BUA CEMENT PLC RC1193879

Unaudited Financial Statements

FOR THE THREE MONTHS ENDED

31ST MARCH 2021

UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31ST MARCH 2021

CONTENTS

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, customer 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 customers historical records, guarantees provided, and advance payments made if any.

The four 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 the write-downs of inventories, where necessary.

4. SELLING AND DISTRIBUTION EXPENSES

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

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

5. FOREIGN CURRENCY

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which they 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 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 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

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

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 account over the period of the borrowings, using the effective interest method..

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.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

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.

7. RETIREMENT BENEFITS

The Company operates two defined benefit schemes 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 Administrators (PFAs). Contributions to this plan are recognised as an expense in the profit or loss in the periods during which services are rendered by employees.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

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

8. INTANGIBLE ASSETS

Licences

Licences are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Software

Cost associated with acquiring software programmes are capitalised at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Exploration assets

Exploration assets are carried at cost less accumulated amortisation and impairment losses. The accumulated capitalised costs from exploration assets are amortised over the expected total production using a units of production (UoP) basis. UoP is the most appropriate amortisation method because it reflects the pattern of consumption of the reserves' economic benefits.

The Company amortises other intangible assets with a limited useful life using the straight line method over the following periods:

9. 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.

10. 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).

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

11. DIVIDENDS

Dividends are recognized when they become legally payable. Dividend distribution to the Company's shareholders is recognized as a liability in the company's financial statements in the period in which the dividend is approved by the Company's shareholders at the Annual General Meeting (AGM) or when paid.

12. 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 derecoginised when replaced. All other repairs and maintenance cost are charged to the profit or loss during the financial period in which they are incurred.

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:

Land	*Not Depreciable*
Quarry Equipment	6-25 USEFUL LIFE (YEARS)
Buildings	30-50 USEFUL LIFE (YEARS)
Plant and Machinery	3-40 USEFUL LIFE (YEARS)
Furniture & Fitting	5 USEFUL LIFE (YEARS)
Tools & Laboratory Equip.	5 USEFUL LIFE (YEARS)
Trucks	4 USEFUL LIFE (YEARS)
Computer & Office Equip.	5 USEFUL LIFE (YEARS)
Motor Vehicles	4 USEFUL LIFE (YEARS)
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

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

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.

Quarry exploration and evaluation expenditures are accounted for using the successful efforts method of accounting. Costs are accumulated on a quarry by quarry basis. Geological and geophysical costs are expensed as incurred. Costs directly associated with quarry and exploration are capitalised until the determination of minable reserves is evaluated. If it is determined that commercial discovery has not been achieved, these costs are charged to expenses.

Capitalisation is made with property, plants and equipment or intangible assets according to the nature of the expenditure. Once commercial reserves are found, exploration and evaluation assets are tested for impairment and transferred to development tangible or intangible assets. No depreciation and/or amortisation is charged during the exploration and evaluation period.

13. 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.

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.

14. 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 comprises the Board of Directors and members of the management team who have authority and responsibility for planning, directing and controlling the activities of the Company.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

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.

15. 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.

16. 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.

Provisions for restructuring costs are recognised when the Company has a detailed formal plan for the restructuring that has been communicated to affected parties. Provisions are not recognised for future operating losses.

17. BORROWING COSTS CAPITALISED

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.

18. RIGHT-OF-USE-ASSET

Right of use asset are initially measured at cost comprising 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.

19. 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 but instead accounts for 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.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

20. 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 have been identified as the BUA Cement leadership team which comprises the Board of Directors and other executive officers.

21. GOVERNMENT GRANT

Grants from the government are recognised at their fair value where there is a resonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the cost that they are intended to compensate.

22. COMPARATIVE FIGURES

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

23. SECURITIES TRADING POLICY

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers' Rules), BUA Cement Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's securities. The policy is periodically reviewed by the Board and updated. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period under review.

24. FREE FLOAT DECLARATION

BUA Cement Plc with a free float value of ₦38,267,707,159 as at 31st March 2021 is compliant with the free float requirement for the Main Board of the Nigeria Stock Exchange.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31ST MARCH

