FRIGOGLASS INDUSTRIES (NIGERIA) LIMITED
Annual report and financial statements
For the year ended 31 December 2017

Index to the consolidated financial statements
For the year ended 31 December 2017

FRIGOGLASS INDUSTRIES (NIGERIA) LIMITED
Report of the Directors
For the year ended 31 December 2017

The Directors present to members of the Company, the Annual Report together with the audited financial statements for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the manufacture and sale of crown corks and plastic products. The Company is also involved in the manufacturing and sales of glassware through its group activities.

RESULTS FOR THE YEAR

Particulars	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Turnover	31,255,164	25,814,644	9,068,905	6,723,452
Profit before income tax	10,335,411	10,476,246	4,783,872	5,372,378
Profit after income tax	7,130,719	7,380,160	3,318,779	3,692,153

APPROPRIATION OF PROFIT AFTER TAXATION

The Directors recommend no dividend for the year ended 31 December 2017 (31 December 2016: Nil).

DIRECTORS

The names of the Directors who held office during the year under review and at the date of this report are as follows:

(Bashorun) Adebisi Alli Adesanya - Chairman
Mr. Darren Bennett-Voci (British) - Managing Director
Mr. George Papachristou (Greek) (resigned w.e.f 31/10/2017)
Chief Christopher Avielele (resigned w.e.f 22/03/2018)
Mr. Haralambos (Harry) G David (Cypriot)
Mr. Nikolaos Mamoulis (Greek)
Mr. Emmanouil Fafalios (Greek)
Mr. Shanker Venkada Dhanikonda (Indian) (appointed 30/11/2017)

Chief Christopher Avielele resigned after the last Annual General Meeting.

Mr. Shanker V. Dhanikonda was appointed a Director after the last Annual General Meeting. He will retire at this Annual General Meeting and being eligible will seek election.

The Directors retiring by rotation in accordance with the Articles of Association are (Bashorun) Adebisi Alli Adesanya and Mr. Nikolaos Mamoulis. They being eligible, offer themselves for re-election.

In accordance with Section 258(2) of the Companies and Allied Matters Act, the records of Directors' attendance at Board Meetings during the year will be available for inspection.

DIRECTORS' INTERESTS IN:

a) **Shares of the Company:** According to the Register kept for the purposes of Section 275 of the Companies and Allied Matters Act, none of the Directors held any shares in the issued share capital of the Company as at 1 January 2017 and 31 December 2017.

b) **Shares of the Subsidiary Company:** The table below shows the interests of the Directors in the issued share capital of Beta Glass Plc:

	Number of shares as at	
	31 December 2017	**1 January 2017**
(Bashorun) Adebisi A Adesanya	639,685	639,685
Mr. Darren Bennett-Voci (British)	-	-
Mr. George Papachristou (Greek)	-	-
Chief Chrisopher Avielele	27,474	27,474
Mr. Haralambos (Harry) G David (Cypriot)	25,437	25,437
Mr. Nikolaos Mamoulis (Greek)	-	-
Mr. Emmanouil Fafalios (Greek)	-	-
Mr. Shanker Venkada Dhanikonda (Indian)	-	-

CONTRACTS

None of the Directors has notified the Company for the purpose of Section 277 of the Companies and Allied Matters Act, of any disclosable interests in contracts involving the Company either as at 31 December 2017 or the date of this report.

SHAREHOLDING

According to the register of members at 31 December, 2016, the following shareholders of the company held more than 10% of the issued share capital of the company:

Shareholder	Number of shares	Percentage held
	Units	%
Frigoinvest Holdings B.V Netherlands	332,373,932	76.03
Nigerian Bottling Company Limited	104,491,862	23.90

DISTRIBUTION OF COMPANY'S PRODUCTS

The Company's products are manufactured mainly to customers' specifications. Hence, distributors are not involved in the company's value chain

ACQUISITION OF OWN SHARES

The Company did not acquire its own shares during the period under review.

PROPERTY, PLANT AND EQUIPMENT

In the opinion of the Directors, the market value of the Company's assets is not less than the value shown in the financial statements.

EMPLOYMENT OF DISABLED PERSONS

It is the Company's policy not to discriminate against disabled persons hence, full and fair consideration is given to applications received from them having regard to each applicant's particular aptitudes and abilities.

HEALTH, SAFETY AND WELFARE OF EMPLOYEES

Free medical treatment is given to all employees in well-equipped and professionally manned in-house clinics, which exists in the Company's and its subsidiary's operational locations. Cases requiring more intensive medical care are referred to the nearest reputable hospitals whose services is retained by the Company. Where, necessary, protective clothing and devices are provided for employees.

Free meals of high nutritional value are served at the Company's canteens, whilst transportation facilities to and from their places of work is provided by the Company.

Retirement benefit scheme is operated for all qualified employees of the Company in accordance with the Pensions Reform Act, 2004 as amended.

EMPLOYEES' INVOLVEMENT AND TRAINING

In keeping with the Company's policy, which enhances industrial peace and harmony, employees are consulted and involved in decisions that affect their current jobs or future prospects.

Training opportunities are provided both locally and abroad.

AUDITORS

Messrs. PricewaterhouseCoopers having indicated their willingness, will continue in office as Auditors of the Company in accordance with Section 357(2) of the Companies and Allied Matters Act.

BY ORDER OF THE BOARD

BOLA ADEBISI (MS)
Deputy Company Secretary

IDDO HOUSE, IDDO, LAGOS

Dated: 22 March 2018

FRIGOGLASS INDUSTRIES (NIGERIA) LIMITED
Statement of directors' responsibilities
For the year ended 31 December 2017

The Companies and Allied Matters Act requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the company at the end of the year and of its profit or loss. This responsibility includes:

a. ensuring that the company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the company and comply with the requirements of the Companies and Allied Matters Act;

b. designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; and

c. preparing the company's financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, that are consistently applied.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its profit or loss. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the company will not remain a going concern for at least twelve months from the date of this statement.

D. P Bennett-Voci

Bashorun Adebisi Alli Adesanya
Chairman
22 March 2018
FRC/2013/IODN/00000005709

Mr. Darren Bennett-Voci
Managing Director
22 March 2018
FRC/2016/IODN/00000015783

Independent auditor's report

To the Members of Frigoglass Industries (Nigeria) Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Frigoglass Industries (Nigeria) Limited ("the company") and its subsidiary (together "the group") as at 31 December 2017, and of their consolidated and separate financial performance and their consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria Act.

What we have audited

Frigoglass Industries (Nigeria) Limited's consolidated and separate financial statements comprise:

- the consolidated statement of financial position as at 31 December 2017;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report.

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

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code .

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Other information

The directors are responsible for the other information. The other information comprises the Directors Report, Statement of Directors' Responsibilities, Statement of value added and Five Year Financial Summary but does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors and those charged with governance for the consolidated and separate financial statements

The directors are responsible for the preparation of the consolidated and separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

The Companies and Allied Matters Act 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 purposes of our audit;

ii) the company has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from branches not visited by us;

iii) the company's statement of financial position and statement of comprehensive income are in agreement with the books of account.

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
A1522245

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

27 April 2018

Engagement Partner: Edafe Erhie
FRC/2013/ICAN/00000001143

FRIGOGLASS INDUSTRIES (NIGERIA) LIMITED

Consolidated statement of profit or loss and other comprehensive income
For the year ended 31 December 2017

	Note	Group		Company	
		31 December 2017	31 December 2016	31 December 2017	31 December 2016
		N'000	N'000	N'000	N'000
Revenue	5	31,255,164	25,814,644	9,068,905	6,723,452
Cost of sales	6	(23,350,922)	(20,617,610)	(6,412,527)	(5,472,233)
Gross profit		7,904,242	5,197,034	2,656,378	1,251,219
Administrative expenses	6	(1,942,287)	(2,036,796)	(549,159)	(531,797)
Selling and distribution expenses	6	(97,792)	(125,305)	-	(12,051)
Other income	8	848,664	834,162	533,972	315,575
Operating profit		6,712,828	3,869,095	2,641,191	1,022,946
Net foreign exchange gain	9	2,017,178	5,816,310	1,673,060	3,903,052
Finance income	10	1,818,739	850,734	1,524,546	794,185
Finance cost	10	(213,335)	(59,893)	(1,054,925)	(347,805)
Finance income - net	10	1,605,404	790,841	469,621	446,380
Profit before income tax		10,335,411	10,476,246	4,783,872	5,372,378
Income tax expense	11	(3,204,691)	(3,096,086)	(1,465,093)	(1,680,225)
Profit for the year		7,130,719	7,380,160	3,318,779	3,692,153
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Remeasurement gain/(loss) on employee benefit obligation	22	58,997	459,577	(5,262)	39,594
Deferred tax (charged) /credit on remeasurement gain/(loss) on employee benefit obligation	23	(17,594)	(136,758)	1,684	(13,013)
Other comprehensive income for the year-net of tax		41,403	322,819	(3,578)	26,581
Total comprehensive income for the year		7,172,122	7,702,979	3,315,201	3,718,734
Total comprehensive income attributable to:					
– Owners of the parent		5,586,283	6,141,724	3,315,201	3,718,734
– Non-controlling interests		1,585,839	1,561,255	-	-
		7,172,122	7,702,979	3,315,201	3,718,734
Earnings per share for profit attributable to the equity holders of the company					
Basic and diluted EPS (Naira)	12	16.31	16.88	7.59	8.45

The notes on pages 14 to 40 are an integral part of these financial statements.

