


**NORTHERN NIGERIA FLOUR MILLS PLC  
UNAUDITED RESULTS FOR THE PERIOD ENDED  
DECEMBER 31ST 2017**

# NORTHERN NIGERIA FLOUR MILLS PLC - KANO

## UNAUDITED RESULTS FOR THE PERIOD ENDED 31st DECEMBER 2017 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Nine Months Ended 31-12-17 N'000	Nine Months Ended 31-12-16 N'000	Three Months Ended 31-12-17 N'000
<b>Volumes (MT)</b>		<b>5,634</b>	<b>4,070</b>	<b>1,711</b>
Revenue		1,589,207	461,143	559,906
Cost of sales	1	(1,571,037)	(513,162)	(545,560)
Gross profit/(Loss)		18,170	(52,019)	14,346
Other Operating Income	2	423,911	182,374	55,372
Selling and distribution expenses	3	(7,309)	(2,574)	(2,167)
Administrative expenses	4	(229,774)	(164,647)	(86,462)
Other gains and losses	4	(15,341)	(19,451)	(5,114)
Operating profit/(Loss)		<b>189,657</b>	<b>(56,317)</b>	<b>(24,025)</b>
Investment income		9,295	17,468	2,766
Finance cost	5	(359,392)	-	(80,185)
		(160,440)	(38,849)	(101,444)
Profit/(Loss) before tax		(160,440)	(38,849)	(101,444)
Tax expense		-	-	-
Profit/(Loss) after tax		(160,440)	(38,849)	(101,444)
Profit/(Loss) attributable to:				
Owners of the Company		<b>(160,440)</b>	<b>(38,849)</b>	<b>(101,444)</b>
Earnings per Share - Basic (Kobo)		(90)	(22)	(57)

  
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January 30th, 2018

### Explanatory Notes:

The harsh economic environment has not improved during the period, and together with higher finance costs impacted the operational profits. However, Management is looking at and exploring all available options to improve the performance within the last quarter of the financial year.

<b>NORTHERN NIGERIA FLOUR MILLS PLC - KANO</b>				
<b>UNAUDITED NINE MONTHS RESULTS TO 31ST DECEMBER 2017</b>				
<b>STATEMENT OF FINANCIAL POSITION</b>				
<b>31ST DECEMBER 2017</b>				
		<b>31-Dec-17</b>	<b>31-Dec-16</b>	<b>31-Mar-17</b>
	<b>Note</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Non-current assets</b>				
Property, plant and equipment		2,006,328	1,700,990	2,008,933
Intangible assets		-	-	-
Deffered tax assets		-	-	-
<b>Total non-current assets</b>		<b>2,006,328</b>	<b>1,700,990</b>	<b>2,008,933</b>
<b>Current assets</b>				
Inventories	6	1,246,455	592,188	1,367,418
Trade receivables	7a	(86,256)	(11,981)	(21,989)
Other receivables	7c	14,411	17,618	29,936
Prepayments	7b	20,757	13,033	17,006
Due from related companies	7c	84,792	65,270	429,486
Cash and deposits		612,923	1,432,059	469,939
<b>Total current assets</b>		<b>1,893,082</b>	<b>2,108,187</b>	<b>2,291,796</b>
<b>Total assets</b>		<b>3,899,410</b>	<b>3,809,177</b>	<b>4,300,729</b>
<b>Equity</b>				
Share capital		89,100	89,100	89,100
Share premium account		89,521	89,521	89,521
Retained earnings		900,514	1,033,463	1,060,957
<b>Total equity</b>		<b>1,079,135</b>	<b>1,212,084</b>	<b>1,239,578</b>
<b>Non-current liabilities</b>				
Borrowings	8	1,968,000	360,000	-
Deferred taxation	9	(36,716)	(42,124)	(36,715)
Retirement benefit obligation	10	72,036	97,186	93,186
Long service award	11	27,174	21,643	24,566
<b>Total non-current liabilities</b>		<b>2,030,494</b>	<b>436,705</b>	<b>81,037</b>
<b>Current liabilities</b>				
Trade payables	12	(9,681)	480,839	479,235
Other payables	13	885,997	1,699,154	2,423,606
Current tax payable		7,330	4,504	17,824
Customer deposits	14	(93,866)	(24,109)	59,449
<b>Total current liabilities</b>		<b>789,780</b>	<b>2,160,388</b>	<b>2,980,114</b>
<b>Total liabilities</b>		<b>2,820,275</b>	<b>2,597,093</b>	<b>3,061,151</b>
<b>Total equity and liabilities</b>		<b>3,899,410</b>	<b>3,809,177</b>	<b>4,300,729</b>

