



FLOUR MILLS OF NIGERIA PLC

CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS

31ST DECEMBER, 2016

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INDEX	PAGE
STATEMENT OF COMPREHENSIVE INCOME	1
STATEMENT OF FINANCIAL POSITION	2
STATEMENT OF CHANGES IN EQUITY	3
CONDENSED STATEMENT OF CASH FLOWS	4
ACCOUNTING POLICIES (NOTE 1 TO 4)	5
NOTES 5	6
NOTES 5 CONTINUE	7
NOTES 6 TO 8	8
GROUP FIXED ASSETS SCHEDULE	9
COMPANY FIXED ASSETS SCHEDULE	10
INTANGIBLE ASSETS SCHEDULE	11
NOTES 9 TO 10	12
NOTES 11 TO 14	13
NOTES 15	14

**FLOUR MILLS OF NIGERIA PLC
CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 31 DECEMBER 2016**

	Group				Company			
	3 months ended 31/12/2016 N'000	3 months ended 31/12/2016 N'000	9 months ended 31/12/2016 N'000	9 months ended 31/12/2016 N'000	3 months ended 31/12/2016 N'000	3 months ended 31/12/2016 N'000	9 months ended 31/12/2016 N'000	9 months ended 31/12/2016 N'000
Revenue	134,639,080	86,096,775	389,943,738	263,679,981	92,283,557	55,338,839	278,353,341	187,037,940
Cost of sales	(117,567,275)	(76,682,471)	(336,448,281)	(235,996,097)	(91,055,993)	(49,234,571)	(242,091,880)	(159,069,999)
Gross profit	17,071,805	9,414,304	53,495,457	27,683,884	11,227,564	6,104,268	36,261,461	17,967,941
Selling and distribution expenses	(1,382,101)	(1,266,925)	(4,430,843)	(3,984,250)	(1,286,515)	(1,289,909)	(4,212,340)	(3,700,113)
Administrative expenses	(3,969,862)	(3,025,546)	(10,044,512)	(8,941,261)	(2,635,600)	(2,090,207)	(6,951,765)	(6,525,191)
Net operating gains and losses	3,673,501	(4,904,429)	(11,756,030)	(3,127,857)	(600,572)	(4,919,678)	(4,306,943)	(4,502,698)
Operating profit	8,066,342	257,404	27,264,073	11,630,516	6,494,877	(2,135,626)	20,790,412	3,239,939
Investment income	197,978	479,604	726,293	965,534	764,753	(13,749)	1,431,266	864,135
Finance costs	(6,770,916)	(5,061,346)	(17,696,510)	(16,582,928)	(5,240,580)	(3,500,294)	(12,201,430)	(9,693,639)
Gain on disposal of investment in associate	-	-	-	23,732,452	-	-	-	13,952,039
Profit before taxation	1,493,404	(4,324,338)	10,293,856	19,785,574	2,019,040	8,302,370	10,029,248	8,372,476
Income tax credit / (expense)	(560,904)	(691,641)	(2,892,871)	(792,230)	(565,331)	(461,543)	(2,806,679)	(475,563)
Profit for the period	932,500	(5,016,979)	7,400,986	19,003,344	1,453,709	7,840,827	7,214,579	7,896,912
Remeasurements on net defined benefit liability	(4,760)	-	(8,500)	-	(4,760)	-	(8,500)	-
Total comprehensive income	927,740	(5,016,979)	7,392,486	19,003,344	1,448,949	7,840,827	7,206,079	7,896,912
Profit attributable to:								
Owners of the Company	710,972	(5,206,547)	6,563,878	18,400,169	1,453,709	7,840,827	7,214,579	7,896,912
Non-controlling interests	221,528	190,570	837,108	603,175	-	-	-	-
	932,600	(5,016,977)	7,400,986	19,003,344	1,453,709	7,840,827	7,214,579	7,896,912
			0	0.0%	0	0.0%	0	
Total comprehensive income attributable to:								
Owners of the Company	706,212	(5,206,547)	6,555,378	18,400,169	1,448,949	7,840,827	7,206,079	7,896,912
Non-controlling interests	221,528	190,570	837,108	603,175	-	-	-	-
	927,740	(5,016,977)	7,392,486	19,003,344	1,448,949	7,840,827	7,206,079	7,896,912
			(9)					
Earnings per share								
Earnings per share - Basic (kobo)	7	(199)	250	701	275	299	275	301
Earnings per share - Diluted (kobo)	26	(199)	250	701	275	299	275	301

FLOUR MILLS OF NIGERIA PLC
CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER, 2016

