



**11** PLC

***UNAUDITED FINANCIAL STATEMENT FOR THE PERIOD  
ENDED SEPTEMBER 30, 2020.***

1 Mobil Road, Apapa, Lagos.

Mobil™

## SECURITIES TRADING POLICY

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) 11Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's securities. The Policy is periodically reviewed by the Board and updated. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period under review.

## SHARE HOLDING PATTERN

The Company's issued and paid up share capital as at September 30, 2020 was N180,297,630.50 divided into 360,595,261 ordinary shares of 50 kobo each. The following is the analysis of shareholdings in the Register of members as at that date:

SHARE RANGE	NO OF SHAREHOLDERS	% OF SHAREHOLDERS	NO OF HOLDINGS	% OF SHAREHOLDINGS
1 - 1,000	21,371	68.64	7,132,760	1.98
1,001 - 10,000	8,828	28.36	24,007,524	6.66
10,001 - 50,000	756	2.43	14,561,098	4.04
50,001 - 100,000	89	0.29	6,178,249	1.71
100,001 - 500,000	79	0.25	17,109,995	4.74
500,001 - 1,000,000	6	0.02	4,474,565	1.24
1,000,001 - 10,000,000	3	0.01	5,676,647	1.57
10,000,001 - and above	1	0.00	281,454,423	78.05
<b>TOTAL</b>	<b>31,133</b>	<b>100</b>	<b>360,595,261</b>	<b>100</b>

### FULLY PAID SHARE CAPITAL HISTORY

Bonus Year	Ratio	Units	52,450,220 units (Initial Share Capital)
1981	1:2	26,225,110	78,675,330 (cumulative)
1984	1:4	19,668,832	98,344,162 (cumulative)
1987	1:3	32,781,388	131,125,550 (cumulative)
1994	1:10	13,112,550	144,238,105 (cumulative)
1999	1:3	48,079,368	192,317,473 (cumulative)
2002	1:4	48,079,368	240,396,841 (cumulative)
2007	1:4	60,099,210	300,496,051 (cumulative)
2011	1:5	60,099,210	360,595,261 (cumulative)

## FREE FLOAT RULE

In Compliance with Rule 2:0 of the Free Float Rules on Self-Assessment and Self-Regulation, 11Plc as at September 30, 2020 is in compliance with the free float requirement for the main Board of the Nigerian Stock Exchange.

# 11Plc

## Financial Highlights

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	2020	2019	Change %
Revenue	114,746,339	141,510,790	(19)
Profit before taxation	6,137,075	9,402,557	(35)
Taxation	(2,014,344)	(3,059,059)	(34)
Profit for the Year	4,122,731	6,343,498	(35)
Other Comprehensive Income	-	-	-
Total Comprehensive Income	4,122,733	6,343,498	(35)
Earnings per 50k share (kobo)	1,143	1,759	(35)
Total assets	95,346,573	91,199,284	5
Capital expenditure	11,812,620	18,273,079	(35)
Authorised share capital	200,000	200,000	-
Number of 50k shares issued and fully paid up (absolute figures in units)	360,595,261	360,595,261	-

### COMMENTS: CORONAVIRUS (COVID-19) PANDEMIC

The Covid-19 crisis continues to impact all businesses, with the effect expected to be more pronounced in the future. The priority for us is to protect the health, safety and welfare of all stakeholders under our duty of care as well as support the Government and its agencies as they work to reduce the impact of the outbreak.

At this stage, it is not possible to determine the financial impact of Covid-19 on our Company given the lack of visibility on the end date of the pandemic or on how long it would continue to impact the Nigerian economy. The Company has a strong Balance Sheet and the Board and Management are focusing on efforts to mitigate the impact on our business.

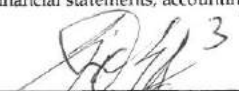
11Plc  
 Unaudited Statement of Financial Position  
 As at September 30, 2020


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	Note	September 2020	December 2019
<b>Assets</b>			
<b>Non-current assets</b>			
Property plant and equipment	2	39,596,671	28,377,610
Intangible assets	3	27,047	44,696
Investment property	4	18,866,220	20,796,632
Right-of-use assets	23	1,542,554	1,527,470
Prepayments	5	480,027	441,094
<b>Total non-current assets</b>		<b>60,512,519</b>	<b>51,187,502</b>
<b>Current assets</b>			
Inventories	6	17,296,793	16,713,440
Prepayments	5	3,419,259	2,431,809
Trade and other receivables	7	7,425,732	13,875,781
Cash & Cash equivalent	19	6,361,769	6,660,251
<b>Total current asset</b>		<b>34,503,553</b>	<b>39,681,281</b>
Assets held for sale	22	330,501	330,501
<b>Total assets</b>		<b>95,346,573</b>	<b>91,199,284</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital		180,298	180,298
Share premium		14,380	14,380
Retained income and other reserves	21	43,609,666	39,486,935
<b>Total equity</b>		<b>43,804,344</b>	<b>39,681,613</b>
<b>Current liabilities</b>			
Current tax payable	15	2,236,735	2,767,932
Borrowings	11	-	3,617,000
Bank overdraft	19	8,216,204	553,142
Trade and other payables	8	24,887,132	18,872,750
Current portion of deferred income	10	9,149,241	9,418,164
<b>Total current liabilities</b>		<b>44,489,312</b>	<b>35,228,988</b>
<b>Non current liabilities</b>			
Deferred tax liability	12	2,479,117	3,483,517
Deferred income	10	4,573,800	12,805,166
<b>Total non-current liabilities</b>		<b>7,052,917</b>	<b>16,288,683</b>
<b>Total liabilities</b>		<b>51,542,229</b>	<b>51,517,671</b>
<b>Total Equity and Liabilities</b>		<b>95,346,573</b>	<b>91,199,284</b>

The accounting policies and notes on pages 6 to 27 form and integral part of these financial statement.

