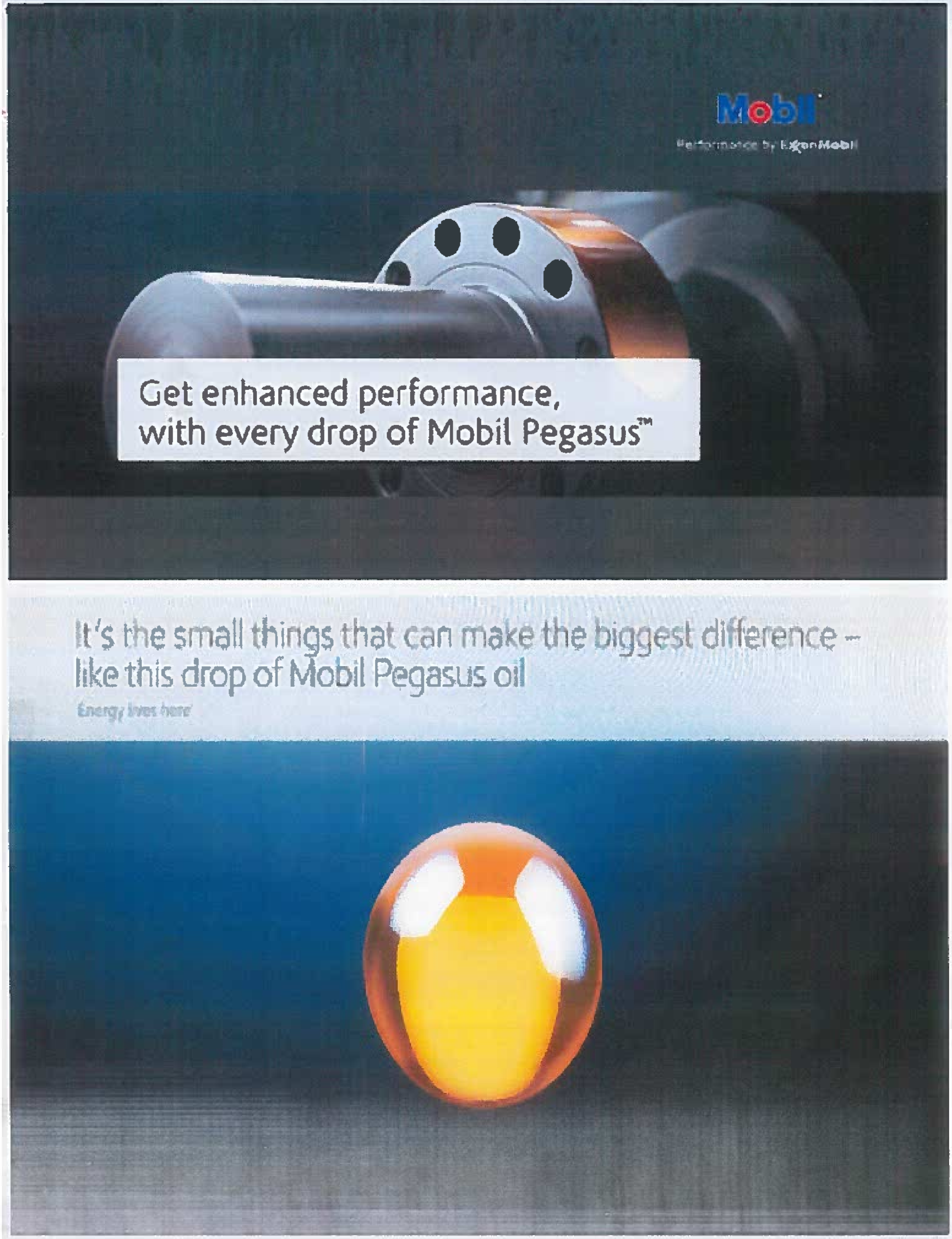
11 PLC

AUDITED FINANCIAL STATEMENT FOR THE PERIOD ENDED DECEMBER 31, 2019.