	Notes	Unaudited 1 March, 2021 ₦	Unaudited 1 March, 2020 ₦
Revenue	2	61,192,879,336	53,969,024,908
Cost of Sales	6a	(32,058,514,634)	(29,992,580,580)
Gross Profit		**29,134,364,702**	**23,976,444,328**
Other Income	3	22,810,956	37,247,847
Selling and Distribution Costs	5	(1,559,365,183)	(1,114,193,991)
Administrative Expenses	6b	(1,948,315,747)	(1,915,320,725)
Operating Profit		**25,649,494,728**	**20,984,177,459**
Net Finance Costs	4	(878,734,878)	(854,833,539)
Profit Before Income Taxes		**24,770,759,850**	**20,129,343,920**
Income tax (charge)/credit	20a	(2,404,141,879)	(339,653,048)
Profit After Income Taxes		**22,366,617,971**	**19,789,690,872**
Other Comprehensive Income:			
Re-measurement of defined benefit obligations (net of tax)	16b	-	-
Total Comprehensive Income		**22,366,617,971**	**19,789,690,872**
Basic Earnings Per Share (Kobo)	15	**66**	**58**

STATEMENT OF FINANCIAL POSITION

ASSETS	Notes	Unaudited 31st March, 2021 =N=	Audited 31st December, 2020 =N=
NON-CURRENT ASSETS			
Property, Plant and Equipment	10	535,396,456,421	523,312,829,000
Right of Use Assets	7a	76,976,411	70,490,000
Intangible Assets	11	4,227,828,281	4,284,986,000
Total Non-Current Assets		539,701,261,113	527,668,305,000
CURRENT ASSETS			
Inventories	8	38,026,470,799	31,505,198,000
Trade and other receivables	9	26,273,941,159	83,307,986,000
Cash and Short Term Deposits	12	110,007,243,452	123,821,089,000
Total Current Assets		**174,307,655,410**	**238,634,273,000**
TOTAL ASSETS		**714,008,916,523**	**766,302,578,000**
EQUITY			
Share Capital	13	16,932,177,000	16,932,177,000
Retained Earnings		182,282,125,971	159,915,508,000
Reorganization Reserve	13.2	200,004,179,000	200,004,179,000
Actuarial Reserves	13.3	(897,136,000)	(897,136,000)
Total Equity		**398,321,345,971**	**375,954,728,000**
LIABILITIES AND EQUITY			
Liabilities			
Non-current Liabilities			
Long Term Borrowing	14a	50,764,518,672	50,449,387,000
Debt security Issued	14a	115,405,421,398	113,195,044,000
Deferred Income Tax Liabilities	20d	3,232,224,689	1,120,222,000
Government Grant	21b	4,632,023,000	4,632,023,000
Employee Benefit Liability	16a	3,709,513,581	3,645,893,000
Decommissioning Liability	18	10,176,044,663	9,167,775,000
Total Non-Current Liabilities		187,919,746,003	182,210,344,000
CURRENT LIABILITIES			
Trade and Other Payables	17a	23,497,238,100	23,868,768,000
Contract Liabilities	17b	46,145,900,305	42,138,330,000
Due to Related Companies	19	30,407,048,721	34,497,761,000
Income Tax Liability	20b	1,214,566,190	922,428,000
Short Term Borrowings	14b	25,554,739,185	105,648,512,000
Lease Liability	7b	47,637,048	37,317,000
Government Grant	21a	900,695,000	900,695,000
Decommission Liability	18	-	123,695,000
Total Current Liabilities		**127,767,824,549**	**208,137,506,000**
Total Liabilities		**315,687,570,552**	**390,347,850,000**
TOTAL LIABILITIES AND EQUITY		**714,008,916,523**	**766,302,578,000**

The financial statements and notes on pages 8 to 24 were approved by the Board of Directors on 28 April, 2021 and signed on its behalf by:

Engr Binji Yusuf
Managing Director/ CEO
FRC/2013/NSE/00000001746

Mr Chikezie Ajaero
Finance Director
FRC/2014/ICAN/0000001040

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31ST MARCH, 2021

	Share Capital	Reorganization Value	Reserve on Valuation Actuarial Benefit of Defined Plan	Retained Earnings	Total Equity
	₦	₦	₦	₦	₦
Balance at 1 January 2021	16,932,177,000	200,004,179,000	(897,136,000)	159,915,508,000	375,954,728,000
Merger Shares	-				-
Profit for the period	-	-	-	22,366,617,971	22,366,617,971
Other comprehensive income for the period	-	-	-	-	-
Transactions with owners					
Dividend	-	-	-	-	-
Balance at 31 March, 2021	16,932,177,000	200,004,179,000	(897,136,000)	182,282,125,971	398,321,345,971
Balance at 1 January 2020	16,932,177,000	200,004,179,000	(72,902,000)	146,833,788,000	363,697,242,000
Profit for the period	-	-	-	19,789,690,872	19,789,690,872
Other comprehensive income for the period	-	-	-	-	-
Transactions with owners					
Issue of shares for business combination	-	-			-
Dividend paid	-	-	-	-	-
Balance at 31 March 2020	16,932,177,000	200,004,179,000	(72,902,000)	166,623,478,872	383,486,932,872

STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED

	Unaudited 31st March. 2021 =N=	Audited 31st Dec. 2020 =N=
Cash Flows From Operating Activities		
Profit before income taxes	24,770,759,850	78,873,498,000
Non-cash adjustment to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment	3,921,970,626	15,199,012,000
Amortisation and impairment of intangible assets	92,107,437	227,871,000
Write off of Intangible assets	-	-
Unrealised foreign exchange losses	-	616,147,000
Net impairment gain/loss on financial asset	-	(1,355,590,000)
Decommissioning Liability- unwinding of discount	241,584,101	286,949,000
Net finance cost	357,150,777	2,690,303,000
Minimum Tax	-	171,265,000
Profit/loss on disposal of property, plant & equipment	-	-
Depreciation of right of use asset	17,465,041	56,191,000
Defined Benefit Plan Amendment	-	1,186,842,000
Provision for end of service benefit obligation	110,265,726	(64,636,000)
Operating profit before working capital changes	29,511,303,558	97,887,852,000
Working Capital Adjustments:		
(Increase)/Decrease in trade and other receivables	57,034,044,841	(80,689,051,000)
(Increase)/Decrease in bond proceed receivables		
(Increase)/Decrease in inventories	(6,521,272,799)	(4,303,619,000)
(Increase)/Decrease in due from related parties	17,030,288,000	
Increase in prepayment (right of use asset)	(23,951,351)	6,013,000
Increase/(Decrease) in trade and other payables	(371,529,900)	(12,473,090,000)
Increase/(Decrease) in due to related parties	(4,090,712,279)	32,843,327,000
Increase in contract liabilities	4,007,570,305	9,269,385,000
Increase/(Decrease) in Government Grant	-	5,527,017,000
Increase/(Decrease) in provisions	2,400,000	-
Increase/(Decrease) in end of service benefit	-	-
Cash generated from operations		
	79,547,852,375	65,098,122,000
Defined benefit paid during the year	(46,645,145)	(100,775,000)
Interest received	2,029,726	859,618,000
Tax paid	-	(744,369,000)
Net cash flow from operating activities	**79,503,236,956**	**65,112,596,000**
Investing Activities		
Purchase of property, plant and equipment	(12,135,901,535)	(127,118,686,000)
Intangible assets	(34,949,718)	(1,730,941,000)
Net cash flows used in investing activities	**(12,170,851,253)**	**(128,849,627,000)**
Financing Activities		
Lease Liabilities increase/(decrease)	10,320,048	(65,236,000)
Dividend paid to equity holders	-	(59,262,616,000)
Proceed from borrowing	6,599,216,064	228,722,337,000
Proceeds from debt security issued	-	113,170,093,000
Principal repayment of borrowing	(87,396,585,321)	(96,768,171,000)
Interest payment	(359,180,503)	(13,287,516,000)
Net cash flows used in financing activities	**(81,146,229,712)**	**172,508,891,000**
Net increase in cash and cash equivalents	(13,813,845,548)	108,771,860,000
Cash and cash equivalents at Beginning	123,821,089,000	15,024,598,000
Effect on exchange rate difference	-	24,631,000
Cash and cash equivalents at End (Note 12)	**110,007,243,452**	**123,821,089,000**

Capitalised Interest cost of N3.2Billion has been adjusted from the value of Property, Plant & Equipment purchased during the period

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31ST MARCH 2021

2. NET REVENUE	31 March, 2021 =N=	31 March, 2020 =N=
Sale of Cement	61,192,879,336	53,969,024,908
Sale of Cement	61,192,879,336	53,969,024,908

3. OTHER INCOME	31 March, 2021 =N=	31 March, 2020 =N=
Haulage income on goods delivery	-	-
Sundry income	15,053,820	12,085,810
Insurance claim	7,757,136	25,092,576
Realisation account	-	69,461
Amortisation of deferred income	-	-
Profit on disposal of property, plant and equipment	-	-
	22,810,956	37,247,847

4. NET FINANCE COST	31 March, 2021 =N=	1 March, 2020 =N=
Interest on loans	600,764,604	880,240,247
Interest Received	(2,029,726)	(20,951,708)
Interest on end of service benefits	-	(4,455,000)
Foreign Exchange Loss	280,000,000	-
	878,734,878	854,833,539

5. SELLING & DISTRIBUTION COSTS Included in selling and distribution cost:	31 March, 2021 =N=	31 March, 2020 =N=
Marketing Expenses & Other Overheads	101,498,301	98,472,123
Distribution Costs	1,158,210,220	845,222,949
Salaries, Wages & Benefits	299,656,662	170,498,920
	1,559,365,183	1,114,193,992