The financial statements, accounting policies and the notes were signed on behalf of the Board of Directors on October 30, 2020

  
 A. A. OYEBANJI  
 FRC/2014/IODN/00000007151  
 MANAGING DIRECTOR

  
 RAMESH VIRWANU  
 FRC/2014/ANAN/0000009240  
 EXECUTIVE DIRECTOR

  
 A. B. NWACHUKWU  
 FRC/2014/ICAN/00000007154  
 ACCOUNTING MANAGER

11Plc  
 Unaudited Statement of Profit or Loss  
 For the Period Ended September 30, 2020

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Statement of Income	Jul - Sept 2020	Jul - Sept 2019	Jan - Sept 2020	Jan - Sept 2019
Revenue	34,206,778	48,705,504	114,746,339	141,510,790
Cost of sales	(31,145,639)	(44,762,820)	(106,788,040)	(130,027,984)
<b>Gross profit</b>	<b>3,061,139</b>	<b>3,942,684</b>	<b>7,958,299</b>	<b>11,482,806</b>
Other income	2,281,000	2,026,911	6,287,607	6,076,448
Selling and distribution expenses	(1,605,170)	(1,736,477)	(4,593,515)	(4,875,891)
Administrative expenses	(1,085,102)	(1,044,975)	(3,300,248)	(3,112,217)
Other operating income/(expense)	-	(37,286)	-	(35,875)
<b>Operating profit</b>	<b>2,651,867</b>	<b>3,150,857</b>	<b>6,352,143</b>	<b>9,535,271</b>
Finance income	5,857	76,980	199,782	128,732
Finance costs	(273,370)	(11,564)	(414,850)	(261,446)
<b>Profit before taxation</b>	<b>2,384,354</b>	<b>3,216,273</b>	<b>6,137,075</b>	<b>9,402,557</b>
Income tax expense	(779,810)	(1,045,955)	(2,014,344)	(3,059,059)
<b>Profit for the year</b>	<b>1,604,544</b>	<b>2,170,318</b>	<b>4,122,731</b>	<b>6,343,498</b>
Basic earnings per share (kobo)	445	602	1,143	1,759

Statement of Other Income	Jul - Sept 2020	Jul - Sept 2019	Jan - Sept 2020	Jan - Sept 2019
Items that will not be reclassified to profit or loss				
Actuarial gains / (losses)	-	-	-	-
Income tax effect on remeasurement	-	-	-	-
<b>Other comprehensive income net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>1,604,544</b>	<b>2,170,318</b>	<b>4,122,731</b>	<b>6,343,498</b>

The accounting policies and notes on pages 6 to 27 form and integral part of these financial statement.

11Plc  
 Unaudited Changes in Equity  
 For the Period Ended September 30, 2020

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September 2020	Share capital	Share premium	Total share capital	Retained earnings	Other Reserves	Total equity
Balance as at January 1, 2020	180,298	14,380	194,678	39,486,935	-	39,681,613
Profit for the year	-	-	-	4,122,731	-	4,122,731
Dividend payment	-	-	-	-	-	-
<b>Balance as at September 30, 2020</b>	<b>180,298</b>	<b>14,380</b>	<b>194,678</b>	<b>43,609,666</b>	<b>-</b>	<b>43,804,344</b>

September 2019	Share capital	Share premium	Total share capital	Retained earnings	Other Reserves	Total equity
Balance as at January 1, 2019	180,298	14,380	194,678	33,578,097	-	33,772,775
Profit for the year	-	-	-	6,343,498	-	6,343,498
Dividend payment	-	-	-	(2,974,911)	-	(2,974,911)
<b>Balance as at September 30, 2019</b>	<b>180,298</b>	<b>14,380</b>	<b>194,678</b>	<b>36,946,684</b>	<b>-</b>	<b>37,141,362</b>

The accounting policies and notes on pages 6 to 27 form and integral part of these financial statement.

11Plc  
**Unaudited Statement of Cash Flows**  
For the Period Ended September 30, 2020

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	Note	Jan - Sept 2020	Jan - Sept 2019
<b>OPERATING ACTIVITIES</b>			
Operating Profit		6,352,143	9,535,271
<b>Adjustment for non cash items</b>			
Depreciation of fixed assets		2,523,970	2,511,950
Depreciation of right-of-use asset		151,666	-
Amortization of intangible assets		17,649	17,737
(Gain) / Loss on disposal of fixed assets		-	35,875
<b>Total non cash items</b>		<b>2,693,285</b>	<b>2,565,562</b>
<b>Changes in current assets and liabilities</b>			
Decrease/(Increase) in inventories		(583,353)	6,874,441
Decrease/(Increase) in due from associated companies		6,431,581	(2,675,977)
Decrease/(Increase) in trade debtors and bridging claims		1,006,040	(2,068,794)
Decrease/(Increase) in other debtors and prepayments		(2,014,370)	(695,302)
Increase/(Decrease) in due to associated companies		(666,800)	5,065,202
Increase/(Decrease) in trade creditors and bridging allowance		4,178,328	5,111,948
Increase/(Decrease) in other creditors and accruals		2,502,855	1,379,531
Increase/(Decrease) in unamortised rental income		(8,500,289)	(5,408,251)
<b>Net changes in current assets and liabilities</b>		<b>2,353,993</b>	<b>7,582,798</b>
Income taxes paid		(3,549,527)	(3,733,848)
<b>Net cash generated from operating activities</b>		<b>7,849,894</b>	<b>15,949,783</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of fixed assets		(11,812,620)	(3,078,591)
Proceeds from disposal of assets		-	2,153
Interest received		199,782	128,732
<b>Net cash used in investing activities</b>		<b>(11,612,838)</b>	<b>(2,947,706)</b>
<b>FINANCING ACTIVITIES</b>			
Dividend paid		-	(2,974,911)
Finance to purchase leased assets		(166,750)	-
Interest charges		(414,850)	(261,446)
<b>Net cash used in financing activities</b>		<b>(4,198,600)</b>	<b>(3,236,357)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>		<b>(7,961,545)</b>	<b>9,765,720</b>
Cash and cash equivalents at beginning of the period		6,107,109	1,109,186
<b>Cash and cash equivalents at end of the period</b>		<b>(1,854,436)</b>	<b>10,874,906</b>

The accounting policies and notes on pages 6 to 27 form and integral part of these financial statement.

# 11Plc

## Unaudited Interim Financial Statement for the period ended September 30, 2020

### Accounting policies

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#### Reporting Entity

11Plc (formerly Mobil Oil Nigeria plc) was incorporated as a Private Limited Liability Company in 1951. It became a public limited liability company in 1978 and its share capital is listed on the Nigerian Stock Exchange.

ExxonMobil plc conducted the transfer/sale of her 60% holding in Mobil Oil Nigeria plc. (MON) to NIPCO Investment Limited, a wholly-owned subsidiary of Nipco Plc in 2017. As at September 30, 2020, Nipco Group shareholding in 11Plc is 78.05% while other investors hold 21.95%.

The Change in Control (CIC) resulted in the change of the Company name to 11Plc (Double One plc).

