

HALDANE MCCALL NIGERIA LIMITED

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2019**

**AYOOLA ADEDEJI & CO.
(CHARTERED ACCOUNTANTS)**

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HALDANE MCCALL NIGERIA LIMITED

CORPORATE INFORMATION

Board of Directors:	MR. AKINLADE OLANREWAJU	MD/CEO
	MRS. AKERE FOLAKE	DIRECTOR
	MRS ADEWUMI AYODEJI	DIRECTOR

Company's Number: RC: 1020941

Registered Office: 2, Sobo Arobiodu Street,
GRA Ikeja, Lagos.

Company Secretary: Mr. Oladele Ojogbede

Company Independent Auditor: Ayoola Oladeji & Co. (Chartered Accountants)
15, Abike House, Alagbole/Ajuwon Road
Alagbole Lagos State

Company Solicitor: Bidwells Attorneys
32, Obanikoro Street,
Obanikoro, Lagos State

Principal Bankers: Zenith Bank Plc

HALDANE MCCALL NIGERIA LIMITED

STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RELATIONS TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

In accordance with the provisions of the **Companies and Allied Matters Act 1990**, the Directors of **HALDANE MCCALL NIGERIA LIMITED** are responsible for the preparation of annual financial statements, which give a true and fair view of the financial position of the Company at the end of the year and of the financial performance and cash flows for the year ended. The responsibilities include ensuring that:

- (a) *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) *appropriate and adequate internal controls are established both to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;*
- (c) *the Company prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, and that all applicable standards have been followed and;*
- (d) *it is appropriate for the financial statements to be prepared on a going concern basis*

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;*
- *The requirements of the Companies and Allied Matters Act; and*
- *The requirements of the Financial Reporting Council of Nigeria Act.*

The Directors are of the opinion that the financial statements give a fair view of the state of the financial position of the Company and of its performance and cash flows for the year.

The Director 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.

Signed on Behalf of the Board of Directors by:

Mr. Akunlade

Name



Signature

Mrs Akere Folake

Name



Signature

HALDANE MCCALL NIGERIA LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31ST DECEMBER, 2019**

In accordance with the provisions of the **Companies and Allied Matter Act 2004**, the Directors of **HALDANE MCCALL NIGERIA LIMITED** hereby present to the members of the Company, their Report on the affairs of the Company together with the **Audited Financial Statements** for the year ended **31st December, 2019**.

The preparation of Annual Financial Statements is the responsibility of the Board and it should give a true and fair view of the state of affairs of the Company. The Directors declare that nothing has come to their attention to indicate that the Company will not remain a going concern for at least twelve months from the date of this Report.

Legal Form and Principal Activities:

HALDANE MCCALL NIGERIA LIMITED was incorporated as a Private Limited Liability Company on 27th of March, signed and authorized by the Registrar General of the Corporate Affairs Commission (CAC) of Nigeria.

The object clause of the company empowers the organization to carry on the business of Real Estate Consultancy, Hospitality and Property Management.

The company is also allowed to carry out all businesses stated in its Memorandum and Articles of Association, with due care and diligence in order to have positive effect in the Nigerian Financial Market.

Share Capital:

The **Authorized Share Capital** of the Company is **N1,000,000** divided into **1,000,000** ordinary shares of **₦1.00k** each.

Result at a Glance:

The result for the year ended **31st December, 2019** are summarized as follows:

	2019	2018
	₦	₦
Revenue	<u>1,972,876,555</u>	<u>1,251,608,308</u>
Gross Profit	<u>1,301,247,705</u>	<u>961,582,663</u>
Profit from operation	<u>386,000,245</u>	<u>207,690,368</u>

HALDANE MCCALL NIGERIA LIMITED

REPORT OF THE DIRECTORS (CONT'D) **FOR THE YEAR ENDED 31ST DECEMBER, 2019**

Pursuant to the Adoption of the *International Financial Reporting Standards (IFRS)* by private Companies in Nigeria, the Company had adopted the IFRS and consequently prepared its Financial Statements accordingly.

Directors' Interest in Contracts

In accordance with **Section 277** of the **Companies and Allied Matters Act C20 Laws of the Federation on Nigeria, 2004**, no director of the Company's had an interest in a contract in which the Company was involved, during the year under review.

Directors' Responsibilities

This statement, which should be read in conjunction with the **Independent Auditor's report**, is made with a view to setting out for Shareholders, the responsibilities of the Directors of the Company with respect to the Financial Statements.

In accordance with the provisions of Sections 334 and 335 of the **Companies and Allied Matters Act, CAP C20, LFN, 2004**, the Directors are responsible for the preparation of Annual Financial Statements which give a true and fair view of the state of affairs of the Company. These responsibilities include ensuring that:

- i. Appropriate internal controls are established both to safeguard the assets of the Company, to prevent and detect fraud and other irregularities;*
- ii. The Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act, Cap C20, Laws of the Federation of Nigeria, 2004;*
- iii. The Company has used suitable accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed;*
- iv. It is appropriate for the financial statements to be prepared on a going-concern basis unless it is presumed that the Company will not continue in business;*
- v. There is an effective communication and information dissemination policy and effective communication with the shareholders;*
- vi. Ethical standards are maintained; and the company is in compliance with the laws of Nigeria*

HALDANE MCCALL NIGERIA LIMITED

REPORT OF THE DIRECTORS (CONT'D) FOR THE YEAR ENDED 31ST DECEMBER, 2019

Corporate Governance Report

Introduction

The Board of **HALDANE MCCALL NIGERIA LIMITED** is committed to high standards of corporate governance, which it considers critical to business integrity and to maintaining investors' trust in the Company. The Company expects all its directors and employees to act with honesty, integrity and fairness. The Company strives to act in accordance with the laws and regulations in Nigeria; adopt proper standards of business practice and procedure and operate with integrity.