	Note	Group		Company	
		31/12/2016 N'000	31/03/2016 N'000	31/12/2016 N'000	31/03/2016 N'000
Non-current assets					
Property, plant and equipment	8b, 8d	215,203,814	213,561,751	82,984,569	85,732,371
Biological assets	8c	338,385	352,020	-	-
Intangible assets	8e, 8f	681,811	735,330	76,144	86,435
Investment properties	8d	48,523	49,704	48,523	49,704
Goodwill	8a	4,148,022	4,148,022	1,876,816	1,876,816
Investment in subsidiaries	9	-	-	3,855,516	3,636,985
Trade Investments/Other financial assets	9	37,196	45,696	37,196	45,696
Deferred tax assets		162,758	66,022	-	-
Long term loans receivable	10	-	-	13,666,521	2,551,592
Prepayments		1,629,318	1,703,939	1,629,318	1,703,939
Total non-current assets		222,249,827	220,662,484	104,174,603	95,683,538
Current assets					
Inventories	11	110,304,913	58,698,768	62,194,381	37,257,683
Biological assets	8c	137,092	182,613	-	-
Trade receivables	12	11,785,215	12,734,933	5,901,432	6,083,145
Other receivables	12	4,008,470	6,231,235	84,718,582	60,421,094
Prepayment & deposit for import	12	62,547,139	13,625,250	40,413,489	12,179,968
Cash and cash equivalents	13	64,522,524	33,213,043	51,018,517	21,671,179
Total current assets		253,305,353	124,685,842	244,246,401	137,613,069
Total assets		475,555,180	345,348,326	348,421,004	233,296,607
Equity					
Share capital		1,312,126	1,312,126	1,312,126	1,312,126
Share premium account		36,812,540	36,812,540	36,812,540	36,812,540
Fair value reserves		(98,260)	(89,760)	(98,260)	(89,760)
Retained earnings		58,840,559	54,900,934	66,799,558	62,209,233
Equity attributable to owners of the Company		96,866,965	92,935,840	104,825,964	100,244,139
Non-controlling interest		3,667,042	2,829,934	-	-
Total equity		100,534,007	95,765,774	104,825,964	100,244,139
Liabilities					
Non-current liabilities					
Borrowings	15	66,126,675	48,009,715	2,613,049	8,209,155
Deferred revenue		6,862,051	7,093,966	864,191	900,749
Deferred taxation		5,654,190	5,768,040	4,339,610	4,553,105
Retirement benefit obligation		4,382,979	4,077,811	3,695,181	3,454,172
Long service award		1,743,590	1,593,819	1,566,772	1,426,602
Total non-current liabilities		84,769,485	66,543,351	13,078,805	18,543,783
Current liabilities					
Bank Overdraft	13	42,872,589	16,412,986	41,003,925	6,657,427
Borrowings	15	124,629,794	100,830,460	113,594,973	67,045,775
Deferred revenue		1,011,572	1,076,024	191,645	256,687
Trade payables	14	77,885,023	38,494,348	42,092,320	22,355,911
Other payables	14	28,149,100	11,922,566	21,779,619	6,690,150
Current tax liabilities		2,560,680	1,336,015	2,217,177	439,157
Dividend payable		2,401,571	1,936,869	2,401,571	1,936,869
Customer deposits		10,741,358	11,029,933	7,235,005	9,126,709
Total current liabilities		290,251,688	183,039,201	230,516,236	114,508,685
Total liabilities		375,021,173	249,582,552	243,595,040	133,052,468
Total equity and liabilities		475,555,180	345,348,326	348,421,005	233,296,607

The financial statements were approved by the Board of Directors and authorised for issue on 31st January, 2017. They were signed on its behalf by:

Director
 Paul Miyomide Gbededo
 FRC/2013/IODN/0000003828

Chief Finance Officer
 Jacques Vauthier

FLOUR MILLS OF NIGERIA PLC

CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 31 DECEMBER 2016

GROUP

	Share Capital	Share premium	Capital reserve	Retained Earnings	Equity attributable to owner of the company	Non controlling interest	Total Equity
	N'000	N'000	N'000	N'000		N'000	N'000
Balance at 1 April 2015	1,312,127	36,812,540	281,201	45,946,617	84,352,485	3,057,911	87,410,396
Profit for the period				18,400,169	18,400,169	603,175	19,003,344
Underprovision for tax in prior years				(332,585)	(332,585)		(332,585)
Dividend payment				(5,538,863)	(5,538,863)		(5,538,863)
Balance at 31 December 2015	1,312,127	36,812,540	281,201	58,475,336	96,881,206	3,661,086	100,542,292

GROUP

	Share Capital	Share premium	Fair value reserve	Retained Earnings	Equity attributable to owner of the company	Non controlling interest	Total Equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 April 2016	1,312,126	36,812,540	(89,760)	54,900,934	92,935,840	2,829,934	95,765,774
Profit for the period				7,400,986	7,400,986	837,108	7,400,986
Fair value gain on AFS			(8,500)				(8,500)
Dividend declared				(2,624,253)	(2,624,253)		(2,624,253)
Balance at 31 December 2016	1,312,126	36,812,540	(98,260)	59,677,667	97,712,573	3,667,042	100,534,007