The Company was formed principally for the marketing of petroleum products. The Petroleum products the company sells include; Petrol, Diesel, Aviation fuel, Liquefied petroleum gas, Kerosene and Lubricants. Petrol, Diesel, Liquefied petroleum gas and Kerosene are mainly sold through the company's service stations while Lubricants are sold through distributors. Aviation fuel is sold at Murtala Muhammed Airport.

All the fuels which the Company sells are purchased either from the Nigerian National Petroleum Corporation or from other third party suppliers. Lubricants are blended locally or purchased from ExxonMobil Corporation through a related party.

The Company also has some investment properties which are leased for office and residential purposes at market rate.

#### Significant accounting policies

##### **1. Statement of compliance**

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and in conformity with the Financial Reporting Council (FRC) of Nigeria Act 2011 and the Companies and Allied Matters Act. The financial statements were authorized for issue by the board of directors on October 30, 2020.

##### **2. Functional and presentation currency**

These financial statements are presented in Nigerian Naira which is the Company's functional currency. The financial statements have been rounded to the nearest thousands, except where stated otherwise.

##### **3. Basis of measurement**

The financial statements have been prepared under the historical cost convention except for the following items in the statement of financial position:

- employee loans measured at amortised cost
- inventory measured at lower of cost and net realizable value
- trade receivables measured at amortised cost.

##### **4. Going concern**

The financial statements have been prepared on a going concern basis and there are no uncertainties that may cast doubt on the company's ability to continue as such.

##### **5. Use of estimates and judgment**

In preparing the financial statements, management is required to make use of estimates and assumptions that affects the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgment are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. The statement of accounting policies forms an integral part of these financial statements.



# 11Plc

## Unaudited Interim Financial Statement for the period ended September 30, 2020

### Accounting policies

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#### 6. Current versus non-current classification

11Plc presents assets and liabilities in the statement of financial position based on current and/or non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Is due to be realised within 12 months after the reporting period

Or

• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Non-current assets are due to be settled more than 12 months after the reporting period.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

#### 7. Interest in Joint Operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

A joint arrangement is an arrangement of which two or more parties have joint control. A joint arrangement has the following characteristics:

- the parties are bound by a contractual arrangement, and
- the contractual arrangement gives two or more of those parties joint control of the arrangement.

A joint arrangement is either a joint operation or a joint venture.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

11Plc accounts for the assets, liabilities and expenses relating to its interest in its joint operations in accordance with applicable IFRSs.

#### 8. Investment property

Investment property is recognised as an asset when it is probable that the future economic benefits associated with the investment property will flow to the Company and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property.

## 11Plc

### Unaudited Interim Financial Statement for the period ended September 30, 2020

#### Accounting policies

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Subsequent costs are included in the carrying amount of the investment property or recognized as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

#### Cost model

Investment property is carried at cost, less depreciation and any impairment losses.

Assets under Construction is not subject to depreciation until they are completed.

Depreciation is calculated on a straight line basis to write down the cost to their residual values over their estimated useful lives of the property as follows:

<u>Item</u>	<u>Average useful life (years)</u>
Land	Infinite
Buildings	20 - 50
Plant and equipment	10 - 30
Fixtures and fittings	5 - 15
Motor vehicles	4 - 5

Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted when appropriate.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

#### 9. Property, plant and equipment

All categories of property, plant and equipment are initially recorded at cost. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Interest is capitalized as an increase in property, plant and equipment on major capital projects during construction. All property, plant and equipment are stated at historical cost less depreciation.

Assets under Construction are included in property, plant and equipment but are not subject to depreciation until they are completed

Property and equipment are derecognized on disposal, or when no future economic benefits are expected from their use or disposal and gains and losses on disposal are determined by comparing proceeds with carrying amount.

Depreciation, impairment losses and gains and losses on disposals of property, plant and equipment are included in profit or loss.

Repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted when appropriate.

The Company depreciates significant parts of plant and equipment which are replaced at intervals separately based on their specific useful lives.

# 11Plc

## Unaudited Interim Financial Statement for the period ended September 30, 2020

### Accounting policies

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The useful lives of items of property, plant and equipment have been assessed as follows:

<u>Item</u>	<u>Average useful life (years)</u>
Land	Infinite
Buildings	20 - 50
Plant and equipment	10 - 30
Fixtures and fittings	5 – 15
Motor vehicles	4 – 5

#### 10. Intangible assets

The Company's intangible assets are classified into three groups:

a) Software License:

These are acquired computer software licenses and are capitalised on the basis of costs incurred to acquire and bring to use the specific software. The costs are amortised on a straight line basis over 15 years which is the estimated useful life of the software. Upgrades are amortised over the remaining useful life of the asset and costs associated with maintaining computer software programs are recognized in expense as incurred.

b) Franchise costs:

These are capitalised amounts paid to UAC Nigeria plc. (UAC), which gives the Company the right to use the "Mr. Biggs" Brand in its retail outlets. Amortisation is calculated using the straight line method to allocate the franchise costs over the period of the agreement between 11Plc and UAC, which has a contractual life of 10 years.

c) Permits

These are capitalized amounts paid to a third-party for a right of way permit. The permit is for 20 years and it is amortised using the straight line method.

Intangible assets amortisation is recognised in profit or loss. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. These are reviewed annually and adjusted when appropriate.

Intangible assets are derecognized on disposal or when no future economic benefits are expected from their use or disposal.

#### 11. Financial instruments

a) Initial recognition and measurement

Financial instruments are recognised initially when the Company becomes a party to the contractual provisions of the instruments. The Company initially measures its financial instruments at fair value.

b) Subsequent measurement

Subsequent to initial measurement, financial instruments are measured at amortised cost. The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

## 11Plc

### Unaudited Interim Financial Statement for the period ended September 30, 2020

#### Accounting policies

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#### c) Derecognition

In determining whether the financial asset is due for derecognition, the Company considers the following factors:

- an asset in its entirety or
- specifically identified cash flows from an asset (or a group of similar financial assets) or
- a fully proportionate (pro rata) share of the cash flows from an asset (or a group of similar financial assets), or
- a fully proportionate (pro rata) share of specifically identified cash flows from a financial asset (or a group of similar financial assets)

Derecognition is appropriate after the company assess that all control has been relinquished and it has neither retained nor transferred substantially all of the risks and rewards of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### d) Classification

##### Financial assets

Subsequent to initial recognition, all financial assets of the Company are measured at amortised costs. The company's financial assets include:

- I. Trade receivables: fair value approximates the amortised cost as the difference is deemed immaterial
- II. Employee loans: amortised cost using the effective interest rate.
- III. Cash equivalents; fair value approximates the amortised cost as the difference is deemed immaterial

The Company's financial assets are subsequently measured at amortised cost if they meet both of the following criteria:

- 'Hold to collect' business model test - The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows; and
- 'SPPi' contractual cash flow characteristics test - The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest (SPPi) on the principal amount outstanding on a specified date. Interest in this context is the consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time.