6. MAJOR COMPONENT OF COST OF SALES & ADMIN. EXPENSES 6a Major items of Direct cost of sales include the following:	31 March, 2021 =N=	31 March, 2020 =N=
Depreciation (Factory)	3,348,567,261	2,988,171,170
Repairs & Maintenance	1,974,041,167	1,535,778,083
Energy cost	11,902,876,610	10,635,535,603

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2021

6b. Major items of administrative expenses deducted before arriving at the

Profit before taxation:	31 March, 2021 =N=	31 March, 2020 =N=
Depreciation (Admin.)	142,943,095	109,751,281
Salaries, Wages & Benefits (Including pension and retirement benefits)	367,892,531	287,376,378
Corporate Social Responsibility	373,500,000	303,010,600
Auditors Fees	41,025,000	-
Board of Directors' expenses	56,345,000	59,116,287

7a. RIGHTS OF USE ASSET

	31 March, 2021 =N=	31 December, 2020 =N=
Building leases	70,490,101	76,503,000
Additions	23,951,351	50,178,000
Depreciation of ROU	(17,465,041)	(56,191,000)
Balance at end of period	76,976,411	70,490,000

7b. LEASES LIABILITIES

	31 March, 2021	31 December, 2020
Opening balance	37,317,242	48,352,000
Additions	10,319,806	50,445,000
Interest expense	-	3,756,000
Payments	-	(65,236,000)
	47,637,048	37,317,000

8. INVENTORIES

	31 March, 2021 =N=	31 December, 2020 =N=
Fuel	7,275,946,475	857,514,000
Engineering Spares	13,572,806,051	12,664,806,000
Packing materials	117,302,088	189,509,000
Raw materials	7,035,129,046	9,921,259,000
Goods in transit	7,748,551,146	5,527,658,000
Work in progress	2,013,313,398	1,658,779,000
Finished goods	263,422,595	685,673,000
	38,026,470,799	**31,505,198,000**

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 loans as at the reporting date.

9. TRADE AND OTHER RECEIVABLES

	31 March, 2021 =N=	31 December, 2020 =N=
Trade Receivables	171,055,000	470,568,000
Advance to Suppliers	1,422,919,165	6,676,340,000
Prepayments	13,959,031,713	747,469,000
Advance to staff	54,184,564	97,522,000
Other receivables	10,666,750,717	75,316,087,000
	26,273,941,159	**83,307,986,000**

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

The Company strictly deals on cash and carry basis with the exception of three corporate clients in the construction industry whom have a corporate guaranteed bond in place with a spelt out pre-agreed credit terms. Trade Receivables are not interest bearing.

The average credit period of the company's sales is 30 days. The Company has financial risk management policies in place to ensure that all receivables are received within the pre-agreed credit terms.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31ST MARCH 2021