COMPANY

	Equity attributable to equity holders of the Company				
	Share Capital	Share premium	Fair value reserve	Retained Earnings	Total Equity
	N'000	N'000	N'000	N'000	N'000
Balance at 1 April 2015	1,312,126	36,812,540	(89,760)	58,527,000	96,551,866
Transfer of merged companies reserves	-	-	-	(880,903)	(880,903)
Dividend declared	-	-	-	(5,510,928)	(5,510,928)
Underprovision for tax				(332,583)	(332,583)
Profit for the period				7,840,827	7,840,827
Balance at 31 December 2015	1,312,126	36,812,540	(89,760)	59,643,413	97,768,079

COMPANY

	Equity attributable to equity holders of the Company				
	Share Capital	Share premium	Fair value reserve	Retained Earnings	Total Equity
	N'000	N'000	N'000	N'000	N'000
Balance at 1 April 2016	1,312,126	36,812,540	(89,760)	62,209,233	100,244,139
Profit for the period				7,214,579	7,214,579
Fair value gain on AFS			(8,500)		(8,500)
Dividend declared				(2,624,253)	(2,624,253)
Balance at 31 December 2016	1,312,126	36,812,540	(98,260)	66,799,558	104,825,964

FLOUR MILLS OF NIGERIA PLC

CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF CASHFLOWS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2016

	31/12/2016 N'000	Group 31/12/2015 N'000	31/12/2016 N'000	Company 31/12/2015 N'000
Cash flows from operating activities				
Profit before tax	10,293,856	19,785,574	10,020,248	8,372,476
Depreciation and amortization	10,339,840	10,523,898	5,737,293	5,758,382
Net interest Charged	17,696,510	17,395,707	12,201,430	10,176,965
Interest received	(726,293)	(965,534)	(1,431,266)	(864,135)
Gain on sale of investment	-	(23,732,452)	-	(13,952,039)
Loss/(profit) on disposal of fixed assets	(31,989)	(23,756)	(34,713)	19,271
Share of loss/ (profit) in Unicem	-	-	-	(9,674,604)
Profit before changes in working capital	37,571,924	22,983,437	26,492,992	(163,675)
Changes in Working Capital				
(Increase)/ Decrease in Inventory	(51,606,145)	11,120,254	(24,936,698)	8,835,990
(Increase)/ Decrease in Net trade receivables	949,718	(2,045,562)	181,713	(138,641)
(Increase)/ Decrease in Other receivables	2,222,765	347,969	(24,297,488)	10,816,299
(Increase)/ Decrease in Biological assets (current)	45,521	(2,549)	-	-
(Increase)/ Decrease in Prepayments and deposit for imports	(48,921,889)	(3,472,901)	(28,233,521)	(5,413,881)
Increase/ (Decrease) in due from related companies	-	(285,642)	-	732,428
Increase/ (Decrease) in Deferred tax asset	(96,736)	-	-	-
(Increase)/ Decrease in Biological assets (non-current)	13,635	-	-	-
(Increase)/ Decrease in Other long term assets	74,621	(162,258)	74,621	-
Increase/ (Decrease) in Trade creditors	39,390,675	(4,653,789)	19,736,409	(8,725,411)
Increase/ (Decrease) in Other payable	16,226,534	1,555,650	15,089,469	(3,174,665)
Increase/ (Decrease) in Amount due to related companies	-	(22,290)	-	-
Increase/ (Decrease) in Retirement benefit obligations	305,168	(300,974)	241,009	(117,566)
Increase/ (Decrease) in Long service award	149,771	(158,474)	140,170	(135,969)
Increase/ (Decrease) in Customers' deposit	(288,575)	-	(1,891,704)	-
Increase/ (Decrease) in Sundry provisions	-	62,702	-	70,060
Increase/ (Decrease) in Deferred taxation	(113,850)	176,918	(213,495)	78,831
Increase/ (Decrease) in Deferred revenue	(296,367)	(1,908,446)	(101,600)	(8,628,249)
Net changes in working capital	(41,945,153)	250,608	(44,211,113)	(5,800,774)
Cash Flow from operating activities	(4,373,229)	23,234,045	(17,718,121)	(5,964,449)
Tax paid	(1,668,206)	(859,683)	(1,027,650)	(83,704)
Net Cash Flow from operating activities	(6,041,434)	22,374,361	(18,745,770)	(6,048,153)
Investing activities				
Purchase of assets	(12,047,068)	(17,088,490)	(2,974,941)	(4,962,172)
Proceed on disposal of assets	163,265	102,668	43,046	11,542
Purchase of intangible assets	(11,411)	(313,702)	(11,411)	(35,025)
Proceed on sale of investment	-	27,246,488	-	27,246,488
Investments in subsidiaries	-	-	(218,531)	(5,000)
Long term loans receivable	-	3,904,188	(11,114,929)	3,372,503
Interest received	726,293	965,534	1,431,266	864,135
Net Cash flow from investing activities	(11,168,921)	14,816,687	(12,845,501)	26,492,471
Financing activities				
Term loans	18,116,960	6,727,994	(5,596,106)	4,704,753
Repayment of bond	-	(19,248,115)	-	(19,248,115)
Short term loan	23,799,334	24,902,298	48,548,198	36,639,926
Dividend paid	(2,159,551)	(5,538,864)	(2,159,551)	(5,510,926)
Interest paid	(17,696,510)	(17,395,707)	(12,201,430)	(10,176,965)
Cash flow from Financing activities	22,060,234	(10,552,394)	26,592,111	6,408,671
Net Cash Flow	4,849,879	26,638,654	(4,999,160)	26,852,990
Cash and cash equivalents at beginning of Period/year	16,800,057	(28,569,232)	15,013,752	(22,795,345)
Cash and cash equivalents at end of the period	21,649,936	(1,930,578)	10,014,592	4,057,645
Closing				
Bank deposits balances and cash	64,522,524	22,137,686	51,018,517	11,067,066
Bank overdrafts	(42,872,589)	(24,068,264)	(41,003,925)	(7,009,420)
	21,649,936	(1,930,578)	10,014,592	4,057,645
Opening				
Bank deposits balances and cash	33,213,043	31,131,719	21,671,179	18,230,274
Bank overdrafts	(16,412,986)	(59,700,951)	(6,657,427)	(41,025,619)
	16,800,057	(28,569,232)	15,013,752	(22,795,345)