<b>NORTHERN NIGERIA FLOUR MILLS PLC - KANO</b>			
<b>STATEMENT OF CASH FLOWS</b>			
<b>December 31, 2017</b>			
	<b>31-Dec-17</b>	<b>31-Dec-16</b>	<b>31-3-2017</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Cash flows from operating activities</b>			
Profit/(Loss) After tax	(160,440)	(38,849)	405
Adjustments for:			
Depreciation & Amortisation	149,273	51,955	71,117
Actuarial gain/losses measurement	-	-	-
Finance cost	359,392	-	31,942
Interest received	(9,295)	3,289	(23,983)
Dividend received	-	-	-
loss/(profit) on disposal of fixed assets & Investment	(220)	-	(820)
share of loss/(profit) in associate	-	-	-
Provision	-	-	-
Profit before changes in working capital	338,710	16,395	78,661
<b>Changes in Working Capital</b>			
(Increase)/ Decrease in Inventory	(990,719.00)	(196,055)	(971,285)
(Increase)/ Decrease in Net Trade Receivables	(87,693.00)	(2,330)	62,376
(Increase)/ Decrease in Other Receivables	3,563.00	5,630	17,589
(Increase)/ Decrease in other assets	(3,751.00)	(4,377)	(8,349)
(Increase)/ Decrease in due from related parties	344,694.00	13,977	(222,827)
(Increase)/ Decrease in deferred tax assets		-	
Increase/ (Decrease) in Trade Creditors	(167,400.00)	403,521	145,487
Increase/ (Decrease) in Other Payable	17,678.00	3,982	-
Increase/ (Decrease) in Amount due to Group companies	558,735.00	1,580,754	18,473
Increase/ (Decrease) in Dividend Payable		-	-
Increase/ (Decrease) in retirement benefit obligatiion	(21,150.00)	-	9,243
Increase/ (Decrease) in long service award	2,608.00	-	1,928
Increase/ (Decrease) in Sundry Provisions	10,737.00	5,012	-
Increase/ (Decrease) in Tax Payable	(22,669.00)	(3,266)	(2,826)
Increase/ (Decrease) in Deferred tax liabilities	-	-	-
Increase/ (Decrease) in Deferred revenue	-	-	-
Other non- cash movement			
<b>Net changes in working capital</b>	<b>(355,367)</b>	<b>1,806,848</b>	<b>(950,191)</b>
<b>Cash Flow from operating activities</b>	<b>(16,657)</b>	<b>1,823,243</b>	<b>(871,530)</b>
<b>Net Cash Flow from operating activities</b>	<b>(16,657)</b>	<b>1,823,243</b>	<b>(871,530)</b>
<b>Investing activities</b>			
Purchase of PPE	(1,458,042)	(1,136,414)	(1,463,517)
Sale of PPE	(220)	-	820
Long term loans	-	-	-
Other investment	-	-	-
Investment income	9,295	(3,289)	23,983
<b>Net Cash flow from investing activities</b>	<b>(1,448,967)</b>	<b>(1,139,703)</b>	<b>(1,438,714)</b>
<b>Financing activities</b>			
Proceed from issue of shares/bonus		-	
Proceed from term loan	1,968,000	-	2,423,606
Short term loan		<b>360,000</b>	-
Dividend paid	-	-	-
Interest paid	(359,392)	-	(31,942)
Capital reserve	-	-	-
<b>Cash flow from Financing activities</b>	<b>1,608,608</b>	<b>360,000</b>	<b>2,391,664</b>
<b>Net Cash Flow</b>	<b>142,984</b>	<b>1,043,540</b>	<b>81,420</b>
<b>Cash and cash equivalents at beginning of Period/year</b>	<b>469,939</b>	<b>388,519</b>	<b>388,519</b>
<b>Cash and cash equivalents at end of the period</b>	<b>612,923</b>	<b>1,432,059</b>	<b>469,939</b>
Closing			
Cash & Cash equivalent	612,923	1,432,059	469,939
	612,923	1,432,059	469,939