FRIGOGLASS INDUSTRIES (NIGERIA) LIMITED

Consolidated statement of financial position

As at

	Notes	Group 31 December 2017 N'000	Group 31 December 2016 N'000	Company 31 December 2017 N'000	Company 31 December 2016 N'000
Assets					
Non-current assets					
Property, plant and equipment	15	13,301,319	11,921,752	1,433,957	1,403,350
Investments in subsidiaries	13	-	-	1,786,130	1,786,130
Intangible assets	14	10,086	16,147	-	1,279
Total non-current assets		13,311,405	11,937,899	3,220,087	3,190,759
Current assets					
Inventories	16	8,592,101	6,073,785	3,566,886	1,863,123
Trade and other receivables	17	26,912,163	22,215,223	18,316,876	14,347,622
Cash in hand and at bank	18	10,274,146	9,081,622	3,343,179	1,026,964
Total current assets		45,778,410	37,370,630	25,226,941	17,237,709
Total assets		59,089,815	49,308,529	28,447,028	20,428,468
Liabilities					
Non-current liabilities					
Employee benefit obligation	22	2,931,863	2,615,121	257,138	213,819
Deferred taxation liabilities	23	3,746,193	4,276,591	2,397,370	1,959,183
Total non-current liabilities		6,678,056	6,891,712	2,654,508	2,173,002
Current liabilities					
Borrowings	21	1,046,457	181,018	283,594	-
Trade and other payables	19	6,402,445	6,397,523	6,896,489	3,579,407
Current income tax liabilities	20	4,133,170	2,040,514	1,192,550	617,943
Total current liabilities		11,582,072	8,619,055	8,372,633	4,197,350
Total liabilities		18,260,128	15,510,767	11,027,141	6,370,352
Equity					
Ordinary share capital	24	218,591	218,591	218,591	218,591
Share premium		16,330	16,330	16,330	16,330
Other reserves		2,429,942	2,429,942	-	-
Retained earnings		28,591,873	22,959,019	17,184,966	13,823,195
		31,256,736	25,623,882	17,419,887	14,058,116
Non controlling interest		9,572,951	8,173,880	-	-
Total equity		40,829,687	33,797,762	17,419,887	14,058,116
Total equity and liabilities		59,089,815	49,308,529	28,447,028	20,428,468

The notes on pages 14 to 40 are an integral part of these financial statements.

The financial statements on pages 9 to 40 were approved and authorised for issue by the board of directors on 22 March 2018 and were signed on its behalf by:

(Bashorun) Adebisi Alli Adesanya
Chairman
FRC/2013/IODN/00000005709

D.P. Bennett-Voci

Mr. Darren Bennett-Voci
Managing Director
FRC/2016/IODN/00000015783

Mr. Dhanikonda Shanker
Chief Financial Officer
FRC/2013/ANAN/00000002336

Consolidated statement of changes in equity- Group
Year ended 31 December 2017

	Attributable to owners of the parent						
	Share capital N'000	Share premium N'000	Other reserves N'000	Retained earnings N'000	Total N'000	Non controlling interest N'000	Total equity N'000
Balance at 1 January 2016	**218,591**	**16,330**	**2,429,942**	**16,816,554**	**19,481,417**	**6,700,781**	**26,182,198**
Profit for the year	-	-	-	5,931,831	5,931,831	1,448,329	7,380,160
Other comprehensive income for the year - net of tax	-	-	-	209,893	209,893	112,926	322,819
Total comprehensive income for the year	-	-	-	6,141,724	6,141,724	1,561,255	7,702,979
Transaction with owners:							
Dividend paid	-	-	-	-	-	(88,612)	(88,612)
Statute barred dividend returned in relation to subsidiary				741	741	456	1,197
Total transactions with owners	-	-	-	741	741	(88,156)	(87,415)
Balance at 31 December 2016	218,591	16,330	2,429,942	22,959,019	25,623,882	8,173,880	33,797,763
Balance at 1 January 2017	218,591	16,330	2,429,942	22,959,019	25,623,882	8,173,880	33,797,763
Profit for the year	-	-	-	5,562,027	5,562,027	1,568,692	7,130,719
Other comprehensive income for the year - net of tax	-	-	-	24,256	24,256	17,147	41,403
Total comprehensive income for the year	-	-	-	5,586,283	5,586,283	1,585,839	7,172,122
Transaction with owners:							
Dividend paid	-	-	-	-	-	(186,770)	(186,770)
Statute barred dividend written back	-	-	-	46,570	46,570	-	46,570
Total transactions with owners	-	-	-	46,570	46,570	(186,770)	(140,200)
Balance at 31 December 2017	218,591	16,330	2,429,942	28,591,873	31,256,736	9,572,951	40,829,687

The notes on pages 14 to 40 are an integral part of these financial statements.

FRIGOGLASS INDUSTRIES (NIGERIA) LIMITED
Statement of changes in equity- Company
Year ended 31 December 2017

	Attributable to owners of the parent			
	Share capital N'000	Share premium N'000	Retained earnings N'000	Total N'000
Balance at 1 January 2016	218,591	16,330	10,104,461	10,339,382
Profit for the year	-	-	3,692,153	3,692,153
Other comprehensive income for the year - net of tax	-	-	26,581	26,581
Total comprehensive income for the year	-	-	3,718,734	3,718,734
Balance at 31 December 2016	218,591	16,330	13,823,195	14,058,116
Balance at 1 January 2017	218,591	16,330	13,823,195	14,058,116
Profit for the year	-	-	3,318,779	3,318,779
Other comprehensive income for the year - net of tax	-	-	(3,578)	(3,578)
Total comprehensive income for the year	-	-	3,315,201	3,315,201
Transaction with Owners:				
Statute barred dividend written back			46,570	46,570
Total transactions with owners	-	-	46,570	46,570
Balance at 31 December 2017	218,591	16,330	17,184,966	17,419,887

The notes on pages 14 to 40 are an integral part of these financial statements.

Consolidated statement of cash flows
Year ended 31 December 2017

		Group		Company	
		31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Note	N'000	N'000	N'000	N'000
Cash generated from operations	25	4,283,587	6,620,676	2,137,236	1,375,335
Tax paid	20	(1,421,465)	(361,161)	(223,253)	(132,672)
Employee retirement benefits obligation paid	22	(181,135)	(272,302)	(10,509)	(53,348)
Net cash generated from operating activities		2,680,987	5,987,213	1,903,474	1,189,315
Cash flows from investing activities					
Purchase of property, plant and equipment	15	(3,920,531)	(1,249,272)	(350,652)	(215,225)
Proceeds from sale of property, plant and equipment	25	101,422	5,510	10,178	3,029
Interest received	10	1,818,739	850,734	1,524,546	794,185
Net cash (used in)/generated from investing activities		(2,000,369)	(393,028)	1,184,072	581,989
Cash flows from financing activities					
Proceeds from short term borrowings		1,046,459	-	283,594	-
Interest paid	10	(213,335)	(59,893)	(1,054,925)	(347,805)
Dividend paid		(186,770)	(88,612)	-	-
Statute barred dividend returned		46,570	1,197	-	-
Net cash generated from/(used in) financing activities		692,924	(147,308)	(771,331)	(347,805)
Net increase in cash and cash equivalents		1,373,542	5,446,877	2,316,215	1,423,499
Cash and cash equivalents at the beginning of the year		8,900,604	3,453,727	1,026,964	(396,535)
Cash and cash equivalents at the end of the year	18	10,274,146	8,900,604	3,343,179	1,026,964

The notes on pages 14 to 40 are an integral part of these financial statements.

1 General information

Frigoglass Industries (Nigeria) Limited was incorporated on 21 April 1995 and it is engaged in the manufacturing of crown corks, plastic crates and commercial refrigeration products. The Company and its subsidiary - Beta Glass Plc are together referred to as "The Group".

2 Summary of significant accounting policies

2.1 Basis of preparation

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flow and the notes to the financial statements.

The financial statements are presented in Naira, which is the Group's presentation currency. The figures shown in the financial statements are stated in thousands of Naira except where stated otherwise.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Group's financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

The financial statements were authorised for issue by the Board of Directors on 22 of March, 2018.

The financial statements have been prepared using a rounding level of N1000.

2.1.1 Going concern

The financial statements have been prepared in accordance with the going concern principle under the historical cost convention.

2.1.2 Changes in accounting policy and disclosure

(a) New standards, amendments and interpretations adopted by the Company

The following standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2017:

(a) Amendments to IAS 7 Statements of Cash Flows: "Disclosure Initiative". The amendments require an entity to provide disclosures that enable users of financial statement to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments are effective from 1 January 2017.

(b) Amendments to IAS 12 Income Taxes: "Recognition of Deferred Tax Assets for Unrealised Losses" • The amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value (e.g. investment in bonds classified as available-for-sale financial assets or measured at fair value through OCI (FVTOC) under IFRS 9). In this regard, deferred tax asset should be computed for unrealised losses on such debt instruments regardless of how the debt instrument is realised (held to collect cash flows or sale). Also, the amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The amendments are effective from 1 January 2017.

(b) New standards, amendments and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2018 and beyond, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Company has conducted impact assessment on the adoption of IFRS 9 for 2017 and the assessment has shown no material impact.

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The Company has conducted impact assessment on the adoption of IFRS 15 for 2017 and impact was insignificant.

IFRS 16, 'Leases' was issued in January 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change. The standard is effective for accounting periods beginning on or after 1 January 2019. The company is currently assessing the impact of IFRS 16

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company in the current or future reporting period and on foreseeable future transactions.

2.2 Consolidation

(a) *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. Investments in subsidiaries are recognised at cost less impairment.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with group's accounting policies.

(b) *Changes in ownership interests in subsidiaries without change of control*

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) *Disposal of subsidiaries*

When the group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency and presentation currency of the Group is the Nigerian naira (N).

(b) Transactions and balances

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 the settlement of foreign currency transactions and from the translation at exchange rates of monetary assets and liabilities denominated in currencies other than an entities' functional currency are recognized in the foreign exchange gain in profit or loss.

2.4 Property, plant and equipment

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

Subsequent expenditures are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

Property, plant and equipment (cont'd)

Depreciation on assets is calculated using the straight line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Buildings 3%

Plant and machinery:
- Furnaces 14%
- Factory equipment and tools 15%
- Quarry equipment and machinery 20%
- Glass molds 50%

Motor vehicles 20%

Furniture, Fittings and equipment:
- Office and house equipment 15%
- Household furniture and fittings 20%
- Computer equipment 25%

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting date.