Governance Structure

The Board

By the Articles of Association of the Company ("the Articles"), the Board is responsible for controlling and managing the business of the Company. It may exercise such powers of the Company as are not by statute or the Articles to be exercised by the Company in General Meeting. We conduct our business in full compliance with the laws and regulations of Nigeria and **HALDANE MCCALL NIGERIA LIMITED** Code of Business Conduct.

Under the Company's Board Charter "the primary objective of the Board of Directors is to build long-term shareholder value with due regard to other stakeholder interests. It does this by setting strategic direction and context, such as the Company's mission, vision and core values, policies and objectives and focusing on issues critical for its successful execution such as staffing, executive training, succession planning, performance and risk management.

The names of the Directors who held office during the year ended **31st December 2019** are as follows:

S/N	Name	Designation
1	MR. AKINLADE OLANREWAJU	MD/CEO
2	MRS. AKERE FOLAKE	DIRECTOR
3	MRS ADEWUMI AYODEJI	DIRECTOR

HALDANE MCCALL NIGERIA LIMITED

REPORT OF THE DIRECTORS (CONT'D) **FOR THE YEAR ENDED 31ST DECEMBER, 2019**

Directors' Interest in Contracts

In accordance with **Section 277 of the Companies and Allied Matters Act CAP C20 Laws of the Federation of Nigeria, 2004**, no Director notified the Company of interest in any contract in which the Company was involved, during the year under review. The interests of the Directors in the issued share capital of the Company are as contained in the share capital structure of **HALDANE MCCALL NIGERIA LIMITED**.

Business Conduct

The Company's business is conducted with integrity and due regard to the legitimate interest of all stakeholders.

Corporate Social Responsibility

As an integral part of the Nigerian society, in its various roles as an employer, partner, tax payer and competitor, the Company does its best at all times to make a positive impact on society.

Employment and Employees

Employment of Disabled Persons

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

Employees' Involvement and Training

The Company is committed to keeping employees fully informed as much as possible, regarding the Company's performance and progress and seeking their views, wherever practicable, on matters which particularly affect them as employees.

In the with the Company's policy of continuous development of its human resources, the Company ensures the continuous upskilling of its employees on relevant trainings both locally and internationally.

Health, Safety and Welfare

The Company accords high priority to the health, safety and welfare of its employees both in and outside the work place. In furtherance of this, the Company has a Life Assurance Policy and a personal accident policy to adequately insure and protect its employees. The services of hospitals and clinics are retained in several locations to facilitate employees' access to health care. High emphasis is placed on safety and general tidiness of the work environment. Thus, the Company retains the services of a consultant who visits the Company to inspect its facilities and advise on safety issues. The Company provides subsidies to all employees for lunch, transportation and housing.

HALDANE MCCALL NIGERIA LIMITED

REPORT OF THE DIRECTORS (CONT'D)
FOR THE YEAR ENDED 31ST DECEMBER, 2019

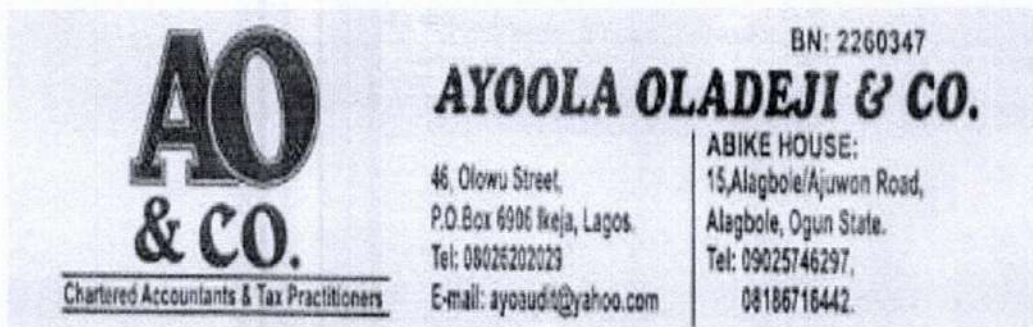
External Auditors

In accordance with Section 357 (2) of the Companies and Allied Matters Act, CAP C20, LFN 2004, Messrs. Ayoola Oladeji & Company (Chartered Accountants), have indicated their willingness to continue in office as Auditors of the Company. A resolution will be passed at this meeting to authorize the Directors to fix their remuneration.



By Order of the Board

Dated: 29/04/2020



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HALDANE MCCALL NIGERIA LIMITED FOR THE YEAR ENDED 31ST DECEMBER, 2019

Opinion

We have audited the Financial Statements of Haldane McCall Nigeria Limited as at 31 December, 2020 as set out which have been prepared on the basis of significant accounting policies disclosed on International Financial Reporting Standard.