<b>NORTHERN NIGERIA FLOUR MILLS PLC - KANO</b>							
<b>STATEMENT OF CHANGES IN EQUITY</b>							
<b>FOR THE PERIOD ENDED 31st DECEMBER 2017</b>							
<b>NORTHERN NIGERIA FLOUR MILLS PLC</b>							
				<b>Equity attributable to equity holders of the Company</b>			
	<b>Share Capital</b>	<b>Share premium</b>	<b>Capital reserve</b>	<b>Non controlling interest</b>	<b>Retained Earnings</b>	<b>Total Equity</b>	
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	
							-
<b>Balance at 1 April 2016</b>	89,100	89,521	-	-	1,072,316	1,250,937	
Transfer from total comprehensive income for the period					(11,359)	(11,359)	
Dividend payment						-	
<b>Balance at 31 March 2017</b>	89,100	89,521	-	-	1,060,957	1,239,578	
<b>Balance at 1 April 2017</b>	89,100	89,521	-	-	1,060,957	1,239,578	
							-
Transfer from total comprehensive income for the period					(160,440)	(160,440)	
<b>Balance at 31st December 2017</b>	89,100	89,521	-	-	900,517	1,079,138	

<b>NORTHERN NIGERIA FLOUR MILLS PLC - KANO</b>								
<b>UNAUDITED RESULTS FOR THE PERIOD ENDED 31ST DECEMBER 2017</b>								
<b>PROPERTY PLANT AND EQUIPMENT</b>								
	<b>Leasehold</b>	<b>Plant &amp; Machinery</b>	<b>Furniture &amp; Equip</b>	<b>Motor Vehicles</b>	<b>Bearer plants</b>	<b>CWIP</b>	<b>Total</b>	
	<b>Land &amp; Buildings</b>							
	<b>N '000</b>	<b>N '000</b>	<b>N '000</b>	<b>N '000</b>	<b>N '000</b>	<b>N '000</b>	<b>N '000</b>	
Cost or valuation								
1 April 2017	111,765	1,344,749	86,889	305,771		1,359,432	3,208,606	
Reclassification							-	
Additions	14,650	1,439,354		4,038			1,458,042	
Transfers						(1,296,724)	(1,296,724)	
Adjustments		(14,650)					(14,650)	
Disposals							-	
<b>31ST DECEMBER 2017</b>	<b>126,415</b>	<b>2,769,453</b>	<b>86,889</b>	<b>309,809</b>	<b>-</b>	<b>62,708</b>	<b>3,355,274</b>	
Depreciation								
1 April 2017	44,076	779,772	78,519	297,306			1,199,673	
Charge	2,657	140,956	966	4,694			149,273	
Transfer							-	
Disposals							-	
<b>31ST DECEMBER 2017</b>	<b>46,733</b>	<b>920,728</b>	<b>79,485</b>	<b>302,000</b>	<b>-</b>	<b>-</b>	<b>1,348,946</b>	
NBV								
<b>31ST DECEMBER 2017</b>	<b>79,682</b>	<b>1,848,725</b>	<b>7,404</b>	<b>7,809</b>	<b>-</b>	<b>62,708</b>	<b>2,006,328</b>	
1 April 2017	67,689	564,977	8,370	8,465	-	1,359,432	2,008,933	