In the case where an asset's carrying amount is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference (impairment loss) is recorded as expense in profit or loss.

Gains and losses on disposal of property, plant and equipment are determined by the difference between the sales proceeds and the carrying amount of the asset. These gains and losses are included in profit or loss.

Borrowing cost

General and specific borrowing costs directly attributable to the 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 a time as the assets are substantially ready for their intended use or sale. There have been no qualifying assets in both periods presented in the financial statements.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.5 Intangible assets

Computer software

Capitalized software licenses are acquired and carried at acquisition cost less accumulated amortization, less any accumulated impairment. They are amortized using the straight-line method over five (5) years. Computer software maintenance costs are recognized as expenses in the profit or loss as incurred.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

2.6 Impairment of non-financial assets

Assets that have an indefinite useful life not subject to amortisation are tested annually for impairment. Assets that are subject to amortisation 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 an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

2.7 Financial assets

Financial assets are recognized when the Group or Company becomes a party to the contractual provisions of the instrument.

Classification

Management determines the classification of its financial assets at initial recognition.

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

The Group did not own any financial assets that can be classified as fair value through profit and loss or available-for-sale financial assets during the periods presented in these financial statements.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date, which are classified as non-current assets. Loans and receivables comprise trade and other receivables, loans to subsidiaries and cash and cash equivalents in the statement of financial position.

Recognition and measurement

Loans and receivables are initially recognised at fair value, subsequently they are carried at amortised cost using the effective interest method.

2.8 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. A provision for impairment for trade receivables is established when there is objective evidence that the company will not be able to collect all the amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 120 days overdue) are considered indicators that the trade receivable is impaired.

The amount of the provision is the difference between the assets' carrying amount and the recoverable amount. The recoverable amount, if the receivable is more than one year is equal to the present value of expected cash flows, discounted at the market rate of interest applicable to similar borrowers. The amount of the provision is recognized as an expense in profit or loss.

Subsequent recoveries of amounts previously written off are credited to profit or loss.

2.9 Cash and cash equivalents

Cash and cash equivalent include cash on hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the statement of financial position.

Impairment of financial assets

The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of an event that occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtor is experiencing financial difficulty, default in interest or principal payments, or the probability that they will enter bankruptcy and where there is an indication of a decrease in the estimated future cash flows.

For loans and receivables, the amount of the loss is measured as the difference between the carrying amount and the present value of the estimated future cash flows. The carrying amount is reduced and the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

2.10 Financial liabilities

Financial liabilities are at amortized cost. This include trade and other payables and borrowings.

Recognition and measurement

Trade payables

These are initially recognized at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, trade payables are measured at amortized cost using the effective interest method.

Borrowings

These are recognized initially at fair value, net of any transaction costs incurred, and subsequently at amortized cost using the effective interest method. These are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

Derecognition of financial instruments

Financial assets and liabilities are derecognised when the rights to receive cash flows from the investments or settle obligations have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount 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 must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.12 Inventories

Inventories are recorded at the lower of cost and net realisable value. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable selling expenses.

The cost of finished goods and work in progress is determined using the first-in, first-out (FIFO) method and comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity), incurred in bringing inventory to its present location and condition.

The cost of engineering spares and raw materials is determined using the weighted average method.

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.

2.13 Leases

Leases are divided into finance leases and operating leases.

(a) Group or Company is the lessee

(i) Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(ii) Finance lease

Leases of assets where the Group or Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in long term liabilities if the tenure is more than one year. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(b) Group or Company is the lessor

(i) Operating lease

When assets are subject to an operating lease, the assets continue to be recognised as property and equipment based on the nature of the asset. Lease income is recognised on a straight line basis over the lease term.

Lease incentives are recognised as a reduction of rental income on a straight-line basis over the lease term.

Leases (cont'd)

(ii) Finance lease

When assets are held subject to a finance lease, the related asset is derecognised and the present value of the lease payments (discounted at the interest rate implicit in the lease) is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return.

2.14 Current and deferred income tax

The tax for the period comprises current, education and deferred tax. 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.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax liabilities on a net basis.

Deferred tax assets and liabilities are presented as non-current in the statement of financial position.

2.15 Employee benefits

The company operates both the defined benefit (gratuity) and defined contribution pension plans for its employees.

A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Federal Government of Nigeria bonds.

The current service cost of the defined benefit gratuity plan is recognised in the income statement in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements.

Past-service costs are recognised immediately in income.

Employee benefits (cont'd)

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the income statement.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

For defined contribution plans, the company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.16 Export expansion grant

Export expansion grants (EEG) from the government are recognized at fair value when there is a reasonable assurance that the grant will be received and the company has complied with all attached conditions.

EEG are recognized in the profit or loss over the period corresponding to the costs they are intended to compensate.

The following conditions must be met by the company in order to receive the EEG:

- The Company must be registered with The Nigerian Export promotion Council (NEPC)
- The Company must have a minimum annual export turnover of N5 million and evidence of repatriation of proceeds of exports.
- The Company shall submit its baseline data which includes audited Financial Statement and information on operational capacity to NEPC.
- An eligible company shall be a manufacturer, producer or merchant of products of Nigerian origin for the export market (i.e. the products must be made in Nigeria).
- Qualifying export transaction must have the proceeds fully repatriated within 300 days, calculated from the date of export and as approved by the EEG Implementation Committee.

2.17 Revenue recognition

Revenue comprises the fair value for the sale of goods and services net of value-added tax, rebates and discounts.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied stated net of discounts, returns and value added taxes.

Sales of goods

Sale of glass bottles, crowns and plastics arises from both domestic and foreign sales to third parties. Revenue from the sale of goods is recognized when the significant risks and rewards of owning the goods are transferred to the buyer. Where goods are picked up by customers, risk is transferred immediately. Where goods are delivered, the Group or the Company bears the risk in transit and the risk transfers when the goods are delivered. For export sales risk and rewards transfer when goods are loaded.

Interest income and expense

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

2.18 Cost of sales

Cost of sales includes the cost of manufacturing finished goods inventory (including depreciation, amortization and impairment charges), costs related to transportation, impairment, the allowance for doubtful accounts and inventory write-downs.

2.19 Share capital

The Group and Company has only one class of shares; ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded as share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders.

2.21 Statement of cash flows

The Statement of cash flows shows the changes in cash and cash equivalents arising during the period from operating activities, investing activities and financing activities. Cash and cash equivalents include highly liquid investments.

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as measurement gains or losses, changes in provisions, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated.

The cash flows from investing and financing activities are determined by using the direct method. The Company's assignment of the cash flows to operating, investing and financing category depends on the Company's business model (management approach).

2.22 Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information. Where IAS 8 applies, comparative figures have been adjusted to conform with changes in presentation in the current year.

2.23 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3 Financial instruments and risk management

3.1 Financial risk factors

The Group's business activities expose it to a variety of financial risks: market risk (including foreign exchange, interest rate, and price), credit risk and liquidity risk. The objective of the Group's risk management programme is to minimise potential adverse impacts on the Group's financial performance.

Risk management is carried out in line with policies approved by the board of directors. The board provides written principles for overall risk management, as well as set the overall risk appetite for the Group. Specific risk management approaches are defined for respective risks such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity. The Group's overall risk management program seeks to minimize potential adverse effects on the Group's financial performance.

Risk management is the responsibility of the Treasury Manager, which aims to effectively manage the financial risk of Frigoglass Industries Nigeria Limited, according to the policies approved by the Board of Directors. The Treasury Manager identifies and monitors financial risk. The Board provides principles for overall risk management, as well as policies covering specific areas such as foreign exchange, interest rates and credit risks, use of financial instruments and investment of excess liquidity.

The Group's financial instruments consist of trade and other receivables and trade and other payables, bank borrowings and overdraft and cash and cash equivalents. In addition, the Company has loan to subsidiary.

3.1.1 Market risk

Market risk is the risk that movements in market rates, including foreign exchange rates, and commodity prices will reduce the Group's income. The management of market risk is undertaken using risk limits approved by the operating unit finance directors under delegated authority.

(a) Foreign exchange risk

The Group is exposed to foreign exchange risks from some of its commercial transactions and recognised assets. The Group buys and imports some of the raw materials used for production, the payments for which are made in US Dollars. Receipts for sales of finished goods in Nigeria are in Naira whilst receipts for sales of finished goods to other countries are in US dollars. The Group makes payments and collects receipts primarily in Nigerian Naira. Periodically however, receipts and payments are made in other currencies, mostly in the US dollar.

Management's approach to managing foreign exchange risk is to hold foreign currency bank accounts which act as a natural hedge for these transactions.

Foreign exchange risk (cont'd)

Sensitivity analysis for foreign exchange rate risk

The sensitivity analysis for foreign exchange rate risk shows how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates at the reporting date. The variable balances that the company is exposed relate to cash balances.

The Group and Company exposure to US Dollar (USD) is as follows:

	Group		Company	
	2017	2016	2017	2016
	USD'000	USD'000	USD'000	USD'000
Financial assets				
Cash and cash equivalent	10,385	18,803	1,021	280
Trade receivables	827	2,125	-	-
Related parties	45,845	37,647	45,845	37,647
	57,057	58,575	46,866	37,927
Financial liabilities				
Borrowings	3,416	-	929	-
Trade payables	5,514	5,320	640	2,833
Related parties payable	51	254	51	201
	8,980	5,574	1,619	3,034
Net amount	48,077	53,001	45,247	34,893

Effects in Naira on the Group and Company result:

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
15 percent strengthening of the Naira to USD	(2,199,535)	(2,424,810)	(2,070,062)	(1,596,369)
15 percent weakning of the Naira to USD	2,199,535	2,424,810	2,070,062	1,596,369

	2017	2016
Reporting date spot rate of 1USD to Naira	305	305

The above analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period but it has no impact on equity. The analysis assumes that all other variables remain constant.