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2016

1 Description of business

Flour Mills of Nigeria Plc was incorporated as a private limited Company on 29th September 1960 and was converted to a public liability Company in November 1978.

The Group is primarily engaged in flour milling; production of pasta, noodles, edible oil and refined sugar; production of livestock feeds, farming and other agro-allied activities; distribution and sale of fertiliser; manufacturing and marketing of laminated, woven polypropylene sacks and flexible packaging materials; operation of terminals A and B at the Apapa Port; customs clearing and forwarding agents and shipping agents and logistics.

2 Reporting entity

The condensed consolidated and separate interim financial report of the Company as at and for the Nine months ended 31st December 2016 comprises the Company alone (referred to as the 'Company') and the Company and its subsidiaries (together referred to as the 'Group').

3 Basis of preparation

(a) Statement of compliance

This condensed consolidated and separate interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last consolidated financial statements as at and for the year ended 31 March 2016.

This condensed consolidated and separate interim financial report does not include all of the information required for full annual financial statements prepared in accordance with International Financial Reporting Standard.

(b) Judgement and estimates

Preparing the interim financial report requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated and separate interim financial report, significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2016.

4 Significant accounting policies

The accounting policies applied by the Group in this condensed consolidated and separate interim financial report are the same as those applied by the Group in its consolidated statements as at and for the year ended 31 March 2016.

FLOUR MILLS OF NIGERIA PLC
NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2016

5a Operating segments

Information about reportable segments

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

Group

	Segment revenue		Profit before tax	
	Nine months ended		Nine months ended	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	N'000	N'000	N'000	N'000
Food	290,734,681	192,779,106	12,267,690	(4,489,563)
Agro Allied	83,554,287	59,450,602	2,305,294	1,506,658
Packaging	14,744,676	10,860,298	1,195,096	(439,389)
Port operations & Logistics	789,080	510,868	362,133	171,800
Real estate & others	121,014	79,106	(5,844,857)	23,036,068
Total	389,943,738	263,679,981	10,285,356	19,785,574

	Segment revenue		Profit before tax	
	Nine months ended		Nine months ended	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	N'000	N'000	N'000	N'000
Food	241,472,418	162,207,118	5,146,680	(6,812,872)
Agro Allied	20,695,592	12,596,860	3,461,874	1,853,694
Packaging	15,216,986	11,371,553	1,628,868	(460,074)
Port operations & Logistics	968,345	-	(217,174)	-
Real estate & others	-	862,409	-	13,791,728
Total	278,353,341	187,037,940	10,020,248	8,372,476

Segment revenue reported above represents revenue generated from external customers.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of IFRS adjustment and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