1 Mobil Road, Apapa, Lagos.

Mobil™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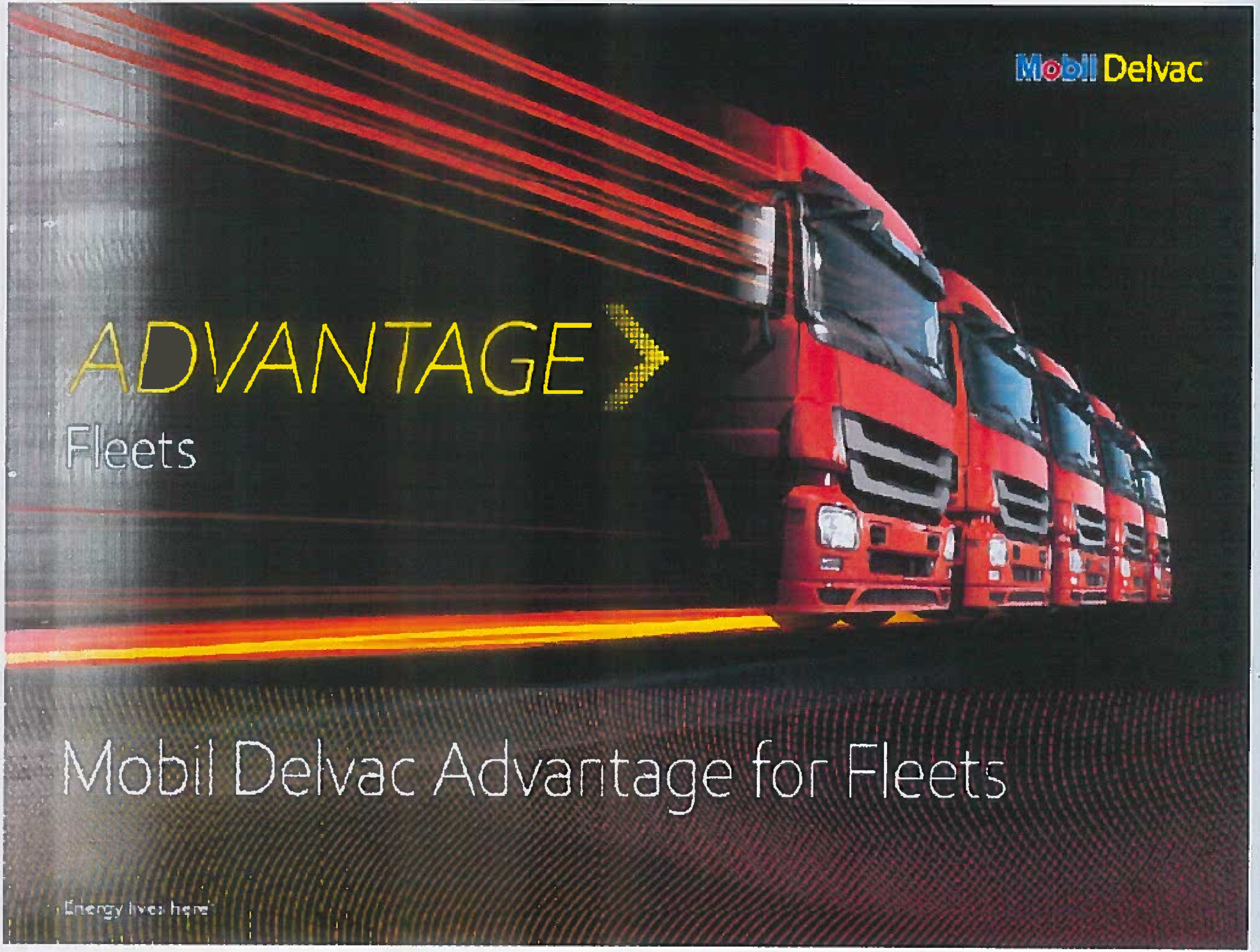
COMPANY REGISTRATION NO: RC914