10. PROPERTY, PLANT & EQUIPMENTS

COST / VALUATION	LAND =N=	BUILDING =N=	PLANT AND MACHINERY =N=	FURNITURE & FITTINGS =N=	QUARRY EQUIPMENTS =N=	TOOLS, COMPUTERS, LABORATORY, OFFICE EQUIPMENTS =N=	MOTOR VEHICLE =N=	TRUCKS =N=	CAPITAL WORK IN PROGRESS =N=	TOTAL =N=
Balance as at January 1,2021	**463,861,000**	**59,290,058,000**	**355,996,683,000**	**530,242,000**	**9,820,977,000**	**1,250,044,000**	**1,418,748,000**	**8,693,067,000**	**137,054,929,000**	**574,518,609,000**
Addition	33,626,000	-	152,930,091	82,635,750	-	37,343,100	56,818,000	-	15,001,654,106	15,365,007,047
Disposals/Transfer	-	-	-	-		-	-		-	-
Impairments	-	-	-	-		-	-		-	-
Changes in Estimates					640,591,000					640,591,000
Balance at 31 March 2021	**497,487,000**	**59,290,058,000**	**356,149,613,091**	**612,877,750**	**10,461,568,000**	**1,287,387,100**	**1,475,566,000**	**8,693,067,000**	**152,056,583,106**	**590,524,207,047**
Balance as at January 1,2020	**264,019,000**	**59,024,054,000**	**353,667,730,000**	**443,548,000**	**4,824,960,000**	**1,172,769,000**	**1,212,605,000**	**8,693,067,000**	**143,722,000**	**429,446,474,000**
Addition	199,842,000	169,654,000	2,956,867,000	88,693,000	48,810,000	89,623,000	206,143,000	-	144,359,207,000	148,118,839,000
Transfers	-	96,350,000	(627,914,000)	(1,999,000)		(12,348,000)		-	(7,448,000,000)	(7,993,911,000)
Reclassification	-	-	-	-		-	-		0	-
Disposals					-					-
Changes in Estimates					4,947,207,000					4,947,207,000
Impairment	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2020	**463,861,000**	**59,290,058,000**	**355,996,683,000**	**530,242,000**	**9,820,977,000**	**1,250,044,000**	**1,418,748,000**	**8,693,067,000**	**137,054,929,000**	**574,518,609,000**
ACCUMULATED DEPRECIATION										
Balance as at January 1,2021	**-**	**4,373,856,000**	**38,631,595,000**	**307,685,000**	**2,224,372,000**	**611,269,000**	**816,281,000**	**4,240,722,000**	**-**	**51,205,780,000**
Charge for the period	-	289,239,559	2,730,826,856	12,701,707	273,698,000	23,370,202	48,817,871	543,316,431	-	3,921,970,626
Disposals	-	-	-	-		-	-		-	-
Impairments	-	-	-	-		-	-		-	-
Balance at 31 March 2021	**-**	**4,663,095,559**	**41,362,421,856**	**320,386,707**	**2,498,070,000**	**634,639,202**	**865,098,871**	**4,784,038,431**	**-**	**55,127,750,626**
Balance as at January 1,2020	**-**	**3,212,638,000**	**27,741,645,000**	**266,095,000**	**1,563,082,000**	**534,215,000**	**655,394,000**	**2,067,134,000**	**-**	**36,040,203,000**
Charge for the period	-	1,161,258,000	10,908,638,000	42,319,000	661,612,000	90,710,000	160,887,000	2,173,588,000	-	15,199,012,000
Reclassification	-	-		-		-	-		-	-
Transfers	-	(40,000)	(18,688,000)	(729,000)	(322,000)	(13,656,000)	-		-	(33,435,000)
Impairments	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2020	**-**	**4,373,856,000**	**38,631,595,000**	**307,685,000**	**2,224,372,000**	**611,269,000**	**816,281,000**	**4,240,722,000**	**-**	**51,205,780,000**
NET BOOK VALUE										
Balance at 31 March 2021	497,487,000	54,626,962,441	314,787,191,235	292,491,043	7,963,498,000	652,747,898	610,467,129	3,909,028,569	152,056,583,106	535,396,456,421
Balance at 31 December 2020	463,861,000	54,916,202,000	317,365,088,000	222,557,000	7,596,605,000	638,775,000	602,467,000	4,452,345,000	137,054,929,000	523,312,829,000

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2021

11. INTANGIBLE ASSETS

	LICENSES =N=	EXPLORATION ASSET =N=	SOFTWARE =N=	TOTAL =N=
Cost				
Balance at 1 January 2021	**3,025,000**	**4,775,603,000**	**83,737,000**	**4,862,365,000**
Addition	-	245,328,216	-	245,328,216
Disposals/ Transfers	-	(210,378,498)		(210,378,498)
Balance at 31 March 2021	**3,025,000**	**4,810,552,718**	**83,737,000**	**4,897,314,718**
Balance at 1 January 2020	**3,025,000**	**3,060,885,000**	**67,514,000**	**3,131,424,000**
Addition	-	1,714,718,000	16,223,000	1,730,941,000
Reclassification	-	-		-
Write offs			-	-
Balance at 31 December 2020	**3,025,000**	**4,775,603,000**	**83,737,000**	**4,862,365,000**
Amortization				
Balance at 1 January 2021	**3,025,000**	**565,277,000**	**9,077,000**	**577,379,000**
Amortisation	-	86,041,063	6,066,374	92,107,437
Balance at 31 March 2021	**3,025,000**	**651,318,063**	**15,143,374**	**669,486,437**
Balance at 1 January 2020	**3,025,000**	**337,673,000**	**8,811,000**	**349,509,000**
Amortisation	-	227,604,000	266,000	227,870,000
Reclassification	-	-		-
Write Offs			-	-
Balance at 31 December 2020	**3,025,000**	**565,277,000**	**9,077,000**	**577,379,000**
NET BOOK VALUE				
Balance at 31 March 2021	**-**	**4,159,234,655**	**68,593,626**	**4,227,828,281**
Balance at 31 December 2020	**-**	**4,210,326,000**	**74,660,000**	**4,284,986,000**

Intangible assets represent cost of quarry deposits, software license.