(b) Interest rate risk

The Group interest rate risk arises from borrowings. Borrowings are issued at floating rates exposing the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. The Group's policy on managing interest rate risk is to negotiate favourable terms with the banks to reduce the impact of exposure to this risk and to obtain competitive rates for loans and for deposits.

(c) Price risk

The Group is not exposed to price risk as it does not hold any equity instruments.

3.1.2 Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from cash and cash equivalents as well as credit exposures to customers, including outstanding receivables and committed transactions.

The Group uses policies to ensure that sales of products are to customers with appropriate credit history. The granting of credit is controlled by credit limits and the application of certain terms of sale. The continuous credit worthiness of the existing customers is monitored periodically based on history of performance of the obligations and settlement of their debt. Appropriate provision for impairment losses is made for specific credit risks. At the year end, Frigoglass Industries Nigeria Limited considered that there were no material credit risks that had not been covered by doubtful debt provisions.

No credit limits on cash amounts were exceeded during the reporting period and management does not expect any losses from non-performance by these counterparties. None of the counterparties renegotiated their terms in the reporting period.

Credit risk (cont'd)

The maximum exposure to credit risk for trade receivables approximates the amount recognized on the statement of financial position. The Group does not hold any collateral as security.

As at 31 December 2017, all financial assets of N31.6bn (31 December 2016: N27.1bn) for the Group and for the Company N20.8bn (31 December 2016: N15.2bn) were fully performing, N2.4bn (31 December 2016: N1.1bn) for the Group and for the Company N0.07bn (31 December 2016: N0.07bn) were past due but not impaired. No impaired financial assets for Group and Company as at 31 December 2017 and 31 December 2016.

The aging analysis of the latter two categories of receivables is as follows:

The table below analyses the Group's financial assets into relevant maturity groupings as at the reporting date.

31 December 2017 - Group	Neither past due nor impaired	Past due but not impaired Up to 90 days	91 - 150 days	Over 150 days	Total
Financial assets:					
Cash and cash equivalents	10,274,146	-	-	-	10,274,146
Trade receivables	3,678,568	1,728,087	102,599	8,149	5,517,403
Receivables from related parties	17,513,477	517,471	31,503	-	18,062,451
Staff advances	163,262	-	-	-	163,262
	31,629,453	2,245,558	134,102	8,149	34,017,262
31 December 2016 - Group					
Financial assets:					
Cash and cash equivalents	9,081,622	-	-	-	9,081,622
Trade receivables	2,467,415	956,424	45,732	3,831	3,473,402
Receivables from related parties	15,423,558	104,610	4,080	-	15,532,248
Staff advances	138,527	-	-	-	138,527
	27,111,122	1,061,034	49,812	3,831	28,225,799

31 December 2017 - Company	Neither past due nor impaired	Past due but not impaired Up to 90 days	91 - 150 days	Over 150 days	Total
Financial assets:					
Cash and cash equivalents	3,343,179	-	-	-	3,343,179
Trade receivables	435,224	211,544	12,143		658,911
Receivables from related parties	16,998,117	410,118	29,185	-	17,437,420
Staff advances	24,981	-	-	-	24,981
	20,801,501	621,662	41,328	-	21,464,491
31 December 2016 - Company					
Financial assets:					
Cash and cash equivalents	1,026,964	-	-	-	1,026,964
Trade receivables	271,439	35,369	(82)	3,831	310,557
Receivables from related parties	13,858,156	47,792	4,080	-	13,910,028
Staff advances	19,338	-	-	-	19,338
	15,175,897	83,161	3,998	3,831	15,266,887

An analysis of the international long term credit ratings of counterparties where cash and short-term deposits are held is as follows:

Credit rating	2017 N'000	2016 N'000	2017 N'000	2016 N'000
AAA	10,250,332	9,060,662	3,343,179	1,026,964
AA+	10	12	-	-
B+	23,804	20,948	-	-
	10,274,146	9,081,622	3,343,179	1,026,964

The credit ratings is by Fitch and below are the interpretations of the ratings

AAA: A financial institution of very good condition and strong capacity to meet its obligations as and when due. Adverse changes in the environment (macro-economic, political and regulatory) will result in a slight increase the risk attributable to an exposure to this financial institution. However, financial condition and ability to meet obligations as at when due remain strong.

Credit risk (cont'd)

AA+: A financial institution of good condition and strong capacity to meet its obligations with expectations of very low default risk. It indicates very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events. The plus sign indicates that the rating may be raised.

B+ : Financial condition of the bank is weak but obligations still met as and when due. The bank has more than one major weakness and may require external support which may not be assured. Adverse changes in the environment (macro-economic, political and regulatory) will increase risk significantly. The plus sign indicates that the rating may be raised.

Neither past due nor impaired

Credit quality of financial assets (Trade receivables, Receivables from related parties and Staff advances)

The credit quality of financial assets (Trade receivables, Receivables from related parties and Staff advances) that are neither past due nor impaired can be assessed by reference to the internal rating provided by the finance department:

Internal rating categories	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Group A	17,676,738	15,562,085	17,023,098	13,877,494
Group B	3,678,568	2,467,415	435,224	271,439
	21,355,306	18,029,500	17,458,322	14,148,933

Group A These are receivables from related parties and staff advances.

Group B These are trade receivables.

3.1.3. *Liquidity risk*

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Liquidity risk is managed by maintaining sufficient cash reserves to operational needs at all times so that the Group does not breach borrowing limits on any of its borrowing facilities. The Group manages liquidity risk by effective working capital and cash flow management.

Frigoglass Industries Nigeria Limited invests its surplus cash in interest bearing current accounts.

The table below analyses the Group's financial liabilities into relevant maturity based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group At 31 December 2017	Less than 1 year N'000	Between 1 and 2 years N'000	Between 2 and 5 years N'000	Total N'000
Trade creditors and due to related parties	3,626,191	-	-	3,626,191
	3,626,191	-	-	3,626,191

Group At 31 December 2016	Less than 1 year N'000	Between 1 and 2 years N'000	Between 2 and 5 years N'000	Total N'000
Trade creditors and due to related parties	2,965,708	-	-	2,965,708
	2,965,708	-	-	2,965,708

Liquidity risk (cont'd)

Company At 31 December 2017	Less than 1 year N'000	Between 1 and 2 years N'000	Between 2 and 5 years N'000	Total N'000
Trade creditors and due to related parties	6,056,570			6,056,570
	6,056,570	-	-	6,056,570

Company At 31 December 2016	Less than 1 year N'000	Between 1 and 2 years N'000	Between 2 and 5 years N'000	Total N'000
Trade creditors and due to related parties	2,233,721	-	-	2,233,721
	2,233,721	-	-	2,233,721

3.1.4. Capital risk management

The objective in managing capital is to safeguard the Group's ability to continue as a going concern in order to maximise returns for shareholders and benefits for other stakeholders as well as maintaining the optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, capital returned to shareholders, new shares issued, or debt raised.

Consistent with others in the industry, the Group monitors capital on a monthly basis using the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as the sum of all equity components on the statement of financial position.

The gearing ratios at 31 December 2015 and 31 December 2014 are as follows:

	Group		Company	
	31 Dec 2017 N'000	31 Dec 2016 N'000	31 Dec 2017 N'000	31 Dec 2016 N'000
Total borrowings	1,046,457	181,018	283,594	-
Total equity	40,829,687	33,797,762	17,419,887	14,058,116
Gearing ratio	3%	1%	2%	0%

3.1.5. Fair value estimation

Group and Company

The carrying value of all financial assets and financial liabilities is a reasonable approximation of fair value. No further disclosure is required.

4 Critical accounting estimates and judgments

Critical accounting policies and key sources of estimation uncertainty
The preparation of financial statements requires directors to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on directors experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Significant accounting judgments and estimates made in the preparation of the financial statements is shown below.

Property, plant and equipment

Plant and machinery is depreciated over its useful life. Frigoglass Industries Nigeria Limited estimates the useful lives of plant and machinery based on the period over which the assets are expected to be available for use. The estimation of the useful lives of plant and machinery are based on technical evaluations carried out by those staff with knowledge of the machines and experience with similar assets. Estimates could change if expectations differ due to physical wear and tear and technical or commercial obsolescence. It is possible however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the plant and machinery would increase expenses and decrease the value of non-current assets.

Export expansion grant and Negotiable duty credit certificate

Export Expansion Grant (EEG) is a very vital incentive of the Federal Government of Nigeria required for the stimulation of export oriented activities that will lead to significant growth of the non-oil export sector. Having met the eligibility criteria and registered under the scheme by the Nigerian Export Promotion Council (NEPC), the Group and the Company is entitled to a rebate on export sales in as much as it can demonstrate that the proceeds of the related sales have been repatriated to the country within 180 days of such export sales.

The rebate is recognised as a credit to cost of sales and as a receivable from the Federal Government of Nigeria (i.e. EEG receivable). As at 31 December 2017, EEG receivable stood at N 1.65 billion and N0.07 billion (31 December 2016: N1.62 billion and N0.07 billion) for Group and Company respectively as disclosed in Note 17.

Negotiable Duty Credit Certificate (NDCC) is the instrument of the Federal Government of Nigeria for settlement of EEG receivable. The NDCC is used for the payment of Import and Excise duties in lieu of cash. In the last two years, the Group and other industry players have not been able to use the NDCC for settlement of customs duties. No NDCC was received by the Group in 2017 (2016: Nil). As at 31 December 2017, Unutilized NDCC stood at N 1.02 billion (31 December 2016: N1.07 billion) as disclosed in Note 17. Meanwhile, Our NDCCs have been returned to FGN for proposed replacement with promissory notes as requested by NEPC

Though, a significant component of the EEG receivable and unutilized NDCC have been outstanding for more than 1 year, no impairment charge have been recognised because they are regarded as sovereign debts. Moreover, Government have not communicated or indicated unwillingness to honour the obligations. Thus, the outstanding balances are classified as current assets accordingly.