##### Financial liabilities

Subsequent to initial recognition, all financial liabilities of the Company are measured at amortised costs. The company's financial liabilities include:

- I. Trade & other payables: fair value approximates the amortised cost as the difference is deemed immaterial
- II. Borrowings: measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs.

## 11Plc

### Unaudited Interim Financial Statement for the period ended September 30, 2020

#### Accounting policies

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Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs, to the extent there is no evidence that it is probable that some or all of the facility will be drawn down; the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Financial liabilities are measured at amortised cost by the Company unless either:

- The financial liability is held for trading and is therefore required to be measured at FVTPL, or
- The Company elects to measure the financial liability at FVTPL (using the fair value option).

#### e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle it on a net basis, to realise the assets and settle the liabilities simultaneously.

#### f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, deposit received from customers and other short-term highly liquid investments. Bank overdrafts that 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. Bank overdrafts are shown in current liabilities on the statement of financial position.

#### g) Impairment

The Company recognizes loss allowances for expected credit losses (ECL) on trade receivables. The company applies the simplified approach which requires expected lifetime losses to be recognized from initial recognition of the receivables.

#### Measurement of ECL

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The historical loss rates are adjusted to reflect current and forward-looking information on economic factors that may affect the ability of the customers to settle the receivables. The amount of expected credit loss is recognized in the profit or loss account and deducted from the carrying amount in the statement of financial position

At each reporting date, the Company assesses whether one or more events that have a detrimental impact on the estimated future cash flows of the receivables has occurred.

Evidence that the future cash flow may be impaired includes the following observable data:

- Significant financial difficulty of the customer
- A breach of contract
- It is becoming probable that the customer will enter bankruptcy or other financial reorganization; or

In making an assessment of whether a customer is credit worthy and in determining the loss rate, the Company considers the following factors.

- The credit ratings, and payment terms of trade customers.
- Financial risk assessments, TAR trend analysis,
- Legal framework, management quality, Business ethics and integrity,
- Risk behavior and vulnerability,
- Competitive position and payment performance of the customers.

# 11Plc

## Unaudited Interim Financial Statement for the period ended September 30, 2020

### Accounting policies

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#### Employee loans

Employee loans are limited to 25% of employee's emoluments in line with human resource policy. There has been no history of default as repayment are deducted from the employee's monthly salary. If the employee retires or is separated, the outstanding loan balance is deducted from the final entitlement. Expected credit loss is nil.

#### 12. Current and deferred income tax

Income tax expense is the aggregate of the charge to the profit or loss account in respect of current income tax, education tax and deferred tax.

Current income tax liabilities are recognised in line with the provisions of the Companies Income Tax Act and Tertiary Education Trust Fund Act. Income tax is determined at 30% of taxable profit and education tax is determined at 2% of assessable profits. Capital gains tax liability is charged on applicable capital asset disposals where the proceeds are not to be reinvested in a similar asset.

Deferred tax is provided using the liability method on all temporary differences arising between the tax basis of assets and liabilities and their carrying values for financial reporting purposes in accordance with the provisions of IAS 12. Current tax rates are used to determine deferred taxes.

Income taxes are recognised in profit or loss except when they relate to items recognized in other comprehensive income, in which case the tax is also recognised in other comprehensive income.

Deferred tax liabilities are recognised for all taxable temporary differences, except: When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets arise from deductible temporary difference, unused tax losses and unutilised tax credit. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except: When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current assets against current liabilities. Deferred income taxes assets and liabilities relate to income levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

#### 13. Leases

An arrangement is recorded (or contains) as a lease based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The lease contract is for the service station lands.

##### As a lessee

IFRS 16 replaces existing leasing guidance, including IAS 17 'Leases' and IFRIC 4 'Determining whether an arrangement contains a lease'.

Lessees are to be accounted for most contracts under an on-balance sheet model, with the distinction between operating and finance leases being removed.

# 11Plc

## Unaudited Interim Financial Statement for the period ended September 30, 2020

### Accounting policies

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Recognise right-of-use lease assets and lease liabilities on the balance sheet:

The right-of-use asset is measured at cost less accumulated depreciation and impairment losses. The lease term over which the asset will be depreciated is based on the contract terms. This can range from 5 - 99 years.

11 PLC also has certain leases with lease terms of 12 months or less and low value leases. The Company has elected to apply the 'short-term lease' and 'lease of low-value assets' recognition exemptions for those leases.

Liabilities are measured based on the present value of future lease payments over the lease term. 11Plc pays the total lease amount on inception of the lease, as such, recognition of liability is not applicable.

#### As a lessor

##### a) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

The Company owns investment properties which are leased out under operating lease agreements to a third party.

The lease income from the operating leases is recognized in income on a straight-line basis over the lease term. Costs, including depreciation, incurred in earning the lease income are recognized as an expense.

#### 14. Inventories

Inventories are stated at the lower of cost and net realizable value. Cost includes expenditure incurred in acquiring and transporting the stock to its present location. Cost is determined using the first-in, first-out (FIFO) method for lubricant products and weighted average method for fuels products. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. If the carrying value exceeds the net realisable value, an inventory write down is recognised.

Spare parts which are expected to be fully utilized in production and other consumables are valued at historical cost.

#### 15. Employee benefits

The Company operates a defined contribution plan for all its active employees and defined benefit plan for its Annuitants.

##### a) Short term benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation and sick leave, and non-monetary benefits such as medical care), are recognised in the profit or loss in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

##### b) Post-employment benefits

###### Defined Contribution

In compliance with the PENCOM Act of 2014, the Company adopted a defined contribution scheme in 2014 for new employees. This is a pension scheme under which 11Plc pays fixed contributions into a Pension Fund as an amount or as a percentage of the pay of participants under the scheme as disclosed in retirement benefits Notes 13. Defined contribution is at 18%.

Defined contribution payments are funded from the operating expense on a monthly basis and there is no outstanding obligation after the funding.

When the employee renders services, pension costs are recognized as expenses in the Statement of profit or loss.

All active employees were migrated fully to the defined contribution scheme on February 1st, 2017.