**NORTHERN NIGERIA FLOUR MILLS PLC - KANO**

**NOTES TO THE UNAUDITED RESULTS FOR THE PERIOD ENDED 31ST DECEMBER 2017**

<b>NOTES:</b>		<b>31-Dec-2017</b>	<b>31-Dec-2016</b>	<b>Three Months Ended 31-Dec-2017</b>
<b>1</b>	<b>COST OF SALES</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
	Material costs	1,204,082	345,901	428,305
	Depreciation	143,599	46,822	42,149
	Direct staff costs	92,087	63,520	33,306
	Other expenses	1,295	122	460
	Rent & rates	1,770	1,646	610
	Insurance	2,806	2,181	935
	Petrol, gas & oil	110,090	44,817	35,473
	Repairs and maintenance	15,308	8,153	4,322
		<b>1,571,037</b>	<b>513,162</b>	<b>545,560</b>
<b>2</b>	<b>OTHER GAINS &amp; LOSSES</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
	Management fees	-	-	-
	Rent income	1,350	1,350	450
	Insurance claims/Provision no longer required	-	(628)	-
	Income on government grant	-	-	-
	Intragroup Subsidy income	413,428	167,148	51,248
	Sundry income	9,288	14,224	4,029
	Profit / Loss on disposal of assets	220	100	20
	Exchange gain/loss	(375)	180	(375)
	Wheat handling charges	-	-	-
		<b>423,911</b>	<b>182,374</b>	<b>55,372</b>
<b>3</b>	<b>SELLING &amp; DISTRIBUTION EXPENSES</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
	Employee cost	5,992	990	1,596
	Advertisement	274	854	171
	Selling expenses	1,043	730	400
		<b>7,309</b>	<b>2,574</b>	<b>2,167</b>
<b>4</b>	<b>ADMINISTRATIVE EXPENSES</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
	Advertising	-	6,086	-
	Auditors remuneration	13,930	12,090	3,852
	Bad debts	265	-	-
	Bank charges	768	3,307	152

	Cleaning	126	-	126
	Consulting and professional fees	15,690	6,893	7,699
	Depreciation, amortisation & impairments	5,675	5,132	1,898
	Donations	50	400	-
	Employee costs	118,710	86,983	39,067
	Entertainment	558	436	160
	Fines and penalties	17,350	1,275	16,050
	IT expenses	2,515	4,365	659
	Insurance	1,646	1,220	549
	Magazines, books & periodicals	113	95	34
	Medical expenses	-	-	-
	Motor vehicle expenses	71	71	28
	Third party -deductible	6,566	11,602	4,601
	Petrol & oil	125	(1,134)	958
	Placement fees	1,150	1,441	382
	Postage	801	105	95
	Printing & stationery	850	819	303
	Repairs & maintenance	6,891	4,450	2,133
	Research & development costs	-	-	-
	Secretarial expenses	3,653	2,548	680
	Security	1,665	1,253	832
	Software expenses	12,407	5,953	525
	Subscriptions	4,320	945	2,270
	Telephone & fax	1,095	1,007	500
	Travel -local	12,784	7,246	2,909
	Travel -overseas	-	56	-
	Other expenses	-	3	-
	Group overhead allocation	15,341	19,451	5,114
	<b>Total administration expenses</b>	<b>245,115</b>	<b>184,098</b>	<b>91,576</b>
<b>5</b>	<b>FINANCE COSTS</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
	Interest on Long Term Loans (BOI)	118,277	-	65,780
	Interest on Intragroup Loans	241,115	-	14,405
		359,392	-	80,185