Directors Responsibilities for the Financial Statements Prepared

In accordance with the Companies and Allied Matters Act 2004 and International Financial Reporting Standards, the Company Directors are responsible for the preparation and fair presentation of these Financial Statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether owing to fraud or error; selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors Responsibility

The auditors' responsibility is to express an opinion on these financial statements based on the audit carried out. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether owing to fraud or omission. In making those risk assessments, the

the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, if 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.

AYOOLA OLADEJI & CO.

auditors considered internal controls relevant to the entity, preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the financial Statements.

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

OPINION

In our opinion the company had kept proper accounting records and the financial statements are in agreement with the records in all material respects and have been prepared in accordance with the provisions of Companies and Allied Matters Act 1990 and all relevant Accounting Standards.

Lagos Nigeria

September 2020.



Ayoola Oladeji & Co
Chartered Accountants

HALDANE MCCALL NIGERIA LIMITED

REPORT OF THE AUDIT COMMITTEE
FOR THE YEAR ENDED 31ST DECEMBER 2019

In compliance with the provision of section 359(2) of the Company and Allied Matters ACT 1990, we confirm that the accounting and the reporting policies of the company are in accordance with legal requirements and agree with ethical practice.

In our opinion the scope and planning of the audit for the year ended 31 December, 2019 were adequate. We have received the auditors' findings on management matters and we are satisfied with the response thereon.

DATED THIS DAY 29/04/2020

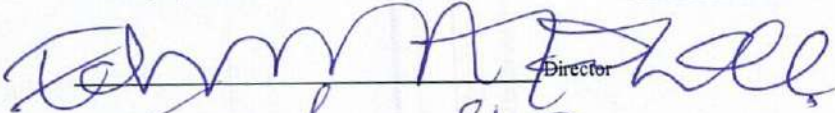
Managing Director/ CEO

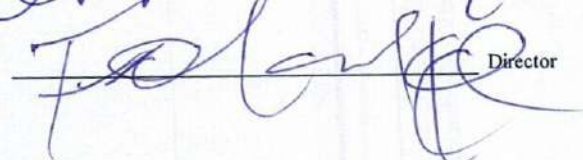


MEMBER OF THE COMMITTEE

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Notes	31-Dec-19 = N=	31-Dec-18 = N=	1-Jan-18 = N=
NON-CURRENT ASSETS				
Property, Plant and Equipment	2	14,636,924,008	11,254,135,865	11,914,880,000
Long Term Investments	3	200,780,115	200,780,115	1,251,095,000
Total Non-Curent Assets		14,837,704,123	11,454,915,980	13,165,975,000
CURRENT ASSETS				
Stocks and Work in Progress	4	1,687,590,008	2,055,879,413	290,026,000
Trade Receivables	5	946,681,500	879,086,951	237,651,000
Cash at Bank	6	306,129,464	253,760,708	105,185,000
Total Current Assets		2,940,400,972	3,188,727,072	632,862,000
TOTAL ASSETS		17,778,105,095	14,643,643,052	13,798,837,000
EQUITY				
Authorised Share Capital	7	1,000,000	1,000,000	1,000,000
Share Capital	8	1,000,000	1,000,000	1,000,000
Share Premium		-	-	-
Revaluation Reserve		-	-	-
Revenue Reserve	9	3,509,245,763	3,123,245,518	2,915,555,000
Deposit for Shares		3,100,074,515	1,000,000,000	1,000,000,000
		6,610,320,278	4,124,245,518	3,916,555,000
LIABILITIES				
Non-Current Liabilities				
Bank Loan	10	1,131,496,147	1,358,696,147	-
Directors Current Account		716,755,679	8,260,973,986	9,828,988,000
Other Long Term liability		8,645,857,188	-	-
Total Non-Current Liability		10,494,109,014	9,619,670,133	9,828,988,000
Ccurrent Liabilities				
Account Payables	11	478,750,477	882,784,557	34,302,000
Bank Overdraft		3,645,897	2,500,184	-
Current Tax Payable	12	191,279,429	14,442,660	18,992,000
		673,675,803	899,727,401	53,294,000
Total Equity and Liabilities		17,778,105,095	14,643,643,052	13,798,837,000


 Director


 Director

The Notes on pages 15 to 34 form an integral of these financial statements

HALDANE MCCALL PLC

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER, 2019

	Notes	31-Dec-19 = N=	31-Dec-18 = N=	1-Jan-18 = N=
Revenue	13	1,979,876,555	1,251,608,308	1,299,027,000
Cost of Sales	14	(690,878,850)	(290,025,645)	(83,202,000)
Gross Profit		1,288,997,705	961,582,663	1,215,825,000
Other Income	15	12,250,000	11,232,216	2,771,000
		1,301,247,705	972,814,879	1,218,596,000
Less Operating Expenses:				
Distribution Cost	16	12,402,745	1,743,400	3,289,000
Administrative Expenses	17	234,416,314	26,843,359	70,628,000
Other Expenses	18	483,809,055	717,472,563	682,315,000
Finance Cost		2,972,172	4,622,529	1,913,000
Interest Expenses				
Total Expenses		733,600,286	750,681,851	758,145,000
Profit(loss) before Tax		567,647,419	222,133,028	460,451,000
Current Tax Provision		(181,647,174)	(14,442,660)	(18,992,000)
Profit(loss) after Tax		386,000,245	207,690,368	441,459,000
Other Comprehensive Income		-	-	-
Profit for the Period		386,000,245	207,690,368	441,459,000