# 11Plc

## Unaudited Interim Financial Statement for the period ended September 30, 2020

### Accounting policies

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#### Termination benefits

Termination benefits are recognised an expense when the Company is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. The Company settles termination benefits within twelve months and are accounted for as short-term benefits.

#### 16. Provisions and contingencies

Provisions are recognized as best estimates on statement of financial position date. They are recognised when the company has a legal or constructive obligation as a result of past events and where it is more likely than not that an outflow of resources will be required to settle the obligation. A reliable estimate of the amount to settle the obligation must also be possible before a provision is made. The measurement of provisions takes into consideration the time value of money and risk specific to the obligation. The increase in provision due to the passage of time is recognised as an interest expense.

The carrying amount of provisions are regularly reviewed and adjusted for new facts, changes in law or regulation.

Where the above conditions are not met, a contingent asset/liability is disclosed in the notes to the financial statements.

#### 17. Revenue recognition

The company recognizes revenue in accordance with the core principles below:

- a) Identify the contract(s) with a customer

A customer is a party that has contracted with the Company to buy petroleum products (Petrol, Aviation fuel, Diesel, Liquefied petroleum gas, Kerosene and Lubricants) in exchange for a consideration.

- b) Identify the performance obligations in the contract

Sales are recognised when control is transferred to the customer. This could be at the point of delivery confirmation, or at the point of load confirmation for pick-ups. The performance obligation lapses after ownership has been transferred.

- c) Determine the transaction price

Transaction price is the agreed amount identified in the contract. It represents that amount of revenue to be recognised as the performance obligation is satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of the applicable volume discounts. No element of financing is deemed present.

- d) Allocate the transaction price to the performance obligations in the contract

The price is recognised in the statement of comprehensive income.

- e) Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is recognized at the point in time.

#### Disaggregation of revenue from contracts with customers

The company derives revenue from three major categories of petroleum products: fuels, liquefied petroleum gas and lubricants. The Company has determined that the disaggregation of revenue based on the criteria of types of products meet the disclosure requirements of IFRS 15 as it depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. See Note 14 for further details.



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**Accounting policies**

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**18. Interest Income**

Interest income related to employee benefits are recognised in the Company's financial statements using the effective interest rate method and interest rate on short-term deposits are recognised in the Company's financial statements at fair value.

**19. Other Income**

Other income refers to all other sources of income apart from the sale of petroleum products which the Company receives. It includes amongst others, rental income and backcourt income.

Rental income refers to rent the Company gets from its investment property and service stations. This income is recognised on a straight line basis over the lease term.

Backcourt income refers to income recognised from the use of the backcourt on some of the Company's service stations by UAC, Devyani, Finger licking, Eat n go, Food concept, Sommes, Royalty bakery, Abraham seed, Mandalas and UPS.

**20. Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.

Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred. The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted and ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. All other borrowing costs are recognised as expense in the period they are incurred.

**21. Translation of foreign currencies**

Transactions in foreign currencies are recorded at the official rates of exchange on the transaction date. At the end of each reporting period, monetary items denominated in foreign currency are translated at the official rates prevailing at that day while non-monetary items that are measured in terms of historical cost in foreign currency are not translated.

Assets and liabilities denominated in foreign currency are translated at the applicable official rates of exchange on the reporting date. Exchange gains and losses are included in the profit or loss of the period in which they arise.

Exchange differences on monetary items are recognised in profit or loss in the period in which they occur.

**22. Segment reporting**

The Company has two business segments - Petroleum Products Marketing & Property Business. The Directors have determined operating segments based on the nature of the Company's business and performance reports reported to the Chief Operating Decision Maker (CODM).

# 11Plc

## Unaudited Interim Financial Statement for the period ended September 30, 2020

### Accounting policies

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These business segments have been grouped in a manner consistent with internal reporting and as provided to the chief operating decision maker (Executive Directors). The Company's activities that are significantly integrated or interdependent are not considered as separate business segments and no operating segments have been aggregated.

The Petroleum Products Marketing segment generates revenue from the sale of white products and company lubricants while the Property business generates income from the rent paid on 11Plc's investment properties leased out to a third party.

#### 23. Share capital and reserves

##### a) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

##### b) Dividend payable

Proposed dividends for the year are recognised as a liability after the statement of financial position date, when declared and approved by shareholders at the Annual General Meeting.

##### c) Share premium

Premiums from the issue of shares are reported in share premium.

##### d) Retained earnings

Retained earnings comprise the undistributed profits from previous periods which have not been reclassified to any specified reserves.

#### 24. Deferred income

This relates to advance rent received from investment property. The current portion is amortized to income within one year on a straight line basis while the non-current portion is initially carried at initial cost and subsequently at face value.

#### 25. Impairment of non-financial assets

The Company assesses at the end of each reporting period whether there is any indication that an asset other than deferred tax assets may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use.

In assessing value in use, the estimated future cash flows are 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.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is recognised as an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

# 11Plc

## Unaudited Interim Financial Statement for the period ended September 30, 2020

### Accounting policies

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#### 26. Fair value measurement

The fair value of 11Plc's employee loans and its investment properties are reported for disclosure in the financial statements. The Directors oversee all policies, procedures, significant valuation techniques and inputs for fair value measurement.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

External valuers are involved for valuation of significant assets, such as investment properties and significant liabilities, such as contingent consideration.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, 11Plc has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

The fair value of 11Plc's investment properties and employee loans are categorized as Level 3.

In determining the fair value of the investment properties, the market approach valuation technique was used. There was no change in valuation technique during the year. In estimating the fair value of the investment properties the highest and best use of the properties is their current use.

Amortised cost using the effective interest rate is used in valuing employee loans.

#### 27. Key accounting assumptions

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date which may have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. 11Plc based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

##### Valuation of Investment properties

11Plc carries its investment properties at cost however the fair values of the investment properties are also disclosed. The Company engaged 2 independent valuation specialists to assess the fair value as at April 2019.

The investment property assets were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

There is no significant risk or uncertainty as at September 30, 2020 that will lead to material adjustment of the carrying amounts of assets and liabilities within the next financial year.

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**for the period ended September 30, 2020**  
Accounting policies

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**28. Key accounting Judgments**

In the process of applying the Company's accounting policies, the Directors have made the following judgments, which have the most significant effect on the amounts recognised in the consolidated financial statements:

**Lease commitments – 11Plc as lessor**

The Company has entered into commercial property leases on its investment property portfolio. The Directors have determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains all the significant risks and rewards of ownership of these properties.

**29. Event after the reporting period: Non-adjusting**

The transfer of the real estate portfolio of 11Plc to 11 Hospitality Limited (its wholly owned subsidiary), was recommended by the Board of Directors and approved at the forty-second Annual General which held on Wednesday, October 14, 2020.