Software License

The software license relates to cost of license on software used by the Company which is for the period of 5 years. Software license is shown at amortised cost. The license have been acquired with the option to renew at the end of the period.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2021

12. CASH AND SHORT TERM DEPOSITS

	31 March, 2021 =N=	31 December, 2020 =N=
Cash in hand	19,400,000	10,573,000
Cash in Bank	68,825,888,536	123,047,290,000
BUA Cement DSRA Account	4,312,500,000	-
Fixed deposit	36,394,120,000	308,186,000
Unclaimed dividend	455,334,916	455,040,000
	110,007,243,452	**123,821,089,000**

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:

	31 March, 2021 =N=	31 December, 2020 =N=
Cash in Hand	19,400,000	10,573,000
Cash in bank	73,593,723,452	123,502,330,000
Fixed deposit	36,394,120,000	308,186,000
	110,007,243,452	123,821,089,000
	110,007,243,452	**123,821,089,000**

13. SHARE CAPITAL

	31 March, 2021 =N=	31 December, 2020 =N=
13.1a Authorised		
40,000,000,000 Ordinary shares of 50k each	**20,000,000,000**	**20,000,000,000**
13.1b Issued and fully paid		
33,864,354,864 Ordinary shares of 50k each	**16,932,177,432**	**16,932,177,432**

13.1c Share Capital

In accounting for the merger between BUA Cement PLC and Cement Company of Northern Nigeria (CCNN) PLC in the year 2019, the balances in these financial statement including share capital were presented as though the merger took effect when both entities came under common control. As a result, the changes in share capital of BUA Cement with respect to the business combination were applied retrospectively in 2018 & 2019 financial statements.

13.2. Reorganization Reserve	31 March, 2021 =N=	31 December, 2020 =N=
At the beginning and at the end of the period	200,004,179,000	200,004,179,000

13.3. Other Reserves

Reserve on Actuarial Valuation of Defined Benefit Plan		
Balance at the beginning of the year	(897,136,000)	(72,902,000)
Actuarial gain/(loss) on defined benefit plan	-	-
Actuarial gain/(loss) on planned assets during the year	-	(824,234,000)
Balance at the end of the year	(897,136,000)	(897,136,000)

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2021

		31 March, 2021 =N=	31 December, 2020 =N=
14.	**BORROWINGS**		
14a.	**Long Term**		
	Bank loans	50,764,518,672	50,449,387,000
	BUA Cement Series 1 Bond	-	
14b	**Short term facilities**		
	Short term Loan	25,554,739,185	105,648,512,000
	Total Short term facilities	**25,554,739,185**	**105,648,512,000**
	Total Borrowings	**76,319,257,857**	**156,097,899,000**
14c.	**Debt Security Issued**		
	BUA Cement Series 1 Bond	115,405,421,398	113,195,044,000

The above borrowings are further classified based on average interest rate, maturity and provider of funds:

	Average Interest Rate	Maturity	=N=	=N=
Coronation Merchant Bank Facility	10%		119,671,251	140,622,000
Union Bank Trade Line Facility	13.5%		8,736,668,562	2,243,406,000
First bank - Import Finance facility	11%	31 May 2021	8,391,545,360	20,033,770,000
First bank - Term loan	11%	30 June 2024	22,498,858,452	26,547,858,000
Fidelity Bank RSSF	5%/9%	30 September 2030	17,817,047,610	17,541,749,000
Union Bank RSSF	5%/9%	11 June 2030	17,854,103,610	17,603,196,000
Shareholders Loan	12.4%	-		71,029,162,000
FCMB Import Finance Facility	7.5%		901,363,012	958,136,000
			76,319,257,857	**156,097,899,000**

Movement in borrowings are analysed as follows:

Period Ended 31 March 2021	
Opening amount as at 1 January 2021	156,097,899,000
Net additional borrowings	6,599,216,064
Repayments of borrowings	(87,396,585,321)
Interest Capitalised	1,018,728,114
Movement in deferred revenue	-
Closing amount as at 31 March 2021	**76,319,257,857**
Year Ended 31 December 2020	
Opening amount as at 1 January 2020	21,423,504,000
Additional drawdowns in the year	228,722,337,000
Principal repayments	(96,768,171,000)
Interest expenses	2,968,068,000
Interest Capitalised	13,039,677,000
Interest repayments	(13,287,516,000)
Closing amount as at 31 December 2020	**156,097,899,000**

		31 March, 2021 =N=	31 December, 2020 =N=
14d:	**Capitalised Interest adjusted from value of Property, Plant and Equipment**		
	Additions in the year	15,365,007,047	148,118,838,000
	Transfers	0	(7,960,475,000)
	Capitalised interest cost	(3,229,105,512)	(13,039,677,000)
		12,135,901,535	127,118,686,000

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2021

14c. Borrowings (continued)

First Bank of Nigeria - Term Loans and overdraft
The facilities were for part finance of construction of cement plant, importation of spare parts and raw materials. All the facilities were secured with a debenture on fixed and floating assets of BUA Cement Plc, Corporate guarantee of BUA International Ltd and personal guarantee of Alhaji Abdulsamad Rabiu.