5b Cost of sales

	Group		Company	
	Nine months ended		Nine months ended	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	N'000	N'000	N'000	N'000
Material costs	298,862,446	201,938,261	219,127,627	147,678,146
Depreciation	8,944,252	9,145,042	4,523,069	6,556,559
Direct staff costs	8,536,553	8,587,399	6,396,528	4,536,427
Petrol, gas & oil	12,161,059	7,169,620	7,638,988	5,035,808
Rent & rates	3,540,142	2,785,251	1,264,610	1,314,940
Repairs and maintenance	3,204,006	2,499,732	2,333,205	1,982,165
Other expenses	1,044,271	3,717,183	711,887	1,870,325
Insurance	155,551	153,610	95,966	96,629
	336,448,281	235,996,097	242,091,890	169,069,999

FLOUR MILLS OF NIGERIA PLC
 NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS
 FOR THE NINE MONTHS ENDED 31 DECEMBER 2016

5c	Selling and distribution	Group		Company	
		Nine months ended		Nine months ended	
		31/12/2016	31/12/2015	31/12/2016	31/12/2015
		N'000	N'000	N'000	N'000
	Salaries and related staff costs	1,186,498	1,187,662	1,097,523	1,078,093
	Selling expenses	2,314,472	2,196,704	2,194,341	2,012,394
	Advertisement	740,040	461,769	730,643	451,512
	Depreciation	189,833	158,114	189,833	158,114
		<u>4,430,843</u>	<u>3,984,250</u>	<u>4,212,340</u>	<u>3,700,113</u>

5d	Administrative expense	Group		Company	
		Nine months ended		Nine months ended	
		31/12/2016	31/12/2015	31/12/2016	31/12/2015
		N'000	N'000	N'000	N'000
	Audit fee	245,023	217,140	166,931	142,585
	Bad debts	3,760	39,444	-	24,265
	Bank charges	1,085,123	852,779	889,010	493,327
	Canteen expenses	131,744	176,377	131,705	176,331
	Communication expenses	267,569	206,107	205,950	153,747
	Computer related expenses	623,884	268,285	458,520	234,838
	Depreciation	1,205,758	1,354,201	1,024,394	1,182,825
	Donations	27,236	20,505	24,592	15,248
	Employee costs	2,677,611	2,384,836	1,989,413	1,914,736
	Executive emoluments	270,057	229,026	61,186	141,828
	General administrative expenses	798,777	711,333	210,922	156,655
	ITF Levy	10,316	17,592	(5,965)	17,592
	Insurance	91,348	128,474	23,892	70,635
	Legal and professional fees	463,862	539,978	314,312	446,522
	Local & Overseas Travels	315,132	205,942	222,580	131,699
	Medical expenses	250,355	202,849	212,818	199,631
	Motor vehicle expenses	38,424	34,931	29,738	23,611
	Rent and Rate	69,966	559,673	97,382	539,963
	Power cost	409,566	127,171	272,344	100,599
	Recruitment expenses	2,628	1,432	2,628	-
	Repairs & maintenance	488,206	197,479	216,412	87,273
	Restructuring cost	17,330	8,327	13,776	7,072
	Subscriptions	50,277	44,362	39,987	33,724
	Third party services	603,260	397,226	367,428	248,280
	Uniforms and safety gear	16,301	17,792	1,812	12,194
		<u>10,044,512</u>	<u>8,941,261</u>	<u>6,951,765</u>	<u>6,525,191</u>

5e	Not operating gains and losses	Group		Company	
		Nine months ended		Nine months ended	
		31/12/2016	31/12/2015	31/12/2016	31/12/2015
		N'000	N'000	N'000	N'000
	Management fee	3,295	1,200	1,140	1,200
	Rent received	341,119	821,291	305,482	773,730
	Insurance claims	200,224	153,324	197,806	152,293
	Income on government grant	436,010	392,185	82,397	67,871
	Sundry income	147,157	1,146,842	(194,078)	187,686
	Profit/(Loss) on disposal of fixed assets & Investment sales	31,989	(23,756)	34,713	(19,271)
	Exchange loss	(13,261,836)	(5,985,084)	(4,734,401)	(5,672,048)
	Wheat handling charges	346,011	348,141	-	5,841
		<u>(11,756,030)</u>	<u>(3,127,857)</u>	<u>(4,306,943)</u>	<u>(4,502,898)</u>

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2016

6 Tax	Group		Company	
	01/04/2016 - 31/12/2016 N'000	01/04/2015 - 31/12/2015 N'000	01/04/2016 - 31/12/2016 N'000	01/04/2015 - 31/12/2015 N'000
Corporation tax:				
Income tax	2,676,403	652,964	2,605,265	368,829
Tertiary education tax	205,877	54,971	200,405	32,056
	2,882,280	707,936	2,805,670	400,885
Deferred tax	10,591	74,294	-	74,678
	2,892,871	782,230	2,805,670	475,563