Country of incorporation and domicile	Nigeria
Nature of business and principal activities	Petroleum Products Marketing
DIRECTORS:	Mr. Ramesh Kansagra - Chairman Mr. Adetunji Oyebanji – MD/CEO Mr. Ramesh Virwani - COO Alhaji Abdulkadir Aminu Mr. Paul Chukwuma Obi Mr. Rishi Kansagra Senator Daniel O. Aluko (appointed with effect from 27/02/2020)
COMPANY SECRETARY:	Chris-Olumayowa Meseko
AUDIT COMMITTEE:	Mr. Esan Ogunleye – Chairman Barr. (Mrs.) Adetutu G. Siyonbola Mr. Raphael O Osayameh Alhaji Abdulkadir Aminu Mr. Ramesh Virwani Chief Paul C. Obi
REGISTERED OFFICE:	1, Mobil Road, Apapa, Lagos.
BUSINESS ADDRESS:	1, Mobil Road, Apapa, Lagos.
TELEPHONE:	01-2801600, 2801100
FAX:	01-2801607
WEBSITE:	www.11plc.com
PRINCIPAL BANKER	Zenith Bank
AUDITORS:	Grant Thornton Nigeria No. 2A Ogalade Close, Off Ologun Agbaje Street, Off Adeola Odeku Street, Victoria Island Lagos.
REGISTRARS AND TRANSFER OFICER:	GTL Registrars Limited 274, Murtala Muhammad Way Alagomeji, Yaba Lagos State.

1. MR. RAMESH KANSAGRA
2. MR. ADETUNJI A. OYEBANJI
3. MR. RAMESH VIRWANI
4. MR. PAUL OBI
5. MR. RISHI KANSAGRA
6. SEN. DANIEL O. ALUKO
7. ALH. ABDULKADIR AMINU

DIRECTORS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Fleets
Mobil Delvac Advantage for Fleets
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11Plc
Financial Highlights

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	2019	2018	Change %
Revenue	191,676,329	164,609,535	16
Profit before taxation	13,107,877	13,695,459	(4)
Taxation	(4,224,128)	(4,366,524)	(3)
Profit for the Year	8,883,749	9,328,935	(5)
Other Comprehensive Income	-	-	-
Total Comprehensive Income	8,883,749	9,328,935	(5)
Earnings per 50k share (kobo)	2,464	2,587	(5)
Total assets	91,199,284	70,660,798	29
Capital expenditure	18,273,079	2,988,029	512
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	-

A final dividend of 825 kobo per 50k share held has been proposed. This is subject to shareholders' ratification.

Distinguished shareholders, representatives of regulatory agencies present, members of the press and stakeholders, I feel honored to welcome you all to the 42nd Annual General Meeting of 11Plc.

I am particularly pleased to report that 2019 was another successful year for your company during which, we delivered further growth in underlying earnings. Your company made good progress in the year under review and delivered solid returns to shareholders during this period. The financial performance is robust given the challenging global macroeconomic conditions and significant volatility in the industry we operate in.

The Managing Director/Chief Executive Officer, Adetunji Oyebanji will furnish you with more details on our performance and strategies in a moment. The Board looks very closely at this, and at the systems and processes in place, that drive technical standards and safety performance.

Operating Environment

Oil price volatility continued to influence Nigeria's growth performance. Domestic demand remains constrained by stagnating private consumption in the context of high inflation (11% in the first half of 2019). On the production side, growth in 2019 was primarily driven by the service sector, particularly telecommunication. Agricultural growth remains below potential due to continued insurgency in the Northeast and ongoing farmer-herdsmen conflicts. Industrial sector performance was mixed. Construction continues to perform positively, supported by ongoing megaprojects, higher public investment in the first half of the year, and import restrictions.

Furthermore, government revenues continued to decline leading to larger budget deficits. As a result, federal allocations to states and local governments waned seriously resulting in the inability of many states to pay salaries and service their debts as at when due leading to a general lull in the economy with the resultant effect of worsening unemployment which was reported to be at 23% by the middle of the year.