Union Bank Plc Trade Line
The facility was obtained as a trade line facility for importation of spares and other material such as coal. It is a USD 10,000,000 facility covered by an All Asset Debenture of the Company and personal guarantee of Alhaji Abdulsamad Rabiu.

Coronation Merchant Bank & First City Monument Bank- IFF- Forex
This is a clean line facility for offshore payment of letters of credit for future settlement.

Fidelity Bank Plc Real Sector Support Fund - Term Loans
This facility is a twenty billion Naira (₦20,000,000,000) loan for financing of capacity expansion. The loan is for 10 years inclusive of moratorium of 2 years on principal. It is covered by an All Asset Debenture on the assets of BUA Cement PLC. This is a CBN intervention facility through commercial banks.

Union Bank PLC Real Sector Support Fund - Term Loans
This facility is a twenty billion Naira (₦20,000,000,000) loan for financing of capacity expansion. The loan is for 10 years inclusive of moratorium of 2 years on principal. It is covered by an All Asset Debenture on the assets of BUA Cement PLC. This is a CBN intervention facility through commercial banks.

Shareholders loan - Term Loans
The sum of ninety billion Naira (₦90,000,000,000) was obtained from the majority shareholder to finance the construction of a new line at Sokoto State.The loan is a 7 years loan and interest is at 12.4% the first year and 15.9% for subsequent years.

BUA Cement Series 1 Bond
The Company issued a one hundred and fifteen billion Naira (₦115,000,000,000) semi-annual coupon Bond at the rate of 7.5% per annum. The effective date of the Bond is December 30, 2020. The Bond has been used to repay the shareholder loan and final working capital.

15. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of ordinary shares outstanding at the end of reporting period.

	31 March 2021 =N=	31 March 2020 =N=
Net profit attributable to ordinary equity holders	22,366,617,971	19,789,690,872
	Number	Number
Weighted average number of ordinary shares	33,864,354,864	33,864,354,864
Basic Earning Per Ordinary Shares (kobo)	**66**	**58**

	31 March, 2021 =N=	31 March, 2020 =N=
Net profit attributable to ordinary equity holders	22,366,617,971	19,789,690,872
	Number	Number
Weighted average number of ordinary shares	33,864,354,864	33,864,354,864
Basic Earning Per Ordinary Shares (kobo)	**66**	**58**

Diluted earnings per ordinary shares
The Company has no dilutive instruments.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2021

16a. EMPLOYEE BENEFITS OBLIGATION	31 March, 2021 =N=	31 December, 2020 =N=
Present value of defined benefit plan	3,709,513,581	3,645,893,000

Reconciliation of change in defined benefit Obligation	31 March, 2021 =N=	31 December, 2020 =N=
Defined Benefit Obligation opening	3,645,893,000	2,908,526,000
Current service cost	110,265,726	688,606,000
Interest cost	-	433,600,000
Plan amendment	-	(1,186,842,000)
Plan participant contribution	-	-
Acturial (gains)/losses- Change in assumption	-	311,931,000
Acturial (gains)/losses- Experience adjustment	-	590,847,000
Benefit Payment	(46,645,145)	(100,775,000)
As at Ending	**3,709,513,581**	**3,645,893,000**

Included in bank balance is N1,659,581,457 set aside in an End of Service Benefit account with Zenith Bank to meet retirement commitment of the Company. The funded status of the Defined Benefit for the period in view is:

Defined benefit liability	3,709,513,581	3,645,893,000
Plan asset with Zenith Bank	(1,702,933,475)	(1,659,581,457)
	2,006,580,106	1,986,311,543

16b. Amounts Recognised in OCI	31 March, 2021 =N=	31 December, 2020 =N=
Actuarial loss/(gain) on defined benefit plan:		
- Change in assumption	-	311,931,000
- Change in experience adjustment	-	590,847,000
	-	**902,778,000**
Deferred tax credit	-	(78,544,000)
Amount recognised in OCI (net of tax)	-	824,234,000

The Company operates a defined contribution pension scheme in line with the provisions of the Pension Reform Act 2004, with contributions based on the sum of employees' basic salary, housing and transport allowance in the ratio 8% by the employee and 10% by the employer.

The Company's contributions to this scheme is charged to the profit and loss account in the period to which they relate.

Contributions to the scheme are managed by IBTC pension manager, and other appointed pension managers on behalf of the beneficiary staff in line with the provisions of the Pension Reform Act. Consequently, the Company has no legal or constructive obligations to pay further contributions if the funds do not hold sufficient assets to meet the related obligations to employees.