# 11Plc

Notes to the Unaudited Interim Financial Statement  
For the Period Ended September 30, 2020

## 1 The Company

The Company was incorporated as a private limited liability company in 1951. It became a public limited liability company in 1978 and its share capital is listed on the Nigerian Stock Exchange.

Nipco Plc hold 78.05% of the issued share capital while other investors hold 21.95%.

The Company was formed principally for the marketing of petroleum products. All the fuels which the Company sells are purchased from the Nigerian National Petroleum Corporation and other third party suppliers. Lubricants are blended locally or purchased from ExxonMobil Corporation through a related party.

## 2 Property, plant and equipment

September 2020	Land	Buildings	Plant and Equipment	Fixtures and Fittings	Motor Vehicles	Asset under Construction	Total
		N'000	N'000	N'000	N'000	N'000	N'000
Cost							
At beginning of the year	1,649,546	7,137,486	9,056,634	332,129	463,080	16,855,632	35,494,507
Additions						11,812,620	11,812,620
Transfer between asset classes			103,645	(103,645)			
Disposals							
At the end of the period	1,649,546	7,137,486	9,160,279	228,484	463,080	28,668,252	47,307,127
Depreciation							
At beginning of the year	-	(2,546,198)	(3,919,977)	(311,994)	(338,728)	-	(7,116,897)
Charge for year	-	(218,330)	(317,753)	(23,052)	(34,424)	-	(593,559)
Transfer between asset classes	-	-	(138,436)	138,436	-	-	-
Disposals	-	-	-	-	-	-	-
At the end of the period	-	(2,764,528)	(4,376,166)	(196,610)	(373,152)	-	(7,710,456)
Net book value							
September 30, 2020	1,649,546	4,372,958	4,784,113	31,874	89,928	28,668,252	39,596,671

December 2019	Land	Buildings	Plant and Equipment	Fixtures and Fittings	Motor Vehicles	Asset under Construction	Total
		N'000	N'000	N'000	N'000	N'000	N'000
Cost							
At beginning of the year	718,713	6,741,036	7,808,047	333,023	429,864	1,298,558	17,329,241
Additions	930,833	431,793	507,018	788	46,801	16,355,846	18,273,079
Transfers from lease	-	-	-	-	-	-	-
Transfers from asset under Construction	-	23,242	774,100	-	1,430	(798,772)	-
Held for sale	-	-	-	-	-	-	-
Disposals	-	(58,585)	(32,531)	(1,682)	(15,015)	-	(107,813)
At end of the year	1,649,546	7,137,486	9,056,634	332,129	463,080	16,855,632	35,494,507
Depreciation							
At beginning of the year	-	(2,294,194)	(3,533,238)	(272,464)	(306,179)	-	(6,406,075)
Charge for year	-	(280,809)	(411,344)	(41,212)	(47,564)	-	(780,929)
Disposals	-	28,805	24,605	1,682	15,015	-	70,107
At end of the year	-	(2,546,198)	(3,919,977)	(311,994)	(338,728)	-	(7,116,897)
Net book value							
December 31, 2019	1,649,546	4,591,288	5,136,658	20,135	124,352	16,855,632	28,377,610

### 3 Intangible assets

September 2020	Software Costs	Franchise Costs	Permit	Total
	N'000	N'000	N'000	N'000
<b>Cost</b>				
At beginning of the year	229,582	77,006	15,045	321,633
Additions	-	-	-	-
Disposals	-	-	-	-
<b>At the end of the period</b>	<b>229,582</b>	<b>77,006</b>	<b>15,045</b>	<b>321,633</b>
<b>Amortization</b>				
At beginning of the year	(195,606)	(77,006)	(4,325)	(276,937)
Amortization for the period charged to expense	(17,085)	-	(564)	(17,649)
Disposals	-	-	-	-
<b>At the end of the period</b>	<b>(212,691)</b>	<b>(77,006)</b>	<b>(4,889)</b>	<b>(294,586)</b>
<b>Net Book Value</b>				
<b>September 30, 2020</b>	<b>16,891</b>	<b>0</b>	<b>10,156</b>	<b>27,047</b>

December 2019	Software Costs	Franchise Costs	Permit	Total
	N'000	N'000	N'000	N'000
<b>Cost</b>				
At beginning of the year	229,582	77,006	15,045	321,633
Additions	-	-	-	-
Disposals	-	-	-	-
<b>At end of the year</b>	<b>229,582</b>	<b>77,006</b>	<b>15,045</b>	<b>321,633</b>
<b>Amortization</b>				
At beginning of the year	(172,826)	(76,918)	(3,573)	(253,317)
Amortization for the period charged to expense	(22,780)	(88)	(752)	(23,620)
Disposals	-	-	-	-
<b>At end of the year</b>	<b>(195,606)</b>	<b>(77,006)</b>	<b>(4,325)</b>	<b>(276,937)</b>
<b>Net Book Value</b>				
<b>December 31, 2019</b>	<b>33,976</b>	<b>0</b>	<b>10,720</b>	<b>44,696</b>

Intangible assets are made up of the cost of upgrading the Company's computer systems, permits and the franchise cost paid, which gives Company owned service stations the right to have named brand in the back-court shops. The assets are amortised using straight line method with a useful life of fifteen, ten and twenty years for the software, franchise and permit cost respectively.