The Notes on pages 15 to 34 form an integral of these financial statements

HALDANE MCCALL NIGERIA LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER, 2019

	SHARE CAPITAL	SHARE CAPITAL AMOUNT	RETAINED EARNINGS	TOTAL EQUITY
		= N= 1,000,000	= N= 3,123,245,518	= N= 3,124,245,518
Balance at 1 January, 2019	1,000,000	1,000,000	3,123,245,518	3,124,245,518
Net income after dividend			386,000,245	386,000,245
Balance at 31 December 2019	1,000,000	1,000,000	3,509,245,763	3,510,245,763
Balance at 1 January, 2018	1,000,000	1,000,000	2,915,555,150	2,917,555,150
Net income after dividend	-		207,690,368	207,690,368
Balance at 31 December 2018	1,000,000	1,000,000	3,123,245,518	3,125,245,518

HALDANE MCCALL PLC

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER, 2019

	2019	2018
	= N=	= N=
OPERATING ACTIVITIES		
Operating Profit Before Taxation	567,647,419	222,133,028
Adjustment for Non-cash Items;		
Depreciation	360,928,341	660,744,132
	928,575,760	882,877,160
Changes in Working Capital		
Stock: Work in progress	368,289,405	(1,765,853,768)
Account Receivable	(67,594,549)	(641,436,173)
Account payable	312,721,599	848,482,502
Cash from operating Activities	1,541,992,215	(675,930,279)
Tax paid	(4,810,405)	(18,992,380)
Net Cashflow from Operating Activities a	1,537,181,810	(694,922,659)
INVESTING ACTIVITIES		
Purchases of Fixed Assets	(3,743,716,484)	
Long term investment	-	(1,050,314,885)
Net Cash Flow from Investing Activities b	(3,743,716,484)	(1,050,314,885)
FINANCING ACTIVITIES		
Share Capital	-	-
Share Premium Account	-	-
Deposit for Shares	2,100,074,515	-
Directors current Account	-	1,891,312,814
Long term Liability	157,683,202	-
Net Cashflow from Financing Activities c	2,257,757,717	1,891,312,814
Net Cash Flow (a+b+c)	51,223,043	146,075,270
Cash and Cash Equivalent at the beginning	251,260,524	105,185,254
Cash and Cash Equivalent at the end	302,483,567	251,260,524
Represented B;		
Cash	234,656	
Bank	305,894,808	253,760,708
Ovedraft	(3,645,897)	(2,500,184)
	302,483,567	251,260,524

HALDANE MCCALL NIGERIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.1 General Information:

HALDANE MCCALL NIGERIA LIMITED was registered under the relevant provision of **Companies and Allied Matters Act, 1990 (As Amended)** to operate in Nigeria.

The object clause of the company empowers the organization to carry on the business of real estate consultant, home ownership, schools, house marketing, property development, in all its ramifications, estate manager, property manager, to deal in real estate, turnup properties, interior decoration and property investment.

The company is also allowed to carry out all businesses stated in its Memorandum and Articles of Association, with due care and diligence in order to have positive effect in the Nigerian Financial Market.

HALDANE MCCALL NIGERIA LIMITED registered address is 2, Sobo Arobiodu Street GRA, Ikeja, Lagos State.

1.2 Basis of Preparation:

(a) **Statement of compliance**

These Statement of Affairs have been prepared in accordance with International Financial Reporting Standards (IFRS).

(b) **Basis of Accounting**

The general-purpose financial statements ("the financial statements") have been prepared in accordance with International Financial Reporting Standards. These financial statements are presented in Naira in order to assist **HALDANE MCCALL NIGERIA LIMITED** to provide financial information to members of Company. As a result, the Financial Statements may not be suitable for another purpose.

(c) **Basis of Measurement:**

The Financial Statements have been prepared on the historical cost basis.

(d) **Functional and Presentation Currency:**

This Financial Statements are presented in Naira, which is the Company's functional currency. Unless stated otherwise, all financial information presented in Naira.

(e) **Use of Estimates and Judgments:**

The preparation of the Financial Statements, in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2019

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

In particular, information about assumptions, estimation uncertainties and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements relate to recoverability of qualifying assets, decommissioning costs estimation and recovery of deferred tax assets. Further information on each of these areas and how they impact the various accounting policies are described below:

(i) Recoverability of Qualifying Assets

The Company assesses each asset at each reporting year to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use.

The assessments require the use of estimates and assumptions such as long-term oil prices (considering current and historical prices, price trends, subsidy and related factors), discount rates, operating costs, future capital requirements, decommissioning costs, exploration potential, reserves and operating performance (which includes production and sales volumes). These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets.

Fair value for qualifying assets is generally determined as the present value of estimated future cash flows arising from the continued use of the assets, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into account. Cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(ii) Contingencies:

By their nature, contingencies will only be resolved when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

(iii) Provisions for Employee Benefits:

The actuarial techniques used to assess the value of the defined benefit plans involve financial assumptions (discount rate, rate of return on assets, medical costs trend rate) and demographic assumptions (salary increase rate, employee turnover rate, etc.).

HALDANE MCCALL NIGERIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.3 Significant Accounting Policies:

The accounting policies set out below have been applied consistently to all years presented in these Financial Statements.

