		308,500	
Printing and stationery	4,101,035		3,247,620	
Telephone expenses	7,333,030		7,002,447	
Insurance	8,020,413		5,011,728	
Medical expenses	351,740		695,949	
Motor running expenses	31,533,063		30,132,547	
Transport and travelling	33,993,281		37,056,854	
Entertainment & PR	14,733,665		24,601,835	
Advert and Publicity	2,873,050		8,856,448	
Subscription and Donations	16,212,476		28,461,047	
Corporate Responsibility expenses	6,138,118		23,718,615	
Registration & licence	27,222,045		34,357,000	
Staff Welfare	13,690,762		12,184,088	
Training & Development	4,093,155		1,492,897	
Repairs & Maintenance	9,541,060		11,227,906	
General Expenses	90,550		509,310	
Professional fees	2,152,340		7,210,055	
Audit fees	3,500,000		3,500,000	
Bank charges	53,413,049		58,260,924	
Interest on Loan	84,192,370		80,748,944	
JV Admin Charges	4,867,444		10,024,769	
Technical Service fees	9,734,888		20,049,539	
Operation Consulting Charges	275,851,801		486,201,325	
Pension-Employer Contribution	10,007,559		6,938,431	
Provision for doubtful debts	1,338,023		42,362,740	
Fines and penalties	-		589,250	
Pre-operational Expenses w/o	-		-	
Depreciation	<u>35,362,981</u>		<u>26,374,486</u>	
		(837,553,782)		(1,158,101,579)
NET PROFIT FOR THE YEAR		<u><u>262,028,329</u></u>		<u><u>486,241,860</u></u>

NIGACHEM NIGERIA LIMITED

MANUFACTURING ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2016

		12 Months ended <u>31-03-2016</u>		12 Months ended <u>31-03-2015</u>
	N	N	N	N
Opening Stocks of finished goods:				
- Explosives		116,281,578		50,687,245
- Cord & Accessories		844,890,670		282,935,304
- Ammonium Nitrates		287,040,632		56,645,836
- Seismic		1,459,726		-
Opening stocks of Raw Materials	307,204,162		137,992,554	
Opening stocks of Packing Materials	124,566,306		43,563,416	
Add: Purchases for the year:				
Explosives	1,048,665,534		1,320,347,539	
Cord & Accessories	6,798,312		988,873,919	
Ammonium Nitrates	105,168,768		879,553,545	
Other Direct cost	215,170,444		293,668,569	
Sub total	1,807,573,526		3,663,999,541	
Closing stock of:				
Raw Materials	(166,209,137)		(307,204,162)	
Packing Materials	(129,444,069)		(124,566,306)	
Cost of Raw & Packing materials Consumed		1,511,920,320		3,232,229,073
Factory Direct labour		70,462,209		79,687,271
Power & Electricity		24,597,665		32,915,708
Factory Repairs & Maintenance		14,743,005		19,045,340
Factory Production Overheads		122,556,729		127,142,526
Factory Depreciation		98,815,816		104,165,564
Closing stock of finished goods:				
- Explosives	(53,601,119)		(116,281,578)	
- Cord & Accessories	(622,575,943)		(844,890,670)	
- Ammonium Nitrates	(8,573,850)		(287,040,632)	
- Seismic	(1,276,873)		(1,459,726)	
		(686,027,786)		(1,249,672,606)
Closing stock of Work-in-Progress:				
- Explosives		(3,086,303)		-
COST OF GOODS SOLD		<u>2,403,654,261</u>		<u>2,735,781,262</u>