11 Plc  
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	September 2020	December 2019
<b>4 Investment Property</b>		
Opening balance	20,796,632	23,372,830
Additions	-	-
Disposals	-	-
Depreciation	(1,930,412)	(2,576,198)
<b>Closing balance</b>	<b>18,866,220</b>	<b>20,796,632</b>
Amounts recognized in statement of comprehensive income for the period		
Rental income from investment property	5,695,156	7,630,271
Direct operating expenses from rental generating investment property	(1,943,921)	(2,586,078)
<b>5 Prepayments (Non-Current)</b>		
Rent	-	-
Employee benefits	480,027	441,094
<b>Prepayment and deferred charges</b>	<b>480,027</b>	<b>441,094</b>
This represents prepaid rent for company owned service stations and prepaid employee benefits.		
<b>Prepayments (Current)</b>		
Rent	-	-
Trade	3,419,259	2,431,809
<b>Total Prepayments</b>	<b>3,899,286</b>	<b>2,872,903</b>
Included in trade prepayments is N553M to our related party, Agri Chem		
<b>6 Inventories</b>		
Raw materials	13,915,000	13,664,898
Finished products	3,277,524	2,944,149
Consumable equipment and spares	104,269	104,393
<b>Total</b>	<b>17,296,793</b>	<b>16,713,440</b>
<b>7 Trade debtors and other receivables</b>		
Trade debtors	5,409,692	6,415,732
Other debtors	548,015	30,030
Withholding tax receivable	639,779	193,143
Value Added Tax	22,951	-
Due from associated companies:		
11 Hospitality	805,295	-
Nipco Plc	-	7,236,876
<b>Total</b>	<b>7,425,732</b>	<b>13,875,781</b>
Aging analysis of trade debtor		
Current	1,195,187	517,405
Overdue 1 - 30 Days	822,960	1,483,516
Overdue 31 - 60 days	700,467	4,226,043
Overdue 61 - 90 days	-	-
Overdue 91 - 180 days	581,562	37,508
Overdue 181 days	2,109,396	151,260
<b>Total</b>	<b>5,409,692</b>	<b>6,415,732</b>
<b>8 Payables and other liabilities</b>		
Trade creditors	10,992,513	6,794,465
Other creditors	4,452,444	1,838,010
Accruals	40,724	40,044
Bridging allowance	3,384,440	3,404,161
Unclaimed dividend and payments	1,556,845	1,553,426
Value Added Tax	-	115,679
Due to associated companies:		
Nipco	4,460,166	-
Agri Chem	-	5,126,965
<b>Total</b>	<b>24,887,132</b>	<b>18,872,750</b>

Included in trade creditors is the deposit fee of 936M made by Dealers. The fair value of financial liabilities included above approximates the carrying amount.

	September 2020	December 2019
<b>9 Financial Instruments</b>		
<b>(a) Financial Assets</b>		
Trade receivables	5,409,692	6,415,732
Other receivables (excluding VAT and WHT)	1,353,310	7,266,906
Cash and cash equivalents	6,361,769	6,660,251
<b>Total</b>	<b>13,124,771</b>	<b>20,342,890</b>
<b>Impairment</b>		
Trade receivables	5,415,276	6,475,063
Allowance for expected credit losses	(5,584)	(59,331)
<b>Total</b>	<b>5,409,692</b>	<b>6,415,732</b>
<b>(b) Financial Liabilities</b>		
Trade and other payables (excluding VAT and WHT)	23,330,286	17,203,645
Bank overdraft	8,216,204	553,142
Short-term borrowings	-	3,617,000
<b>Total</b>	<b>31,546,490</b>	<b>21,373,788</b>
<b>10 Deferred revenue</b>		
(a) Portion of deferred revenue due after one year (Non-current)	4,573,800	12,805,166
(b) Portion of deferred revenue due within a year (Current)	9,149,241	9,418,164
This represents advance rent for the company's real estate. The fair value of financial liabilities included above approximates the carrying amount.		
<b>11 Borrowings</b>		
(a) Borrowings due within one year (Current)	-	3,617,000
The lender of the term loan is Citi Bank.		
<b>12 Deferred income tax</b>		
<b>(a) Deferred tax movement</b>		
At beginning of the period	(3,483,517)	(2,796,528)
Current period charge/(provision)	1,004,400	(686,990)
At the end of the period	(2,479,117)	(3,483,517)
<b>(b) Deferred tax</b>		
Deferred tax asset		
Advance rent	4,128,577	3,706,739
<b>Total deferred tax asset</b>	<b>4,128,577</b>	<b>3,706,739</b>
Deferred tax liability		
Accelerated depreciation	(6,084,398)	(6,475,317)
Capital gains tax rollover	(345,726)	(345,726)
Bad debt & unrealised forex	(177,570)	(369,214)
<b>Total deferred tax liability</b>	<b>(6,607,694)</b>	<b>(7,190,257)</b>
<b>Net deferred tax asset/(liability)</b>	<b>(2,479,117)</b>	<b>(3,483,517)</b>
<b>13 Pension plan liability</b>		
<b>(a) Defined benefit</b>		
On the 1st February, 2017, the active members transferred to the Defined Contribution Scheme, leaving annuitants to continue with the Defined Benefit Scheme.		
<b>(b) Defined contribution</b>	<b>54,026</b>	<b>93,357</b>



	September 2020	September 2019
<b>14 Disaggregated revenue information</b>		
This relates to the disaggregation of the Company's revenue from contracts with customers:		
<b>Segments</b>		
<b>Types of goods</b>		
Fuels	86,701,216	114,041,450
Lubes	26,697,104	26,502,135
Liquefied petroleum gas(LPG)	1,348,019	967,205
<b>Total revenue from contracts with customers</b>	<b>114,746,339</b>	<b>141,510,790</b>
<b>Geographical markets</b>		
Nigeria	114,746,339	141,510,790
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	114,746,339	141,510,790
<b>Revenue</b>		
Third party sales	108,896,222	137,069,354
Intercompany sales	5,850,117	4,441,436
<b>Total</b>	<b>114,746,339</b>	<b>141,510,790</b>
<b>Assets and liabilities related to contracts with customers</b>	<b>5,409,692</b>	<b>8,409,676</b>

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days

	September 2020	December 2019
<b>15 Current tax analysis:</b>		
Movement in current income tax balance		
At beginning of the period	2,767,933	2,981,363
Payments	(3,549,527)	(3,078,072)
Provision for the period	3,018,744	3,537,138
Withholding tax credit	(415)	(672,497)
At the end of the period	2,236,735	2,767,933
	September 2020	September 2019
<b>Taxation charge for the period</b>		
Based on profit for the period :		
Company income tax	2,807,181	3,226,764
Prior year tax adjustment	-	-
Education tax	211,563	215,118
Current taxes	3,018,744	3,441,882
Deferred tax Profit & Loss	(1,004,400)	(382,823)
Deferred tax Other Comprehensive income	-	-
Total Company Deferred taxes	(1,004,400)	(382,823)
Taxation Charge Profit & Loss	2,014,344	3,059,059
Taxation Charge Other Comprehensive income	-	-
Total company Taxation charge	2,014,344	3,059,059
The tax charge comprises of company income tax at 30% of taxable income plus education tax at 2% of taxable income before capital allowances.		
<b>16 Other income</b>		
Rent income	5,877,376	5,945,604
Back-court income	48,334	63,315
Others	361,897	67,529
Total	6,287,607	6,076,448
Included in the Rent Income is N5.695M relating to rents received from investment properties		
<b>17 Finance Income</b>		
Interest income	199,782	128,732
Total	199,782	128,732
<b>18 Other non-operating income /(expense)</b>		
Profit/(Loss) on disposal of property, plant & equipment	-	(35,875)
Total	-	(35,875)
<b>19 Cash and cash equivalents</b>		
Bank balance	6,361,768	4,923,047
Short-term bank deposits	-	5,951,859
Overdraft	(8,216,204)	-
At the end of the period	(1,854,436)	10,874,906
2.165M is domiciled in dollars and subject to exchange rate fluctuations.		
	September 2020	December 2019
<b>20 Dividends</b>		
At beginning of the period	-	-
Dividend Proposed	-	2,974,911
Dividend Paid	-	(2,974,911)
At the end of the period	-	-
<b>21 Reserves</b>		
At the beginning of the period	39,486,935	33,578,097
Profit for the period	4,122,731	8,883,749
Dividend paid	-	(2,974,911)
At the end of the period	43,609,666	39,486,935