(a) **Foreign Currency Transactions:**

Transactions denominated in foreign currencies are translated and recorded in Nigerian Naira at the actual exchange rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the rates of exchange prevailing at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognized in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(b) **Financial Instruments:**

The Company classifies non-derivative financial assets into loans and receivables.

The Company classifies non-derivative financial liabilities into the other financial liabilities category:

(i) *Non-Derivative Financial Assets and Financial Liabilities – Recognition and Derecognition*

The Company initially recognizes loans and receivables issued on the date when they are originated. Financial liabilities are initially recognized on the trade date.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

The Joint Venture derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2019

(ii) *Non-Derivative Financial Assets- Measurement*

The Company initially recognizes loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss, if any) are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company has only loans and receivables, cash and cash equivalents as non-derivative financial assets.

Loans and Receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction cost. Financial assets classified as loans and receivables are measured at amortized cost using the effective interest method less any impairment losses.

Short term receivables that do not attract interest are measured at original invoice amount where the effect of discounting is not material.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, cash balances with banks and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of statement of cash flows.

(iii) *Non-Derivative Financial Liabilities – Measurement*

Non-derivative financial liabilities are initially recognized at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method. The Company has the following non-derivative financial liabilities: loans and borrowings, bank overdraft, and trade and other payables.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

Short term payables that do not attract interest are measured at original invoice amount where the effect of discounting is not material.

HALDANE MCCALL NIGERIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2019

(c) Property, Plant and Equipment:

(i) *Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets. Property, plant and equipment under construction are disclosed as capital work-in-progress. The cost of construction recognized includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use including, where applicable, the costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of the equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the net proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in profit or loss.

(ii) *Subsequent Costs:*

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefit embodied within the component will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced component is derecognized. The cost of day to day servicing of the property, plant and equipment is recognized in profit or loss as incurred.

(iii) *Depreciation:*

Items of property, plant and equipment are depreciated from the date that they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use. Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight line basis over their estimated useful lives or using the unit of production basis. Depreciation is generally recognized in profit or loss, unless the amount is included in the carrying amount of another asset.

HALDANE MCCALL NIGERIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2019

Type of asset	Basis
- Freehold Land	%
- Building	2%
- Motor Vehicle	20%
- Plant & Machinery	20%
- Furniture and fittings	20%
- Office Equipment	20%

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate. Capital work-in-progress is not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

(d) Impairment:

(i) *Non-Derivative Financial Assets:*

Financial assets not classified as at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be reliably estimated.

Objective evidence that financial assets are impaired includes:

- *default or delinquency by a debtor;*
- *restructuring of an amount due to the Company on terms that the Company would not consider otherwise;*
- *indications that a debtor or issuer will enter bankruptcy.*

Financial assets measured at Amortized Cost

The Company considers evidence of impairment for these assets at both an individual asset and collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company uses historical information on timing of recoveries and the amount of loss incurred, and makes adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

HALDANE MCCALL NIGERIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2019

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospect of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

(ii) *Non-financial Assets:*

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are group together into the smallest group of assets that generates cash flows from continuing use that are largely independent of the cash flows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(e) *Intangible Assets:*

(i) *Recognition and Measurement:*

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

The Company's intangible assets with finite useful lives comprise acquired accounting and Engineering software.

HALDANE MCCALL NIGERIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2019

(ii) *Subsequent expenditure*

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific intangible asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

(iii) *Amortization of Intangible Assets:*

Amortization is calculated to write off the cost of the intangible asset less its estimated residual value using the straight-line basis over the estimated useful lives or using the units of production basis from the date that they are available for use.

The estimated useful life and methods of amortization of intangible assets for current and comparative years are as follows:

Type of Asset	Basis
Accounting and Engineering Software	10 years using straight line basis

(iv) *Derecognition of intangible assets*

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in profit or loss when the asset is derecognized.

(f) **Leases:**

Leased Assets:

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and the leased assets are not recognized in the Company's statement of financial position.

Lease Payments:

Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

HALDANE MCCALL NIGERIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS(Cont'd) FOR THE YEAR ENDED 31ST DECEMBER, 2019

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each year during the lease term so as to produce a constant yearly rate of interest on the remaining balance of the liability.

Determining whether an arrangement contains a Lease:

At inception of an arrangement, the Company determines whether such an arrangement is or contains a lease. This will be the case if the following two criteria are met:

- *the fulfilment of the arrangement is dependent on the use of a specific asset or assets; and*
- *the arrangement contains a right to use the asset(s).*

At inception or on reassessment of the arrangement, the Company separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values.

If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate.

(g) Inventories:

Inventories of Consumable Materials:

Inventories are stated at the lower of cost and net realizable value, with appropriate allowance for old and slow-moving items. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Consumables

Consumables are valued at weighted average cost after making allowance for obsolete and damaged stocks, and includes expenditures incurred in acquiring the stocks, and other costs incurred in bringing them to their existing location and condition.

(h) Employee Benefits:

(i) Defined Contribution Plan:

A defined contribution plan is a post-employment benefit 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 years.