Deferred tax

Deferred tax is the tax expected to be payable on differences between the carrying amounts of liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Such liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other liabilities in a transaction that affects neither the tax profit nor the accounting profit. Management has calculated the deferred tax liability based on estimated amounts of underlying transactions. Actual amounts may differ from estimated balances.

5 Revenue

	Group		Company	
	2017 N'000	2016 N'000	2017 N'000	2016 N'000
Glass products	22,186,258	19,091,192	-	-
Packaging for beverages	9,068,906	6,723,452	9,068,905	6,723,452
	31,255,164	25,814,644	9,068,905	6,723,452

6 Expenses

	2017 N'000	2016 N'000	2017 N'000	2016 N'000
Cost of sales				
Material consumed (Note 16)	(10,831,548)	(9,187,105)	(4,869,187)	(4,200,974)
Depreciation (Note 14)	(2,315,591)	(2,344,832)	(282,022)	(274,742)
Technical assistance fees - Frigoglass Global Limited (Note 27)	(889,314)	(742,565)	(190,447)	(141,192)
Factory salaries and related staff cost (Note 7)	(1,834,117)	(1,843,230)	(208,048)	(210,964)
Fuel, gas and electricity	(5,206,610)	(4,619,281)	(523,561)	(384,497)
Other factory overheads	(2,273,740)	(1,880,597)	(339,262)	(259,864)
	(23,350,922)	(20,617,610)	(6,412,527)	(5,472,233)
Administrative expenses				
Depreciation and amortisation charges (Note 14 &15)	(149,638)	(149,055)	(35,912)	(43,031)
Auditors remuneration	(40,123)	(37,498)	(17,851)	(15,226)
Legal and professional fees	(80,423)	(105,040)	(19,330)	(22,882)
Salaries and related staff cost (Note 7)	(1,138,780)	(1,317,280)	(158,537)	(195,996)
Directors' remuneration (Note 27a)	(9,170)	(7,425)	(9,170)	(7,425)
Head office administrative charge - Frigoglass Jebel Ali (Note 27)	-	(5,351)	-	-
Travel and transportation	(181,217)	(140,819)	(63,942)	(35,434)
Other administrative expenses	(342,936)	(274,328)	(244,418)	(211,803)
	(1,942,287)	(2,036,796)	(549,159)	(531,798)
Selling and distribution expense	(97,792)	(125,305)	-	(12,051)
Total cost of cost of sales, administrative expenses and distribution costs	(25,391,001)	(22,779,711)	(6,961,686)	(6,016,082)

Included in legal and professional fees of the group for the year ended 31 December 2017 is non - audit fees to PricewaterhouseCoopers Limited of N2.75 million being fee payable in relation to Transfer pricing documentation (31 December 2016: N1.95 million being N1.2 million for Transfer pricing documentation and N0.75 for documentation of Nigerian Stock Exchange Rule on interested parties transactions in Beta Glass Plc).

7 Employee costs

	2017 N'000	2016 N'000	2017 N'000	2016 N'000
Wages and salaries	(2,416,023)	(2,632,278)	(318,018)	(341,248)
Interest on employee benefit obligation (Note 22)	(398,852)	(217,636)	(32,882)	(19,980)
Current service cost of employee benefit obligation (Note 22)	(158,022)	(310,596)	(15,684)	(45,732)
Total (Note 6)	(2,972,897)	(3,160,510)	(366,584)	(406,960)

8 Other income

	2017 N'000	2016 N'000	2017 N'000	2016 N'000
Profit on disposal of property plant and equipment (Note 25)	19,958	5,481	7,119	3,029
Sundry income	226,646	148,958	116,237	28,051
Dividend income	-	-	303,203	111,381
Sale of scrap and others	572,060	405,207	77,412	37,966
Provision no longer required	30,000	274,516	30,000	135,148
	848,664	834,162	533,972	315,575

Dividend income represents gross amounts received as dividend from Beta Glass Plc.

Provision no longer required represents prior year provison for management service fees no longer required.

9 Foreign exchange gain/(loss)

	Group		Company	
	2017 N'000	2016 N'000	2017 N'000	2016 N'000
Foreign exchange gain	2,017,178	5,816,310	1,673,060	3,903,052
Foreign exchange loss	-	-	-	-
Net foreign exchange gain	2,017,178	5,816,310	1,673,060	3,903,052

10 Finance income and expenses

	2017 N'000	2016 N'000	2017 N'000	2016 N'000
Finance income				
Interest income	1,818,739	850,734	1,524,546	794,185
Finance cost				
Interest expense	(213,335)	(59,893)	(1,054,925)	(347,805)
Net finance income	1,605,404	790,841	469,621	446,380

11 Income tax expense

	2017 N'000	2016 N'000	2017 N'000	2016 N'000
Income tax	3,491,069	1,530,762	955,966	407,783
Education tax	261,616	139,550	69,256	29,700
Prior year over provision*		(595,350)	-	(72,938)
Net income and education tax for the year (Note 20)	3,752,685	1,074,962	1,025,222	364,545
Deferred tax (credit)/charged	(547,992)	1,425,774	439,871	1,242,742
Prior year under provision*	-	595,350	-	72,938
Net deferred tax for the year (Note 23)	(547,992)	2,021,124	439,871	1,315,680
Tax expense	3,204,691	3,096,086	1,465,093	1,680,225

*Prior year over provision represents additional deferred tax liability in 2015 as a result of application of accelerated capital allowance of 95% on plant and machinery in the tax computation submitted to the tax authority for self assessment filing for 2016 Year of Assessment (YOA).

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

Effective tax reconciliation

Profit before tax	10,335,411	10,476,246	4,783,872	5,372,378
Income tax using the domestic corporation tax rate of 30%	3,100,623	3,142,874	1,435,162	1,611,713
Tax effects of:				
Non chargeable income	(114,006)	(134,248)	(60,641)	(48,504)
Non deductible expenses	38,546	37,973	31,977	7,841
Effect of education tax	261,615	139,550	69,256	29,700
Effect of tax incentive	(82,087)	(90,063)	(10,659)	79,475
Total income tax expense in statement of profit or loss	3,204,691	3,096,086	1,465,093	1,680,225

12 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

Profit attributable to shareholders of the Company - N'000	7,130,719	7,380,160	3,318,779	3,692,153
Weighted average number of ordinary shares in issue - '000	437,182	437,182	437,182	437,182
Basic Earnings per share (Naira)	16.31	16.88	7.59	8.45

Diluted EPS is the same as the Basic EPS as there are no potential securities convertible to ordinary shares

13 Investment in subsidiary

	Company	
	31 Dec 2017	31 Dec 2016
	N'000	N'000
Investment	1,786,130	1,786,130

This relates to a 61.89% investment in Beta Glass Plc, a subsidiary of the Company which is consolidated.

The non controlling interest portion is distributed amongst

	Percentage holding	
	2017	2016
Frigoinvest Holdings B.V	8.17%	8.17%
Stanbic IBTC Nominees Nigeria Limited	7.89%	8.03%
Delta State Ministry of Finance Incorporated	4.45%	5.60%
Others	17.6%	16.3%

14 Intangible assets

	Group		Company	
	2017	2016	2017	2016
Cost	N'000	N'000	N'000	N'000
As at 1 January	60,211	60,211	23,129	23,129
Additions	-	-	-	-
As at 31 December	60,211	60,211	23,129	23,129
Accumulated amortisation:				
As at 1 January	44,064	38,296	21,850	19,463
Amortisation charge for the year	6,061	5,768	1,279	2,387
As at 31 December	50,125	44,064	23,129	21,850
Net book values				
At 31 December	10,086	16,147	-	1,279

The remaining amortization period of the intangible asset is between 1 and 2 years.

15 Property plant and equipment (See page 37 - 40)

16 Inventory

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Raw materials	2,757,045	2,222,316	1,061,942	476,676
Work-in-progress	356,312	135,145	328,989	103,640
Finished goods	1,526,244	1,058,170	716,779	220,328
Spare parts and consumables	1,801,574	1,548,043	290,086	295,026
	6,441,175	4,963,674	2,397,796	1,095,670
Goods in transit	2,150,926	1,110,111	1,169,090	767,453
	8,592,101	6,073,785	3,566,886	1,863,123

Analysis of value of inventories included in cost of sales or written off and charged to profit or loss is as follows:

	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Cost of inventories included in cost of sales (Note 6)	10,831,548	9,187,105	4,869,187	4,200,974
Cost of inventory written off during the period	-	-	-	-

17 Trade and other receivables

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Trade receivables	5,517,403	3,473,402	658,911	310,557
Unutilised Negotiable Duty Credit Certificates (Note 4)	1,024,894	1,067,598	-	-
EEG receivable (Note 4)	1,651,040	1,621,728	69,166	69,166
Prepayments	420,591	290,768	125,558	37,884
Other receivables	72,524	90,952	840	649
Staff advances	163,262	138,527	24,981	19,338
Due from related companies (Note 27)	18,062,451	15,532,248	17,437,420	13,910,028
Total	26,912,163	22,215,223	18,316,876	14,347,622

There was no impairment on trade receivables at year end. All trade receivables are current. Amortised cost of trade and other receivables approximate fair values.

18 Cash and cash equivalents

	Group 2017 N'000	Group 2016 N'000	Company 2017 N'000	Company 2016 N'000
Cash at bank	10,273,112	9,081,103	3,342,489	1,026,887
Cash in hand	1,034	519	690	77
Cash in hand and at bank	10,274,146	9,081,622	3,343,179	1,026,964

For the purpose of the cash flow statement, cash and cash equivalents comprise of: cash in hand, cash at bank and bank overdraft.