22 NON CURRENT ASSET HELD FOR SALE

September 2020	Cost	Depreciation	Carrying value
		N'000	N'000
Land	30,556	-	30,556
Building	69,082	(48,492)	20,590
Plant and equipment	132,354	(104,322)	28,032
Fixtures and fittings	1,682	(1,682)	-
<b>Total assets</b>	<b>233,674</b>	<b>(154,496)</b>	<b>79,178</b>

Write off of unamortised prepayments 251,323

**At the end of the period 330,501**

December 2019	Cost	Depreciation	Carrying value
		N'000	N'000
Land	30,556	-	30,556
Building	69,082	(48,492)	20,590
Plant and equipment	132,354	(104,322)	28,032
Fixtures and fittings	1,682	(1,682)	-
<b>Total assets</b>	<b>233,674</b>	<b>(154,496)</b>	<b>79,178</b>

Write off of unamortised prepayments 251,323

**At the end of the period 330,501**

The asset held for sale relates to a service station that the Lagos State government intend to use for a project of overriding public interest

23 RIGHT OF USE ASSET

September 2020	
<b>Cost</b>	
At beginning of the year	1,722,040
Additions	166,750
Transfers from asset under Construction	-
<b>At the end of the period</b>	<b>1,888,790</b>
<b>Depreciation</b>	
At beginning of the year	(194,570)
Charge for year	(151,666)
<b>At the end of the period</b>	<b>(346,236)</b>
<b>Net book value</b>	
<b>September 30, 2020</b>	<b>1,542,554</b>

December 2019	
<b>Cost</b>	
At beginning of the year	1,888,830
Additions	84,533
Transfers from asset under Construction	(251,323)
<b>At the end of the period</b>	<b>1,722,040</b>
<b>Depreciation</b>	
At beginning of the year	-
Charge for year	(194,570)
<b>At the end of the period</b>	<b>(194,570)</b>
<b>Net book value</b>	
<b>December 31, 2019</b>	<b>1,527,470</b>

# 11Plc

Notes to the Unaudited Interim Financial Statement  
For the Period Ended September 30, 2020

## 24 Segmental Information

As at September 30 2020, the Company had two reportable business segments:  
(i) Petroleum Products Marketing (ii) Property Business

All MON's assets are located within Nigeria and there were no export sales made as at September 30, 2020. (2019: Nil)

Segment revenue reported below represents revenue generated from external customers. There were also no intersegment sales as at September 30, 2020 (2019: nil). The accounting policy of the reportable segments below are the same as 11Plc's accounting policies disclosed in the financial statements.

	Petroleum Products Marketing (N'000)	Property Business (N'000)	Total (N'000)
<b>A The segment results for the period ended September 30, 2020 are as follows:</b>			
Revenue	114,746,339	-	114,746,339
Cost of sales	(106,788,040)	-	(106,788,040)
Operating expense	(5,949,842)	(1,943,921)	(7,893,763)
Other income	592,451	5,695,156	6,287,607
Finance income	199,782	-	199,782
Finance costs	(414,850)	-	(414,850)
Profit before tax	2,385,840	3,751,235	6,137,075
Taxation credit/charge	(775,341)	(1,239,003)	(2,014,344)
Profit for the period	1,610,499	2,512,232	4,122,731

**The segment results for the period ended September 30, 2019 are as follows:**

Revenue	141,510,790	-	141,510,790
Cost of sales	(130,027,984)	-	(130,027,984)
Operating expense	(6,091,813)	(1,932,169)	(8,023,983)
Other income	344,563	5,731,885	6,076,448
Finance income	128,732	-	128,732
Finance costs	(261,446)	-	(261,446)
Profit before taxation	5,602,841	3,799,716	9,402,557
Taxation	(1,806,878)	(1,252,181)	(3,059,059)
Profit for the period	3,795,963	2,547,535	6,343,498

**B Reconciliation of segment assets and liabilities to total assets and liabilities as at September 30, 2020:**

Intangible assets	27,047	-	27,047
Segmented total assets (excl. cash and cash equivalents & deferred tax)	70,255,195	18,729,609	88,984,804
Segmented total liabilities (excl. bank overdraft, borrowings & deferred tax)	(25,884,865)	(14,962,044)	(40,846,909)
Deferred tax	-	(2,479,117)	(2,479,117)
Cash and cash equivalents	(1,854,435)	-	(1,854,435)
Segmented net assets	42,515,896	1,288,448	43,804,344
Capital expenditure	11,812,620	-	11,812,620
Depreciation charge for the year	(745,224)	(1,930,412)	(2,675,637)

**Reconciliation of segment assets and liabilities to total assets and liabilities as at December 31, 2019:**

Intangible assets	44,696	-	44,696
Segmented total assets (excl. cash and cash equivalents & deferred tax)	63,234,984	21,304,050	84,539,034
Segmented total liabilities	(23,592,016)	(23,888,997)	(47,481,012)
Deferred tax	-	(3,483,517)	(3,483,517)
Cash and cash equivalents	6,107,109	-	6,107,109
Segmented net assets	45,750,077	(6,068,464)	39,681,612
Capital expenditure	18,273,079	-	18,273,079
Depreciation charge for the year	(780,929)	(2,576,198)	(3,357,127)

Segment assets consist primarily of Investment properties, property, plant and equipment, intangible assets, Inventory, long term receivables, debtors and other receivables. Deferred taxation and cash and short term deposits are not allocated to segments as they are managed on a total company basis.

Segment liabilities comprise current taxation, unamortized rental income, payables and other liabilities and provision for liabilities & charges. Unallocated liability is deferred taxation.

Capital expenditure comprises additions to property, plant and equipment, Investment property and intangible assets.