HALDANE MCCALL NIGERIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS(Cont'd) FOR THE YEAR ENDED 31ST DECEMBER, 2019

In line with the provisions of the Pension Reform Act 2004, the Company has instituted a defined contribution pension scheme for its permanent staff. Employees contribute 8% each of their Basic salary, Transport and Housing Allowances to the Fund on a monthly basis. The Company's contribution is 10% of each employee's Basic salary, Transport and Housing Allowances. Staff contributions to the scheme are funded through payroll deductions while the Company's contribution is recognized in profit or loss as employee benefit expense in the years during which services are rendered by employees.

(ii) ***Defined Benefit Plans:***

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years; that benefit is discounted to determine its present value.

In determining the liability for employee benefits under the defined benefit scheme, consideration is given to future increases in salary rates and the Company's experience with staff turnover.

(iii) ***Other Long-Term Employee Benefits:***

The Company's other long-term employee benefits represents a Long Service Award scheme instituted for all permanent employees. The Company's obligations in respect of this scheme is the amount of future benefits that employees have earned in return for their service in the current and prior years. The benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on Federal Government of Nigeria issued bonds that have maturity dates approximating the term of the Company's obligation. The calculation is performed using the projected unit credit method. Any actuarial gains and losses are recognized in profit or loss.

(iv) ***Short-Term Employee Benefits:***

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonuses if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

HALDANE MCCALL NIGERIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS(Cont'd) FOR THE YEAR ENDED 31ST DECEMBER, 2019

(v) ***Termination Benefits:***

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting year, then they are discounted.

(i) **Provisions and contingent liabilities**

Provisions:

A provision is recognized 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 recognized as finance cost.

A provision for restructuring is recognized when the Company has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for. A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of Continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Provision for Asset Retirement Obligations:

Provision is made for asset retirement obligations on oil and gas facilities, production platforms, pipelines and other facilities based on estimates established by current legislation and industry practices. Provision for decommissioning costs is initially measured at fair value and capitalized to property, plant and equipment as an asset retirement cost. The liability is estimated by discounting expected future cash flows required to settle the liability using a risk-free rate. The estimated future asset retirement costs may be adjusted for risks such as project, physical, regulatory and timing. The estimates are reviewed annually. Changes in the provision as a result of changes in the estimated future costs or discount rates are added to or deducted from the cost of the related item of property, plant and equipment in the year of change. The liability accretes for the effect of time value of money until it is expected to settle.

HALDANE MCCALL NIGERIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS(Cont'd) FOR THE YEAR ENDED 31ST DECEMBER, 2019

The asset retirement cost is amortized through depreciation, depletion and amortization over the life of the related asset. Actual asset retirement expenditures are recorded against the obligation when incurred. Any difference between the accrued liability and the actual expenditures incurred is recorded in profit or loss in the settlement year.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed and not recognized as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

(j) Revenue:

Revenue from rent are reported net of applicable value added tax. Rent received are charge to the income statement within the applicable periods rather than when the rent is received.

(k) Finance Income and Finance Costs:

The Company's finance income and finance costs include:

- (i) interest income*
- (ii) interest expense on borrowings*
- (iii) the foreign currency gain or loss on financial assets and financial liabilities*
- (iv) unwinding of the discount on provisions*

Interest income or expense is recognized using the effective interest method. Finance costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method. Foreign currency gains and losses are reported on a net basis.

HALDANE MCCALL NIGERIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS(Cont'd) FOR THE YEAR ENDED 31ST DECEMBER, 2019

(l) **Income and Deferred Tax:**

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent of items recognized directly in equity or in other comprehensive income.

Current Tax is the expected tax payable or receivable on the taxable income or loss for the year in accordance with the Company Income Tax Act, at 20% of total profit and any adjustment to tax payable in respect of previous years. Tertiary Education Tax is assessed at 2.5% of assessable profit.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred tax is recognized in profit or loss account except to the extent that it relates to a transaction that is recognized directly in equity. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the amount will be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

HALDANE MCCALL NIGERIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS(Cont'd) FOR THE YEAR ENDED 31ST DECEMBER, 2019

1.4 Determination of Fair Values:

Some of the Company's accounting policies and disclosures require the measurement of fair value, for both financial and non-financial assets and liabilities. The Company has an established framework with respect to the measurement of fair values. This include valuation team that has the overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and report directly to the Chief Financial Officer (CFO).

When measuring the fair value of an asset or a liability, the Company uses observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows

- **Level 1:**
Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:**
Input other than quoted prices included in level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e., as derived from prices).
- **Level 3:**
Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the input used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement must be categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