The Company also has a retirement benefits policy (unfunded) for all its full-time employees who have served the Company for a minimum of 5 years and above. The Company has a post-retirement programme for any employee who has attained the terminal age limit of 60 years.

The above tables summarise the movement in the retirement benefit as recognised in the income statement and the funded status and amounts recognised in the statement of financial position.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2021

17a. TRADE AND OTHER PAYABLES	31 March, 2021 =N=	31 December, 2020 =N=
Trade payables	2,327,126,766	3,853,292,000
Other payables and accrued expenses	2,449,450,065	3,330,334,000
Unclaimed dividend	455,344,916	455,040,000
Statutory obligations and other accruals	18,265,316,353	16,230,102,000
	23,497,238,100	23,868,768,000

17b. Contract Liabilities

The Company has recognised the following liabilities relating to contracts with customers:

	31 March, 2021 =N=	31 December, 2020 =N=
Customers deposits	46,145,900,305	42,138,330,000

18. DECOMMISSIONING LIABILITY (Recultivation)	31 March, 2021 =N=	31 December, 2020 =N=
Opening balance as at January 1,	9,291,470,000	4,047,713,000
Additional provision made	884,574,663	9,600,000
Increase/(Decrease) as a result of change in estimate	-	4,947,208,000
Unwinding of Interest	-	286,949,000
Closing Balance	**10,176,044,663**	**9,291,470,000**

Provision for decommissioning liabilities

Quarry decommissioning provisions relates to expected cost of reclaiming excavated quarry sites into a habitable settlement for farming, local villagers settlement and other uses. It also include provision for other environmental issues.

19. RELATED PARTIES

Names of related companies	Relationship
BUA International Ltd	Sister company

Outstanding Balances	31 March 2021 =N=	31 December, 2020 =N=
Due to Related Entities		
BUA International Ltd	30,407,048,721	34,497,761,000
	30,407,048,721	34,497,761,000

Receivables from related parties represents advance payments/fund transfers to related parties from the Company's account. Conversely, due to related parties represents the amount of money owed to related parties for services rendered to the Company.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2021

20a. INCOME TAX CHARGE

The major components of income tax expense for the year ended 31st March, 2021 and 31 December 2020 are:

	31 March, 2021 =N=	31 December, 2020 =N=
As Per Income Statement:		
Current Income Tax Charge:		
Income Tax	57,201,738	171,265,000
Education Tax	234,432,895	681,809,000
Police Trust Fund	503,557	-
Adjustment in prior year provision	-	-
	292,138,190	681,809,000
Deferred Tax charge/(Credit)	2,112,003,689	5,847,353,000
Income Tax Expense Reported in the Income Statement	**2,404,141,879**	**6,529,162,000**

As Per Statement of Financial Position:

20b. Current Income Tax Liabilities

As at Beginning,	922,428,000	813,723,000
Provision for the period	291,634,633	853,074,000
Police Trust Fund	503,557	-
	1,214,566,190	1,666,797,000
Less: Payment during the year		(744,369,000)
As at End	**1,214,566,190**	**922,428,000**

20c. Deferred Tax Assets

	31 March, 2021 =N=	31 December, 2020 =N=
As at Beginning	-	12,140,877,000
Deferred tax charge/(credit) for the period - profit or loss	**(2,621,930,759)**	-
Deferred Tax Reclassification	2,621,930,759	(12,140,877,000)
Deferred tax credit for the year - Other Comprehensive Income	-	-
As at End	-	-

20d. Deferred Tax Liabilities

	31 March, 2021 =N=	31 December, 2020 =N=
As at Beginning	1,120,221,000	7,492,289,000
Deferred tax charge/(credit) for the period - profit or loss	(509,927,070)	5,847,353,000
Reclassification from Deferred Tax Asset	2,621,930,759	(12,140,877,000)
Deferred Tax credit for the year-OCI	-	(78,544,000)
As at End	**3,232,224,689**	**1,120,221,000**

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2021

21. GOVERNMENT GRANT

Government grant is treated as a line item in the statement of financial position.

		31 March, 2021 =N=	31 December, 2020 =N=
(a)	**Current**		
	Union Bank (RSSF Loan)	449,718,000	449,718,000
	Fidelity Bank (RSSF Loan)	450,977,000	450,977,000
		900,695,000	**900,695,000**
(b)	**Non-current**		
	Union Bank (RSSF Loan)	2,312,479,000	2,312,479,000
	Fidelity Bank (RSSF Loan)	2,322,767,000	2,322,767,000
		4,635,246,000	**4,635,246,000**

Government grants have been estimated from ₦40 billion Real Sector Support Fund provided by the Central Bank of Nigeria through the listed commercial banks at rate between 5% to 9%.