The charge for taxation in these interim financial statements is based on the provisions of Companies Income Tax Act, CAP C21, LFN as amended to date

Interim period income tax is accrued based on the following estimated average annual effective income tax rate:

Effective rate	Group		Company	
	01/04/2016 - 31/12/2016	01/04/2015 - 31/12/2015	01/04/2016 - 31/12/2016	01/04/2015 - 31/12/2015
	28%	4%	28%	6%

7 Earnings Per share	Group		Company	
Profit attributable to shareholders	6,563,878	18,400,169	7,214,579	7,896,912
Number of ordinary shares in issue	2,624,253	2,624,253	2,624,253	2,624,253
Basic earning per share(kobo)	250	701	275	301

8a. Goodwill	Group		Company	
	31/12/2016 N'000	31/03/2016 N'000	31/12/2016 N'000	31/03/2016 N'000
Goodwill	4,148,022	4,148,022	1,876,816	1,876,816
	4,148,022	4,148,022	1,876,816	1,876,816

NOTES TO THE QUARTERLY UNAUDITED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2016

GROUP

6B PROPERTY PLANT AND EQUIPMENT

	Lesshold land							Investment Properties N'000
	Leasehold land & Building N'000	Plant and Machinery N'000	Furniture & Equipment N'000	Motor Vehicle N'000	Reuter Plant N'000	Capital Work In Progress N'000	Total N'000	
Cost or valuation								
1 April 2016	55,876,739	182,385,578	6,018,788	10,664,334	534,139	46,692,783	302,132,291	73,285
Additions	239,703	2,572,188	90,127	113,020	6,031	9,025,899	12,047,068	
Transfer	54,400	323,574	43,973			(421,947)		
Disposal	(2,659)	(194,820)	(4,327)	(88,203)			(290,019)	
31st December 2016	56,188,173	185,086,470	6,148,541	10,689,151	540,170	55,286,835	313,889,340	73,285

Depreciation								
1 April 2016	6,728,673	66,701,089	3,717,544	7,437,843	30,378	1,376,352	84,615,323	23,581
1 April 2016 Impairment Charge for the period	1,439,093	2,578,865	2,345,790	742,476	118,193		3,955,217	1,181
Disposal		(88,124)	(3,893)	(66,736)			(158,748)	
31st December 2016	8,167,766	74,820,061	6,059,451	8,113,883	148,571	1,376,352	98,665,576	24,762

NRV								
31st December 2016	48,000,485	110,266,409	89,090	2,575,768	391,999	53,880,483	215,203,814	48,523
1 April 2016	49,148,085	113,103,578	2,301,224	3,226,691	503,761	45,226,431	213,561,751	49,704

BIOLOGICAL ASSETS

Bc	Livestock				Total
	Oil palm N'000	Cassava N'000	Sugar N'000		
Balance at 31 March, 2016	62,152	9,892	172,731	289,868	534,633
Addition					
Harvested during the year	(13,635)		(45,521)		(59,156)
Fair value gain/(loss)					
	48,517	9,892	127,210	289,868	475,477

Current assets
Non-current assets

	Dec-16 N'000	Mar-16 N'000
	137,092	182,613
	338,385	352,020
	475,477	534,633

NOTES TO THE QUARTERLY UNAUDITED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2016
COMPANY

8d PROPERTY PLANT AND EQUIPMENT		Leasehold Properties N '000	Plant & Mach N '000	Furniture & Equip N '000	Motor Vehicles N '000	Capital WIP N '000	Total N '000	Investment Properties N '000
Cost or valuation								
1 April 2016		30,465,189	96,727,188	4,097,430	8,384,946	9,969,852	149,644,605	73,285
Additions		74,680	1,990,032	40,039	16,314	853,876	2,974,941	
Transfers								
Disposals			(2,070)	(3,318)	(97,721)		(103,109)	
31st December 2016		30,539,869	98,715,150	4,134,151	8,303,539	10,823,728	152,516,437	73,285
Depreciation								
1 April 2016		3,970,353	48,489,161	2,998,506	5,755,364	524,337	61,213,384	23,581
1 April 2016 Impairment Charge		794,744	2,174,513	3,994,534	598,638		2,698,850	
Disposals			(592)	(3,166)	(91,018)		(94,776)	1,181
31st December 2016		4,765,097	54,657,616	3,321,834	6,262,984	524,337	69,531,868	24,762
NBV								
31st December 2016		25,774,772	44,057,534	812,317	2,040,555	10,299,391	82,984,569	48,523
1 April 2016		26,494,836	46,063,514	1,098,924	2,629,582	9,969,852	85,732,371	49,704

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE QUARTERLY UNAUDITED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2016