	Group 2017 N'000	Group 2016 N'000	Company 2017 N'000	Company 2016 N'000
Cash in hand and at bank	10,274,146	9,081,622	3,343,179	1,026,964
Bank overdraft (Note 21)	-	(181,018)	-	-
Cash and cash equivalents	10,274,146	8,900,604	3,343,179	1,026,964

19 Trade and other payables

	Group 2017 N'000	Group 2016 N'000	Company 2017 N'000	Company 2016 N'000
Trade creditors	3,347,520	2,295,535	219,416	135,008
Other creditors and accruals	2,776,254	3,431,816	839,918	1,345,687
Due to related companies (Note 27)	278,672	670,172	5,837,155	2,098,712
	6,402,445	6,397,523	6,896,489	3,579,407

All trade payables are due within twelve (12) months.

19.1 Trade and Other payables for Cashflow Statement

	Group 2017	Group 2016	Company 2017	Company 2016
Trade and Other payables	6,402,445	6,397,523	6,896,489	3,579,407
Dividend writen back to retained earmings	-	-	46,570	-
Trade and Other payables for Cashflow Statement	6,402,445	6,397,523	6,943,059	3,579,407

20 Tax payable

	Group 2017 N'000	Group 2016 N'000	Company 2017 N'000	Company 2016 N'000
The movement in tax payable is as follows:				
At 1 January	2,040,514	1,644,342	617,943	703,699
Provision for the year (Note 11)	3,752,685	1,074,962	1,025,222	364,545
WHT credit note utilised during the year	(238,563)	(317,629)	(227,362)	(317,629)
Payment during the year	(1,421,465)	(361,161)	(223,253)	(132,672)
At 31 December	4,133,170	2,040,514	1,192,550	617,943

21 Borrowings

	Group 2017 N'000	Group 2016 N'000	Company 2017 N'000	Company 2016 N'000
Bank overdraft	-	181,018	-	-
Short term borrowings	1,046,457	-	283,594	-
	1,046,457	181,018	283,594	-

	Group 2017 N'000	Group 2016 N'000	Company 2017 N'000	Company 2016 N'000
Reconciliation of Short term Borrowings:				
Borrowing as at 1 January 2017	-	-	-	-
Repayment during the year	-	-	-	-
Addition during the year	1,046,459	-	283,594	-
Borrowing as at 31 December 2017	**1,046,459**	-	**283,594**	-

Short term borrowings represents Banker Acceptance from Stanbic IBTC Bank for the importation of raw materials at a fixed interest rate of Libor+5.5% payable within 30 to 60 days.

22 Employee benefits obligation

The table below outlines where the group's post-employment amounts and activity are included in the financial statements:

	Group 2017 N'000	Group 2016 N'000	Company 2017 N'000	Company 2016 N'000
Statement of financial position obligations for:				
Post-employment benefit	2,931,863	2,615,121	257,138	213,819
Liability in the statement of financial position	2,931,863	2,615,121	257,138	213,819

Employee benefit obligation (cont'd)

Charge to statement of comprehensive income included in employee benefits expense for:

	Group		Company	
	2017 N'ooo	2016 N'ooo	2017 N'ooo	2016 N'ooo
Post-employment benefit	556,874	528,232	48,566	65,712
	556,874	528,232	48,566	65,712
Remeasurements for:				
Post-employment benefit	(58,997)	(459,577)	5,262	(39,594)
	(58,997)	(459,577)	5,262	(39,594)

The provision for gratuity was based on independent actuarial valuation performed by independent actuaries using the projected unit credit method. The group does not maintain any assets for the gratuity plan but ensures that it has sufficient funds for the obligations as they crystallize.

The amounts recognised in the statement of financial position are determined as follows:

	2017 N'ooo	2016 N'ooo	2017 N'ooo	2016 N'ooo
Present value of obligations (unfunded)	2,931,863	2,615,121	257,138	213,819

The movement in the defined benefit obligation over the year is as follows:

	2017 N'ooo	2016 N'ooo	2017 N'ooo	2016 N'ooo
Balance at the beginning of the year	2,615,121	2,818,768	213,819	241,049
Charge during the year:				
Current service cost (Note 7)	158,022	310,596	15,684	45,732
Interest for the year (Note 7)	398,852	217,636	32,882	19,980
	556,874	528,232	48,566	65,712
Total	3,171,995	3,347,000	262,385	306,761
Remeasurements:				
Actuarial losses / (gains) - change in financial assumption	72,741	(36,430)	9,542	(5,632)
Actuarial (gains) - experience adjustment	(131,738)	(423,147)	(4,280)	(33,962)
	(58,997)	(459,577)	5,262	(39,594)
Payments from plan:				
Benefits paid by the employer	(181,135)	(272,302)	(10,509)	(53,348)
Balance at the end of the year	2,931,863	2,615,121	257,138	213,819

The significant actuarial assumptions were as follows:

	2017	2016
Discount rate (p.a.)	14%	16%
Future average pay increase (p.a.)	14%	14%
Average rate of inflation (p.a.)	12%	12%

The next valuation date is due as at 31 December 2018

The sensitivity analysis on the accrued liability as at 31 December 2017 is as follows:

		Accrued liability N'ooo
Discount rate	+0.5%	254,298
Discount rate	-0.5%	260,138
Salary increase	+0.5%	260,962
Salary decrease	-0.5%	253,475
Mortality experience	Age rated up by 1 year	257,276
Mortality experience	Age rated down by 1 year	256,985

Risk exposure

Through its defined benefit scheme, the company is exposed to a number of risks, the most significant of which are detailed below:

Changes in discount rate: an increase in the discount rate will increase plan liabilities

Inflation risks: the company's obligations are linked to salary inflation, and higher inflation will lead to higher liabilities.

Life expectancy : the obligation is to provide benefits for the life of members, so increases in life expectancy will result in an increase in the employee benefits obligations.

23 Deferred tax liability

The analysis of deferred tax liability is as follows:

	Group 2017 N'000	Group 2016 N'000	Company 2017 N'000	Company 2016 N'000
Deferred tax liability:				
- To be recovered after 12 months	3,746,193	4,276,591	2,397,370	1,959,183
- To be recovered within 12 months	-	-	-	-
	3,746,193	4,276,591	2,397,370	1,959,183

The movement in deferred tax liability is as follows:

	Group 2017 N'000	Group 2016 N'000	Company 2017 N'000	Company 2016 N'000
At start	4,276,591	2,118,709	1,959,183	630,490
Changes during the year:				
Charged/(credited) on actuarial loss from other comprehensive income	17,594	136,758	(1,684)	13,013
(Credited)/charged to profit or loss (Note 11)	(547,992)	2,021,124	439,871	1,315,680
At end of the year	3,746,193	4,276,591	2,397,370	1,959,183

	Group Fixed assets N'000	Group Provisions N'000	Group Total N'000	Company Fixed assets N'000	Company Provisions N'000	Company Total N'000
At 1 January 2016	2,746,090	(627,381)	2,118,709	785,733	(155,243)	630,490
Charged/(credited) to profit or loss and OCI	(139,388)	2,297,270	2,157,882	(439,955)	1,768,648	1,328,693
At 31 December 2016	2,606,702	1,669,889	4,276,591	345,778	1,613,405	1,959,183
(Credited)/Charged to profit or loss and OCI	(205,907)	(324,491)	(530,398)	10,011	428,176	438,187
At 31 December 2017	2,400,795	1,345,398	3,746,193	355,789	2,041,581	2,397,370

24 Share capital

Authorised:

	2017 N'000	2016 N'000
1,000,000,000 ordinary shares of 50kobo each	500,000	500,000
Allotted, called up and fully paid: 437, 181,868 ordinary shares of 50k each	218,591	218,591

25 Cash generated from operating activities

	Note	Group 2017 N'000	Group 2016 N'000	Company 2017 N'000	Company 2016 N'000
Cash flows from operating activities					
Profit before tax		10,335,411	10,476,246	4,783,872	5,372,378
Adjustment for:					
Depreciation	15	2,459,499	2,488,185	316,985	315,452
Profit on disposal of property, plant and equipment		(19,958)	(5,481)	(7,119)	(3,029)
Amortisation charges	14	6,061	5,768	1,279	2,387
Interest on employee benefit obligation	22	398,852	217,636	32,882	19,980
Current service costs on other employee benefit obligation	22	158,022	310,596	15,684	45,732
Finance income	10	(1,818,739)	(850,734)	(1,524,546)	(794,185)
Finance expense	10	213,335	59,893	1,054,925	347,805
Changes in working capital:					
Increase in trade and other receivables		(4,935,505)	(6,150,697)	(4,196,615)	(4,859,793)
Increase in inventory		(2,518,315)	(1,268,416)	(1,703,763)	(537,632)
Increase in trade and other payables		4,922	1,337,680	3,363,652	1,466,240
Net cash generated from operations		4,283,587	6,620,676	2,137,236	1,375,335

In the statement of cash flows, proceeds from sale of property, plant and equipment comprise:

	Group 2017	Group 2016	Company 2017	Company 2016
Net book amount (Note 15)	81,464	29	3,059	-
Profit on disposal of property, plant and equipment (Note 8)	19,958	5,481	7,119	3,029
Proceeds from disposal of property, plant and equipment	101,422	5,510	10,178	3,029

26 Operating lease commitments

The Group leases land, buildings plant and machinery under non cancellable operating lease agreements. The lease tenure is 10 years and is renewable at the end of the lease.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Group and Company 2017 N'000	Group and Company 2016 N'000
Not later than 1 year	42,556	36,054
Later than 1 year no later than 5 years	170,224	144,217
Later than 5 years	170,224	144,217
	383,002	324,488

27 Related parties

The Group is owned by Frigoinvest Holdings B.V Netherlands with over 70% of its shares. The ultimate parent company is Frigoglass S.A.I.C and the Group is thus related to other subsidiaries of Frigoglass S.A.I.C through common shareholdings or common directorships. Transactions arising from dealings with related parties are as detailed below.