HALDANE MCCALL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2019

	Freehold Land & Building = N=	Plant & Machineries = N=	Motor Vehicles = N=	Furniture & Fittings = N=	Office Equipment = N=	TOTAL = N=
COST						
Balance as at 01/01/2019	12,800,000,000	48,800,600	85,900,038	4,590,054	5,330,065	12,944,620,757
Addition During the year	3,641,995,000	21,506,884	63,050,000	8,070,000	9,094,600	3,743,716,484
Revaluation Reserve	-	-	-	-	-	-
Balance as at 31/12/2019	16,441,995,000	70,307,484	148,950,038	12,660,054	14,424,665	16,688,337,241
Balance as at 01/01/2018	12,800,000,000	48,800,600	85,900,038	4,590,054	5,330,065	12,944,620,757
Addition During the year	-	-	-	-	-	-
Revaluation Reserve	-	-	-	-	-	-
Balance as at 31/12/2018	12,800,000,000	48,800,600	85,900,038	4,590,054	5,330,065	12,944,620,757
DEPRECIATION						
Balance as at 01/01/2019	1,549,320,000	47,760,720	85,900,028	3,508,066	3,996,078	1,690,484,892
Charge for the year	328,839,900	14,061,497	12,610,000	2,532,011	2,884,933	360,928,341
Revaluation Reserve	-	-	-	-	-	-
Balance as at 31/12/2019	1,878,159,900	61,822,217	98,510,028	6,040,077	6,881,011	2,051,413,233
Balance as at 01/01/2018	909,320,000	38,001,000	76,900,000	2,590,000	2,930,000	1,029,741,000
Charge for the year	640,000,000	9,759,720	9,000,028	918,066	1,066,078	660,743,892
Revaluation Reserve	-	-	-	-	-	-
Balance as at 31/12/2018	1,549,320,000	47,760,720	85,900,028	3,508,066	3,996,078	1,690,484,892
NET BOOK VALUE						
Balance as at 31/12/2019	14,563,835,100	8,485,267	50,440,010	6,619,977	7,543,654	14,636,924,008
Balance as at 31/12/2018	11,250,680,000	1,039,880	10	1,081,988	1,333,987	11,254,135,865
Balance as at 1/1/2018	11,890,680,000	10,800,000	9,000,000	2,000,000	2,400,000	11,914,880,150

HALDANE MCCALL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2019

	31-Dec-19 = N=	31-Dec-18 = N=	1-Jan-18 = N=
3 Long Term Investment			
Long term investment	<u>200,780,115</u>	<u>200,780,115</u>	<u>1,251,095,000</u>
4 Stock and Work in Progress			
Ketu Land	-	-	-
Abeokuta Isihun	31,000,000	37,765,252	5,327,601
Ladipo Oluwole	-	-	-
Port Novo	400,505,770	487,909,720	68,830,158
Oke Sari	-	-	-
Ipaye	-	-	-
Owode Elede	562,789,140	685,608,828	96,719,868
Adeyemi Lawson	693,295,098	844,595,614	119,148,373
Newco	-	-	-
Suru Express Closing Stock	<u>1,687,590,008</u>	<u>2,055,879,413</u>	<u>290,026,000</u>
5 Trade Receivable			
Homes buyers Receivables	893,474,528	58,000,000	237,651,000
Homes Rental Receivables	21,545,989	-	-
Hotel Rental Receivables	31,660,983	821,086,951	-
Staff Receivables	-	-	-
	<u>946,681,500</u>	<u>879,086,951</u>	<u>237,651,000</u>
6 Cash and Cash Equivalent			
Bank Balance	305,894,808	253,426,408	105,185,000
Cash Balance	234,656	334,300	-
	<u>306,129,464</u>	<u>253,760,708</u>	<u>105,185,000</u>
7 Authorised Share Capital			
Authorized Share Capital of 3,122,000,000 issued at N0.50k each	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
8 Issues and Fully Paid-Up Share Capital:			
Ordinary shares of 3,122,000,000 at N0.50 each	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
9 Revaluation Reserve			
Cost of Revalued Assets	-	-	-
Accumulated Depreciation on Revalued Assets	-	-	-
Net Book Of Revalued Assets	-	-	-
Revalued Amount	-	-	-
Revaluation Surplus /Deficit	<u>-</u>	<u>-</u>	<u>-</u>
9 Revenue Reserve			
Bal b/f	3,123,245,518	2,915,555,150	2,915,555,150
Transfer for the year	386,000,245	207,690,368	-
	<u>3,509,245,763</u>	<u>3,123,245,518</u>	<u>2,915,555,150</u>
10 Bank Loan			
Fidelity Bank Loan	<u>1,131,496,147</u>	<u>1,358,696,147</u>	<u>-</u>
11 Account Payable			
Trade Creditors	429,577,428	1,766,640	34,302,000
Other creditors	49,173,049	881,017,917	-
	<u>478,750,477</u>	<u>882,784,557</u>	<u>34,302,000</u>
12 Taxation			
Balance brought forward	14,442,660	18,992,380	17,805,000
Provision for the year	181,647,174	14,442,660	1,187,380
	196,089,834	33,435,040	18,992,380
Payment during the year	(4,810,405)	18,992,380	-
Balance carried Forward	<u>191,279,429</u>	<u>14,442,660</u>	<u>18,992,380</u>

HALDANE McCALL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2019

	31-Dec-19 = N=	31-Dec-18 = N=
13 Revenue		
Sale of land and Building	1,269,200,000	937,241,641
Rental Income	434,873,912	314,366,667
Hotel	275,802,643	-
	1,979,876,555	1,251,608,308
14 Cost of Sales		
Opening stock	2,055,879,413	290,025,645
Add Purchases	322,589,445	2,055,879,413
	2,378,468,858	2,345,905,058
Less; Returns	-	-
	2,378,468,858	2,345,905,058
Closing stock	(1,687,590,008)	(2,055,879,413)
	690,878,850	290,025,645
15 Other Income		
Profit on sales of Long term Investment (15b)	-	-
Others	12,250,000	11,232,216
	12,250,000	11,232,216
15b Sales of Long term Investment		
Sales proceeds	-	-
Cost of Long term	-	-
Profit on long term Investment	-	-
16 Distribution Cost		
Transport and Travelling	-	1,743,400
Sales Commission	12,402,745	-
	12,402,745	1,743,400
17 Administrative Expenses		
Staff Welfare	7,419,257	1,530,600
Salaries & Wages	107,007,888	14,977,986
Final entitlement	1,202,634	-
Subscription	597,500	-
Office Expenses	1,170,950	2,015,000
Stationery & Printing	3,396,420	265,600
Diesel & Fuel	52,586,450	1,274,000
Utilities	406,950	-
Industrial Training Fund	1,113,000	460,246
Repairs & Maintenance	22,701,780	853,187
Pension: Employer's contribution	5,858,000	3,143,990
Telephone, Postages & Internet expenses	13,240,015	92,750
Rent	11,199,450	1,050,000
Gifts & Donation	6,516,020	1,180,000
	234,416,314	26,843,359