Be	Group		
	Software N'000	Berth Rehabilitation N'000	Total N'000
Intangible assets			
Cost			
At 1 April 2016	515,136	763,547	1,278,683
Additions	11,411		11,411
31st December 2016	526,547	763,547	1,290,094
Amortisation			
At 1 April 2016	395,827	147,526	543,353
Charge for the year	33,804	31,126	64,930
31st December 2016	429,631	178,652	608,283
Net book value			
31st December 2016	96,916	584,895	681,811
1 April 2016	119,309	616,021	735,330

Be	Company		
	software N'000	Other intangible N'000	Total N'000
Cost			
At 1 April 2016	406,403		406,403
Additions	11,411		11,411
31st December 2016	417,814	-	417,814
Amortisation			
At 1 April 2016	319,968		319,968
Charge for the year	21,702		21,702
31st December 2016	341,670	-	341,670
Net book value			
31st December 2016	76,144	-	76,144
1 April 2016	86,435	-	86,435

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2016

9a. INVESTMENT IN SUBSIDIARIES

	Group		Company	
	31/12/2016 N'000	31/03/2016 N'000	31/12/2016 N'000	31/03/2016 N'000
Unquoted				
Apapa Bulk Terminal Limited	-	-	50,000	50,000
Golden Shipping Company Nigeria Limited	-	-	10,000	10,000
Golden Sugar Company Limited	-	-	10,000	10,000
Southern Star Shipping Company (Nigeria) Limited	-	-	-	10,000
Kaboji Farms Limited	-	-	30,000	30,000
Premier Feed Mills Company Limited	-	-	12,750	12,750
Nigerian Eagles Flour Mills Limited	-	-	510,000	510,000
Golden Penny Rice Limited	-	-	10,000	10,000
Crestview Towers Limited	-	-	10,000	10,000
Olympic Towers Limited	-	-	10,000	10,000
ROM Oil Mills Limited	-	-	1,915,728	1,915,728
Thai Farm International Limited	-	-	878,597	680,066
Agri Palm Limited	-	-	10,000	10,000
Agric Estate Limited	-	-	10,000	10,000
Agro Allied Farms Sunti Limited	-	-	10,000	10,000
Agro Allied Syrups Limited	-	-	10,000	10,000
Sunti Golden Sugar Estates Limited	-	-	5,000	5,000
Best Chickens Limited	-	-	10,000	10,000
Golden Agri Input Limited	-	-	50,000	50,000
Provision for investment in unquoted company				
Southern Star Shipping Company (Nigeria) Limited	-	-	-	(10,000)
			3,652,075	3,333,544

Investment in Southern Star Shipping Company (Nigeria) limited has been derecognised upon completion of its voluntary winding up process.

During the period, Flour Mills of Nigeria Plc (FMN) purchased the 25% minority shareholding in Thai Farm International Limited (Thai Farm), thus making Thai Farm a wholly owned subsidiary of FMN.

Quoted				
Northern Nigeria Flour Mills Plc	-	-	303,441	303,441
	-	-	303,441	303,441
Total	-	-	3,955,516	3,636,985

9b. AVAILABLE FOR SALE INVESTMENTS

Unquoted				
Earnings per share				
Maiduguri Flour Mills Limited	5,956	5,956	5,956	5,956
	2,000	2,000	2,000	2,000
	7,956	7,956	7,956	7,956
Quoted				
Transnational Corporation Plc	127,500	127,500	127,500	127,500
Fair value gain (loss)	(98,260)	(89,760)	(98,260)	(89,760)
	29,240	37,740	29,240	37,740
	37,196	45,696	37,196	45,696

10 LONG TERM LOANS RECEIVABLE

Long-term loans receivable				
Thai Farm International			392,023	361,501
Agri Palm Limited			482,639	1,157,496
Golden Penny Rice Limited			1,858,186	984,629
ROM Oil Mills Limited			6,337,787	47,966
Northern Nigerian Flour Mill			362,974	0
Sunti Golden Sugar Estate			4,232,912	0
			13,666,521	2,551,592

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2015

	Group		Company	
	31/12/2016	31/03/2016	31/12/2016	31/03/2016
	N'000	N'000	N'000	N'000
11 INVENTORIES				
Raw materials	80,470,167	37,209,730	44,756,290	23,063,622
Work in Progress	5,486,204	1,309,493	4,947,142	1,106,061
Finished goods	9,375,781	4,795,026	5,196,227	2,400,643
Consumables stores and maintenance Spares	17,964,840	15,915,723	10,156,863	11,106,456
Allowance for obsolete stock	(2,992,079)	(531,204)	(2,862,141)	(419,099)
	<u>110,304,913</u>	<u>58,698,768</u>	<u>62,184,381</u>	<u>37,257,683</u>