The following companies are related parties of Frigoglass Industries Nigeria Limited:

Frigoglass S.A.I.C - Ultimate parent and ultimate controlling party
Beta Glass Plc. - Subsidiary company
Frigoinvest Holding B.V. Netherlands - Intermediate parent company
Nigerian Bottling Company - Shareholder

Related parties (cont'd)

a Remuneration of key management personnel
Key management personnel includes the Board of directors (executive and non executive) and members of the Executive Committee . The compensation paid or payable to key management for employee services is shown below:

	Group		Company	
	2017 N'000	2016 N'000	2017 N'000	2016 N'000
Fees for services as directors	3,725	3,758	3,725	3,758
Salaries and wages	5,445	3,667	5,445	3,667
	9,170	7,425	9,170	7,425

b The number of directors of the Company based on range emolument is as below:

	2017 Number	2016 Number	2017 Number	2016 Number
N150,001 - N300,000	-	-	-	-
> N300,000	4	4	4	4
	4	4	4	4
Directors with no emoluments	3	3	3	3

Directors with no emoluments waived their right to receive remuneration from the company

	2017 N'000	2016 N'000	2017 N'000	2016 N'000
Amount paid to the highest paid director	2,373	2,950	2,373	2,950
Amount paid to Chairman	2,373	2,950	2,373	2,950

c Transactions with related parties
The following transactions represents took place between the Company and its related parties during the year:

c(i) Sales of goods

	2017 N'000	2016 N'000	2017 N'000	2016 N'000
Sales of goods:				
Nigerian Bottling Company	9,926,485	9,468,056	5,979,035	5,520,606

Goods are sold based on the price lists in force and credit period ranges from 30 to 60 days. Accordingly, they are at arms length.

c(ii) Purchases of services

	2017 N'000	2016 N'000	2017 N'000	2016 N'000
Purchase of services:				
Frigoglass, Jebel Ali (Note 6)	5,351	5,351	-	-
Frigoglass Global Limited (Note 6)	889,314	742,565	190,447	141,192
	894,665	747,916	190,447	141,192

The transaction with Frigoglass Global Limited was for the supply of technical expertise to Beta Glass Plc and Frigoglass Industries Nigeria Limited . The technical service fee represents 3% and 2% of net sales from production activities of Beta Glass Plc and Frigoglass Industries Nigeria Limited respectively as approved by the National Office for Technology Acquisition and Promotion (NOTAP) certificate numbers 005524 for Beta Glass Plc with maturity profile of three (3) years from 01 January 2016 to 31 December 2018 and certificates number 005891 for Frigoglass Industries Nigeria Limited with maturity profile of three (3) years from 01 January 2015 to 31 December 2017. Also included in the technical service charge for the year is Value Added Tax (VAT) at 5% paid on the technical service fee.

Purchases are from companies with common ultimate parent and ultimate controlling party. The purchases are at prices comparable to those obtainable from third parties

Related parties (cont'd)

d Due to related companies
This represents balance due to related parties as at year end:

		Group	
		2017	2016
	Description	N'000	N'000
Frigoglass Cyprus Limited	Purchase of services	-	285,084
A.G. Leventis PLC	Purchase of services	25,466	-
Frigoglass India	Purchase of goods	14,183	13,091
Frigoglass Global	Purchase of services	237,866	145,722
Frigoglass West Africa (FWAL)	Intercompany payable	1,157	214,357
Frigoglass Jebel Ali	Purchase of services	-	11,918
		278,672	670,172

		Company	
		2017	2016
	Description	N'000	N'000
Beta Glass Plc	Intercompany treasury balances	5,414,776	1,823,039
Beta Glass Plc	Payment made on behalf of the company	367,510	-
Frigoglass India	Purchase of goods	14,183	13,091
Frigoglass West Africa (FWAL)	Payments made by FWAL customers	1,157	214,357
Frigoglass Global	Purchase of services	39,529	48,225
		5,837,155	2,098,712

e Due from related companies
This represents the balance due from related parties as at year end:

		Group	
		2017	2016
	Description	N'000	N'000
Frigoglass South Africa	Payments made on behalf of Frigoglass South Africa	7,241	-
Frigoglass Jebel Ali	Intercompany loans	1,207,493	1,058,269
Frigoinvest Holdings B.V	Intercompany loan and other receivables	12,984,550	10,509,545
Frigoglass West Africa	Intercompany loan and other receivables	2,191,795	1,336,205
Nigeria Bottling Co (NBC)	Intercompany receivables	1,671,372	2,628,231
		18,062,451	15,532,250

		Company	
		2017	2016
	Description	N'000	N'000
Frigoglass South Africa	Payments made on behalf of Frigoglass South Africa	7,241	
Beta Glass Plc	Payments made on behalf of Beta Glass PLC	-	694,888
Frigoglass Jebel Ali	Intercompany loan and other receivables	1,207,493	1,058,269
Frigoinvest Holdings B.V	Intercompany loan and other receivables	12,984,550	10,509,545
Frigoglass West Africa	Intercompany loan and other receivables	2,191,795	-
Nigeria Bottling Co (NBC)	Sales of bottles and purchase of cullet	1,046,341	1,647,326
		17,437,420	13,910,028

Related parties (cont'd)

The receivables from related parties arise mainly from loan and sale transactions which are due two months after the date of sales. The loan receivable bears interest and repayable on demand while sales receivables are unsecured in nature and bear no interest. There are no provisions held against receivables from related parties.

The payables to related parties arise mainly from purchase transactions are due within 30 to 60 days after the date of purchase. The payables bear no interest.

28 Contingent liabilities

The group is presently involved in five (5) litigation suits as at 31 December 2017. The claims against the group from the suits amount to N2.33 billion (31 December 2016: N1.8 billion) as of reporting date. No provision has been made for these claims as based on legal advice, the directors believe that no significant loss will eventuate.

Guarantee on behalf of Frigoglass Finance B.V.

In the year 2017 the Company and its subsidiary- BetaGlass PLC guarantees first lien indebtedness (comprised of loans and notes) incurred by other members of the Frigoglass Group of approximately €120.0 million, which matures on 31 December 2021 and second lien indebtedness (comprised of loans and notes) of approximately €141 million, which matures on 31 March 2022.

29 Capital commitments

The company had no capital commitments as at 31 December 2017 (31 December 2016: Nil).

30 Subsequent events

No dividend was declared for 2017 year end and there were no other post balance sheet events which could have had a material effect on the state of affairs of the company as at 31 December 2017 and on the profit for the year ended on that date which have not been adequately provided for or recognised.

31 Compliance with regulatory bodies

There was no penalty for non-compliance matters with respect to regulatory bodies for the year ended 31 December 2017 (31 December 2016:Nil).

32 Particulars of staff

The average number of persons, excluding directors, employed by the group and company during the year was as follows:

	Group		Company	
	2017	2016	2017	2016
	Number	Number	Number	Number
Management	325	330	36	38
Factory	397	389	65	66
Sales and Administration	9	9	1	1
	731	728	102	105

The number of the employees in Nigeria with gross emoluments excluding retirement benefits within the bands stated below were:

	Group		Company	
	2017	2016	2017	2016
	Number	Number	Number	Number
N600,001 - N800,000	-	3	-	3
N800,001 - N1,000,000	16	20	4	4
N1,000,001 - N1,200,000	43	74	10	5
N1,200,001 - N1,400,000	75	52	6	8
N1,400,001 - N1,600,000	41	48	4	7
N1,600,001 - N1,800,000	49	50	12	11
N1,800,001 - N2,000,000	42	74	10	14
N2,000,001 - N2,500,000	156	188	33	36
N2,500,001 - N3,000,000	138	89	14	7
Over N3,000,000	171	130	9	10
	731	728	102	105

15 Property, plant and equipment

Group - 31 December 2017

	Land N'000	Building N'000	Plant and machinery N' 000	Furniture fittings and equipment N' 000	Motor vehicles N' 000	Assets under construction N' 000	Total N' 000
Cost or valuation:							
At 1 January 2017	168,540	1,849,445	28,384,061	675,166	835,730	1,260,963	33,173,905
Additions	-	30,642	1,212,139	32,557	72,842	2,572,351	3,920,531
Disposals	-	-	(265,872)	(2,120)	(115,181)	-	(383,173)
Reclassifications	-	525	50,110	-	-	(50,635)	-
At 31 December 2017	168,540	1,880,612	29,380,438	705,603	793,391	3,782,679	36,711,263
Depreciation:							
At 1 January 2017	-	516,806	19,488,397	612,713	634,237	-	21,252,153
Charge for the year	-	59,438	2,259,755	31,756	108,550	-	2,459,499
On disposals	-	-	(187,466)	(2,112)	(112,130)	-	(301,709)
At 31 December 2017	-	576,244	21,560,686	642,357	630,657	-	23,409,944
Net book value:							
At 31 December 2017	168,540	1,304,368	7,819,752	63,246	162,734	3,782,679	13,301,319

Assets under construction represents value of capital work in progress. On completion, the assets will be capitalized and subsequently depreciated.

Depreciation expenses of N2.32 billion has been charged to Cost of sales and N0.15 billion was charged to Administrative expenses.

Notes to the financial statements (cont'd)
For the year ended 31 December 2017

Company - 31 December 2017

	Land N'000	Building N'000	Plant and machinery N' 000	Furniture fittings and equipment N' 000	Motor vehicles N' 000	Assets under construction N' 000	Total N' 000
Cost or valuation:							
At 1 January 2017	-	99,812	3,633,260	277,708	217,524	50,635	4,278,939
Additions	-	-	278,790	13,810	-	58,052	350,652
Disposals	-	-	(156,069)	(2,120)	(27,850)	-	(186,039)
Reclassifications	-	525	50,110	-	-	(50,635)	-
At 31 December 2017	-	100,337	3,806,091	289,398	189,674	58,052	4,443,552
Depreciation:							
At 1 January 2017	-	19,340	2,434,850	262,972	158,427	-	2,875,590
Charge for the year	-	6,772	278,852	9,862	21,500	-	316,985
On disposals	-	-	(156,069)	(2,112)	(24,799)	-	(182,980)
At 31 December 2017	-	26,112	2,557,633	270,722	155,128	-	3,009,595
Net book value:							
At 31 December 2017	-	74,225	1,248,458	18,677	34,547	58,052	1,433,957

Assets under construction represents value of capital work in progress. On completion, the assets will be capitalized and subsequently depreciated.