HALDANE McCALL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2019

	31-Dec-19 = N=	31-Dec-18 = N=
18 Other Expenses		
Motor Running Expenses	5,267,630	224,600
Advertisement	4,428,794	2,810,500
Public Relations Expenses	1,184,700	14,666,500
Staff Xmas Bonus	-	-
Security Expenses	4,774,500	143,883
Medical Expenses	1,038,545	-
Insurance	3,938,532	1,703,360
Agency fee	10,543,330	24,787,000
Dailes Magazine	-	-
Newspaper and Periodicals	824,831	-
Legal and Professional services	30,162,875	4,023,000
Audit fee	750,000	1,075,000
Professional fee & others	7,672,364	1,100,000
Survey & consultancy fee	150,000	3,050,000
Depreciation	360,928,341	660,744,132
Electricity	31,206,309	3,144,588
Fire Extinguisher	335,000	-
Swimming Pool Expenses	672,000	-
License	969,900	-
Cleaning & Fumigation	3,612,158	-
General Expenses	4,917,597	-
Generator Maintenance	4,964,585	-
Computer Expenses	1,872,640	-
Electrical Materials	1,595,250	-
Transport and Travelling	1,999,174	-
Training and Seminars	-	-
	483,809,055	717,472,563

19 Contingent Liabilities

The Company has no contingent liabilities in respect of any pending litigation.

20 Events after Reporting Date

There were no events after the reporting date which could have had a material effect on the financial position of the company as at 31st December, 2019 and loss for the year ended on that date which have not been adequately provided for.

HALDANE MCCALL PLC
STATEMENT OF VALUE ADDED

	2019	2018
	₹	₹
Revenue	1,979,876,555	1,251,608,308
Other Income	12,250,000	11,232,216
Bought-in- Materials and Services	(953,570,735)	669,399,911
Value Added from Trading Activities	<u>1,038,555,820</u>	<u>1,932,240,435</u>
<u>Applied as follows:</u>		
To pay employees:		
SALARIES wages and other benefits	107,007,888	14,977,986
To pay Government:		
Income and education taxes	181,647,174	14,442,660
To Pay Provider of Capital:		
Finance Cost	2,972,172	4,622,529
Retained for replacement of assets and business growth		
Depreciation	360,928,341	1,690,506,892
(Loss) / Profit for the year	386,000,245	207,690,368
Value Added from Trading Activities	<u>1,038,555,820</u>	<u>1,932,240,435</u>

HALDANE MCCALL NIGERIA LIMITED

FIVE YEARS FINANCIAL SUMMARY FIVE YEARS FINANCIAL SUMMARY
FOR THE YEAR ENDED 31 DECEMBER, 2019

	2019 = N=	2018 = N=	2017 = N=	2016 = N=	2015 = N=
CAPITAL EMPLOYED					
Share Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Directors Current Account	-	9,260,973,986	10,828,987,089	5,025,000,000	-
Share Premium	3,100,074,515	-	-	-	-
Deposit for Shares	-	-	-	-	-
Revaluation Reserve	3,509,245,763	3,123,245,518	2,915,555,150	2,474,096,000	2,035,242,000
Revenue Reserve	6,610,320,278	12,385,219,504	13,745,542,239	7,500,096,000	2,036,242,000
Shareholders Interest					
EMPLOYMENT OF CAPITAL					
Fixed Assets	14,636,924,008	11,254,135,865	11,914,879,997	5,048,904,149	73,233,301
Long Term Investment	200,780,115	200,780,115	1,251,095,000	1,951,095,000	1,601,095,000
Net Current Assets	1,549,969,490	2,288,999,671	579,567,242	500,096,851	361,913,699
Bank Loan	1,131,496,147	1,358,696,147	-	-	-
Long Term Liability	8,645,857,188	-	-	-	-
	6,610,320,278	12,385,219,504	13,745,542,239	7,500,096,000	2,036,242,000
Turnover, Profit & Taxation					
Turnover	1,992,126,555	1,262,840,524	1,301,797,980	882,444,090	876,471,754
Profit/ (Loss) Before Tax	567,647,419	222,133,028	460,451,530	458,046,438	709,581,048
Taxation	181,647,174	14,442,660	18,992,380	19,192,438	18,108,521
Profit/ (Loss) After Tax	386,000,245	207,690,368	441,459,150	438,854,000	691,472,527
Earning Per Share of N1.00 each	N386	N208	N441	N439	N691
Adjusted Earning Per Share of N1.00 each	N386	N208	N441	N439	N691