12 TRADE AND OTHER RECEIVABLES

12a. TRADE RECEIVABLES

Trade Debtors	12,898,535	14,292,489	6,776,060	7,560,078
Provision for bad debts	(1,113,321)	(1,557,556)	(874,629)	(1,476,933)
	<u>11,785,215</u>	<u>12,734,933</u>	<u>5,901,432</u>	<u>6,083,145</u>

12b. OTHER RECEIVABLES

Staff debtors	463,053	331,818	401,875	250,909
Amount due from related parties	76,094	0	83,674,720	58,691,414
Withholding tax receivable	2,598,587	2,707,827	0	0
Sundry debtors	<u>870,737</u>	<u>3,191,590</u>	<u>641,868</u>	<u>1,478,771</u>
	<u>4,008,470</u>	<u>6,231,235</u>	<u>84,718,582</u>	<u>60,421,094</u>

12c. PREPAYMENTS

Non-current

Prepaid rent on operating premises	<u>1,629,318</u>	<u>1,703,939</u>	<u>1,629,318</u>	<u>1,703,939</u>
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Current

Advance to contractors and suppliers	9,535,180	1,175,675	8,075,188	747,868
Prepaid expenses	3,321,147	3,352,099	2,377,444	2,334,624
Deposit for Letter of Credit	<u>49,680,813</u>	<u>9,097,476</u>	<u>29,960,857</u>	<u>9,097,476</u>
	<u>62,547,139</u>	<u>13,625,250</u>	<u>40,413,489</u>	<u>12,179,968</u>

13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand, including treasury bills and short term deposits with a maturity date of six months or less from the date of acquisition.

The group and parent company use overdraft facilities, which are repayable on demand as an integral part of their cash management policy. Therefore cash and cash equivalents in the cash flow statements are cash and deposits less overdraft.

	Group		Company	
	31/12/2016	31/03/2016	31/12/2016	31/03/2016
	N'000	N'000	N'000	N'000
Cash on hand	1,020,840	284,569	921,931	270,514
Bank balance	<u>63,501,685</u>	<u>32,928,474</u>	<u>50,096,580</u>	<u>21,400,665</u>
Cash and bank balances	64,522,524	33,213,043	51,018,517	21,671,179
Bank overdrafts	<u>(42,872,589)</u>	<u>(16,412,986)</u>	<u>(41,003,925)</u>	<u>(6,657,427)</u>
	<u>21,649,936</u>	<u>16,800,057</u>	<u>10,014,592</u>	<u>15,013,752</u>

14 TRADE AND OTHER PAYABLES

Trade payables	<u>77,885,029</u>	<u>38,494,348</u>	<u>42,092,320</u>	<u>22,355,913</u>
Other Payables				
Sundry creditors	1,882,174	2,267,356	797,162	986,201
VAT payables	2,509,943	2,629,543	1,379,029	1,381,900
WHT payables	534,194	512,984	168,408	135,984
Due to related parties	-	-	2,966,285	2,093,814
Accruals	<u>23,222,789</u>	<u>6,512,683</u>	<u>16,468,734</u>	<u>2,092,251</u>
	<u>28,149,100</u>	<u>11,922,566</u>	<u>21,779,619</u>	<u>6,690,150</u>
	<u>106,034,129</u>	<u>50,416,914</u>	<u>63,871,939</u>	<u>29,045,061</u>

FLOUR MILLS OF NIGERIA PLC
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2016

15	Interest rates	Group		Company	
		31-Dec-16 N'000	31-Mar-16 N'000	31-Dec-16 N'000	31-Mar-16 N'000
BORROWINGS					
Unsecured borrowing at amortised cost					
Bank of Industry loan	7% - 10%	35,125,184	41,473,602	7,234,192	7,732,671
CBN CACS loans	9%	11,601,926	10,111,596	-	-
Other Bank loans	13% - 25%	126,395,145	95,608,532	87,138,561	65,875,814
Suppliers' loan	NIL	15,840,000	-	15,840,000	-
Intra Group Loan	21%	-	-	4,201,054	-
		<u>188,962,255</u>	<u>147,193,730</u>	<u>114,413,807</u>	<u>73,608,485</u>
Secured Borrowing at amortised cost					
Other Bank loans	16.57%	<u>1,794,215</u>	<u>1,646,445</u>	<u>1,794,215</u>	<u>1,646,445</u>
		<u>190,756,470</u>	<u>148,840,175</u>	<u>116,208,022</u>	<u>75,254,930</u>
Analysed into					
Current		66,126,675	100,830,460	2,613,049	67,045,775
Non-current		<u>124,629,794</u>	<u>48,009,715</u>	<u>113,594,973</u>	<u>8,209,155</u>
		<u>190,756,469</u>	<u>148,840,175</u>	<u>116,208,022</u>	<u>75,254,930</u>