<b>NORTHERN NIGERIA FLOUR MILLS PLC - KANO</b>				
<b>NOTES TO THE UNAUDITED RESULTS FOR THE PERIOD ENDED 31ST DECEMBER 2017</b>				
<b>NOTES:</b>		<b>31-Dec-2017</b>	<b>31-Dec-2016</b>	<b>31-Mar-17</b>
<b>6</b>	<b>INVENTORIES</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
	Raw materials	805,183	296,462	1,066,659
	Packaging materials (consumable)	-	-	-
	Work in Progress	-	-	-
	Finished goods	76,073	7,661	92,076
	Consumables	-	-	-
	Spare parts (consumable)	383,435	298,837	262,252
	Sundry stocks(consumable)	-	-	-
	Provision for obsolete stock	(53,569)	(28,281)	(53,569)
		1,211,122	574,679	1,367,418
	Goods - in - transit (consumable)	35,333	17,509	-
		<b>1,246,455</b>	<b>592,188</b>	<b>1,367,418</b>
<b>7a</b>	<b>TRADE AND OTHER RECEIVABLES</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
	<b>TRADE RECEIVABLES</b>			
	Trade Debtors	90,604	102,245	156,719
	Provision for bad debts	(176,860)	(114,226)	(178,708)
		(86,256)	(11,981)	(21,989)
<b>7b</b>	<b>Prepayments</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
	Prepayments	20,757	13,033	17,006
		20,757	13,033	17,006.00
<b>7c</b>	<b>OTHER RECEIVABLES</b>	<b>N'000</b>	<b>N'000</b>	
	Staff debtors	16,524	19,731	21,201
	Provision for doubtful Staff loan	(2,113)	(2,113)	(2,113)
	Insurance claims	-	-	-
	Withholding tax receivable	-	-	-
	Other debtors	-	-	10,848
	Provision for other receivables	-	-	-
	Intercompany receivables	84,792	65,270	429,486
	Provision Intercompany receivables	-	-	-
		99,203	82,888	459,422
<b>8</b>	<b>LONG TERM BORROWINGS</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
	Interest bearing intra group loan	-	360,000.00	-
	Long term loan (BOI)	1,968,000	-	-
		1,968,000	360,000.00	-

9	<b>DEFERRED TAX</b>			
	At 1st April	(36,715)	(42,124)	(36,716)
	Transfers during the period	-	-	-
	Charge for the period/year	-	-	-
	At the end of the period	(36,715)	(42,124)	(36,716)
10	<b>RETIREMENT BENEFIT OBLIGATION</b>			
		<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
	At 1st April	93,186	90,908	90,908
	Service cost	15,075	14,094	5,514
	Interest cost	-	-	11,765
	Actuarial gains and losses	-	(757)	(8,773)
	Intercompany transfers	-	-	-
	Benefits paid	(36,225)	(7,059)	(6,228)
	At the end of the period			
		72,036	97,186	93,186
11	<b>LONG SERVICE AWARD</b>			
		<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
	At 1 April	24,566	22,638	22,638
	Service cost	4,211	3,026	4,539
	Interest cost	-	-	-
	Benefits paid	(1,603)	(4,021)	(4,419)
	Actuarial (gains)/loss -change in assumption	-	-	-
	Actuarial (gains)/loss -experience	-	-	1,808
		27,174	21,643	24,566
12	<b>CREDITORS AND ACCRUALS</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
	Trade Creditors - Local	106,224	480,839	479,235
	Trade Creditors - O/Seas L/C Deposit	(115,905)	-	-
		(9,681)	480,839	479,235
13	<b>OTHER PAYABLES:</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
	Provisions & Accruals	86,527	43,751	228,641
	Intercompany payables	774,449	1,630,341	2,194,965
	Value added Tax	3,228	(422)	1,257
	Withholding tax	4,115	2,616	28,755
	Sundry Accounts	17,678	22,868	(12,188)
		885,997	1,699,154	2,441,430
14	<b>Customer deposits</b>			
	Advance Payments by Customers	(93,866)	(24,109)	59,449