Depreciation expenses of N0.28 billion has been charged to Cost of sales and N0.04 billion was charged to Administrative expenses.

15 Property, plant and equipment

Group - 31 December 2016

	Land N'000	Building N'000	Plant and machinery N' 000	Furniture fittings and equipment N' 000	Motor vehicles N' 000	Assets under construction N' 000	Total N' 000
Cost or valuation:							
At 1 January 2016	168,540	1,806,449	27,916,297	643,556	751,397	1,219,834	32,506,073
Additions	-	42,996	1,013,974	38,596	103,071	50,635	1,249,272
Disposals	-	-	(547,581)	(6,986)	(26,873)	-	(581,440)
Reclassifications	-	-	1,371	-	8,135	(9,506)	-
At 31 December 2016	168,540	1,849,445	28,384,061	675,166	835,730	1,260,963	33,173,905
Depreciation:							
At 1 January 2016	-	458,534	17,745,627	587,396	553,822	-	19,345,379
Charge for the year	-	58,272	2,290,351	32,274	107,288	-	2,488,185
On disposals	-	-	(547,581)	(6,957)	(26,873)	-	(581,411)
At 31 December 2016	-	516,806	19,488,397	612,713	634,237	-	21,252,153
Net book value:							
At 31 December 2016	168,540	1,332,639	8,895,664	62,453	201,493	1,260,963	11,921,752

Assets under construction represents value of capital work in progress. On completion, the assets will be capitalized and subsequently depreciated.

Depreciation expenses of N2.34 billion has been charged to Cost of sales and N0.15 billion was charged to Administrative expenses.

Company - 31 December 2016

	Land N'000	Building N'000	Plant and machinery N' 000	Furniture fittings and equipment N' 000	Motor vehicles N' 000	Assets under construction N' 000	Total N' 000
Cost or valuation:							
At 1 January 2016	-	93,595	3,867,437	270,873	191,456	9,506	4,432,867
Additions	-	6,217	115,420	8,261	34,692	50,635	215,226
Disposals	-	-	(350,968)	(1,426)	(16,759)	-	(369,154)
Reclassifications	-	-	1,371	-	8,135	(9,506)	-
At 31 December 2016	-	99,812	3,633,260	277,708	217,524	50,635	4,278,939
Depreciation:							
At 1 January 2016	-	12,906	2,513,719	253,727	148,938	-	2,929,289
Charge for the year	-	6,434	272,099	10,671	26,248	-	315,452
On disposals	-	-	(350,968)	(1,426)	(16,759)	-	(369,153)
At 31 December 2016	-	19,340	2,434,850	262,972	158,427	-	2,875,589
Net book value:							
At 31 December 2016	-	80,472	1,198,409	14,736	59,097	50,635	1,403,350

Assets under construction represents value of capital work in progress. On completion, the assets will be capitalized and subsequently depreciated.

Depreciation expenses of N0.27 billion has been charged to Cost of sales and N0.05 billion was charged to Administrative expenses.

Statement of value added - Company
For the year ended 31 December 2017

	Note	2017 N'000	%	2016 N'000	%
Revenue	5	9,068,905		6,723,452	
Finance income	10	1,524,546		794,185	
Other income	8	533,972		315,575	
Net foreign exchange gain	9	1,673,060		3,903,052	
		12,800,482		11,736,264	
Bought in materials and services					
- Imported		(3,917,022)		(2,381,077)	
- Local		(2,359,814)		(2,910,205)	
		6,523,646	100	6,444,982	100

Applied as follows:

	Note	2017 N'000	%	2016 N'000	%
To pay employees:					
- Wages, salaries and other benefits	7	366,584	6	406,960	6
To pay providers of capital:					
- Finance cost	10	1,054,925	16	347,805	5
To pay government:					
- Income tax expense	11	1,465,093	21	1,680,225	26
To provide for enhancement of assets and growth:					
- Depreciation of plant, property and equipment	15	316,985	5	315,452	5
- Amortization of intangible assets	14	1,279	1	2,387	1
- Profit for the year from continued operations		3,318,779	51	3,692,153	57
		6,523,646	100	6,444,982	100

Note: Statement of value added is not a required disclosure under IFRS

Statement of value added - Group
For the year ended 31 December 2017

	Note	2017 N'000	%	2016 N'000	%
Revenue	5	31,255,164		25,814,644	
Finance income	10	1,818,739		850,734	
Other income	8	848,664		834,162	
Net foreign exchange gain	9	2,017,178		5,816,310	
		35,939,746		33,315,850	
Bought in materials and services					
- Imported		(7,022,357)		(3,479,387)	
- Local		(12,930,184)		(13,645,861)	
		15,987,204	100	16,190,602	100
Applied as follows:					
To pay employees:					
- Wages, salaries and other benefits	7	2,972,897	19	3,160,510	20
To pay providers of capital:					
- Finance cost	10	213,335	1	59,893	-
To pay government:					
- Income tax expense	11	3,204,691	20	3,096,086	19
To provide for enhancement of assets and growth:					
- Depreciation of plant, property and equipment	15	2,459,499	15	2,488,185	15
- Amortization of intangible assets	14	6,061	0	5,768	-
- Profit for the year from continued operations		7,130,719	45	7,380,160	46
		15,987,204	100	16,190,602	100

Note: Statement of value added is not a required disclosure under IFRS

FRIGOGLASS INDUSTRIES (NIGERIA) LIMITED

Five year financial summary - Company
For the year ended 31 December 2017

	2017 N'000	2016 N'000	2015 N'000	2014 N'000	2013 N'000
Assets employed					
Non-current assets	3,220,087	3,190,759	3,293,372	3,926,000	3,361,028
Current assets	25,226,941	17,237,709	11,207,106	16,795,889	15,464,336
Non-current liabilities	(2,654,508)	(2,173,002)	(871,539)	(662,667)	(467,992)
Current liabilities	(8,372,633)	(4,197,350)	(3,289,557)	(10,899,446)	(10,347,239)
Net assets	**17,419,887**	**14,058,116**	**10,339,382**	**9,159,776**	**8,010,133**
Capital employed					
Ordinary share capital	218,591	218,591	218,591	218,591	218,591
Share premium	16,330	16,330	16,330	16,330	16,330
Retained earnings	17,184,966	13,823,195	10,104,461	8,924,855	7,775,212
Total equity	**17,419,887**	**14,058,116**	**10,339,382**	**9,159,776**	**8,010,133**

	2017 N'000	2016 N'000	2015 N'000	2014 N'000	2013 N'000
Turnover	9,068,905	6,723,452	5,684,504	11,325,491	9,518,697
Profit before income tax	4,783,872	5,372,378	1,799,086	1,742,996	736,068
Income tax expense	(1,465,093)	(1,680,225)	(737,882)	(512,647)	(396,798)
Profit for the year	3,318,779	3,692,153	1,061,204	1,230,349	339,270
Total comprehensive income	3,315,201	3,718,734	1,179,606	1,230,349	339,270

Per share data					
Earnings per share (Naira)	7.59	8.45	2.43	2.81	0.78
Net assets per share (Naira)	39.85	32.16	23.65	20.95	18.32

Earnings per share (EPS) is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

Net assets per share is calculated by dividing net assets of the company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

Note: Five year financial summary is not a required disclosure under IFRS

Five year financial summary - Group
For the year ended 31 December 2017

	2017 N'000	2016 N'000	2015 N'000	2014 N'000	2013 N'000
Assets employed					
Non-current assets	13,311,405	11,937,899	13,182,608	11,742,596	11,249,796
Current assets	45,778,410	37,370,630	25,265,481	23,272,271	22,766,974
Non-current liabilities	(6,678,056)	(6,891,712)	(4,937,477)	(3,964,117)	(4,458,004)
Current liabilities	(11,582,072)	(8,619,055)	(7,328,414)	(7,692,479)	(9,561,715)
Net assets	**40,829,686**	**33,797,762**	**26,182,198**	**23,358,271**	**19,997,051**
Capital employed					
Ordinary share capital	218,591	218,591	218,591	218,591	218,591
Share premium	16,330	16,330	16,330	16,330	16,330
Other reserves	2,429,942	2,429,942	2,429,942	2,429,942	2,429,942
Retained earnings	28,591,873	22,959,019	16,816,554	15,896,450	13,372,387
Non controlling interest	9,572,951	8,173,880	6,700,781	4,796,958	3,959,801
Total equity	**40,829,686**	**33,797,762**	**26,182,198**	**23,358,271**	**19,997,051**

	2017 N'000	2016 N'000	2015 N'000	2014 N'000	2013 N'000
Turnover	31,255,164	25,814,644	21,637,727	27,958,370	23,614,820
Profit before income tax	10,335,411	10,476,246	4,741,242	4,977,844	2,693,584
Income tax expense	(3,204,691)	(3,096,086)	(1,861,550)	(1,463,084)	(975,417)
Profit for the year	7,130,719	7,380,160	2,879,691	3,514,760	1,718,167
Total comprehensive income	7,172,122	7,702,979	2,942,093	3,514,760	1,718,167

Per share data					
Earnings per share (Naira)	16.31	16.88	6.59	8.04	3.93
Net assets per share (Naira)	93.39	77.31	59.89	53.43	45.74

Earnings per share (EPS) is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

Net assets per share is calculated by dividing net assets of the company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

Note: Five year financial summary is not a required disclosure under IFRS