The obstacles enumerated above significantly contributed to the high cost of doing business in Nigeria and a drastic reduction in consumer purchasing power. The resultant pressure on consumer disposable income is reflected in the performance of most companies in the economy. For most companies, margins continue to decline with profitability under immense pressure.

Our Performance

In spite of the challenges in the business environment highlighted above, and the intense competition in the downstream oil and gas industry, I am happy to report that your Company remained profitable during the year under review as reflected in the financial results. I believe that the strategic initiatives being implemented by the Board and Management will enhance the profitability of the business in the coming years.

Board of Directors

The Board appointed Senator Gbenga Aluko as an Independent Non-Executive Director with effect from 27 February 2020. Senator Gbenga Aluko, a seasoned industry expert, outstanding professional and board member of several other reputable companies in Nigeria, will be presented to you at this meeting for election. His profile is available in the Directors Report.

Empowering Our Communities

11Plc aims to be recognized as an industry leader in Corporate Social Responsibility and to this end, embarked on a journey of continuous improvement of our operating environment and its communities. We focus on value whilst working directly with communities to develop and execute initiatives and projects that empower people and uplift them. In the year under review, we embarked on several projects that directly impacted the lives of hundreds of people.

A detailed summary of our corporate social responsibility interventions for the year is contained in the CSR section of this annual report.

The Future

The financial performance of our Company in the year under review was impacted by the factors earlier mentioned in my address. However, I am confident that the program and investment implemented by the Board and Management will put your Company on a sound footing to enjoy sustained growth. We have made deliberate choices in the areas we put our investments. We are confident that these investments will yield dividends and improve shareholder returns in the years to come. I believe that we are on a sound footing and significantly diversifying our portfolio with a view to maintaining our leadership role in the industry. We are clear in our path, and focused in our goals not to leave any stone unturned to ensure that we give you a solid return on your investment. I assure you that your belief in our management style will be rewarded handsomely.

Conclusion

Distinguished shareholders, permit me at this point to thank the management team led by Mr. Adetunji Oyebanji and our hardworking employees for their commitment and effort in delivering a commendable result in spite of the challenging business environment. Our company would not be in the strong position that it is today but for the resilience of our indefatigable staff. As you know, our core strengths are the capacity and experience of our employees, borne out of our culture of sustained training and empowerment.

I will also like to thank my fellow Board members for their dedication and commitment to the Company. I thank all shareholders for your continued support and the trust you have in your Board and Management team. May God bless you all.

Thank you,

Ramesh Kansagra
Chairman, Board of Directors

BUSINESS ENVIRONMENT

Our industry has witnessed contraction in recent years given the macro economic challenges being experienced in the Nigeria. Her inability to refine adequate molecules for domestic consumption has continued to plague us and put huge pressure on foreign exchange giving rise to adverse economic conditions. Other factors inhibiting growth within the industry center around raw materials import constraints and the unreflective costs recoverable at the pumps by Marketers, particularly for premium motor spirit (PMS) which account for more than two-thirds of white fuel consumption. This is in addition to the constraints in accessing credit from financial institutions given the weak financial condition of operators, burdened by soaring receivables from the Federal Government of Nigeria under the Petroleum Support Fund program. Pricing of petroleum products remains a very topical and controversial subject, not just for Nigeria but globally. This is primarily due to demand pressures versus the ability to refine crude oil and the supply dynamics of refined products within regulatory challenges, peculiarities and frameworks.

A lot of these uncertainties has informed our decisions and encouraged us to lean more toward the non- regulated product items and services within the available petroleum product marketing mix. We continue to invest heavily in our lubricant plant and warehouse facilities for increased volume growth and market share.

We never relent in our efforts as we strive for more growth and increased efficiencies. This ensures we continually gauge varying investment options and possibilities. Currently, we have identified an opportunity in the hospitality and recreational business segment for high net worth clientele. We are in discussions with Asset Management Corporation of Nigeria (AMCON) and potentially will be acquiring the assets and liabilities of The Continental hotel limited, Victoria Island, Lagos. We are very excited about this, with a clear vision that adding this asset to our portfolio we will significantly broaden our revenue earning stream and position ourselves as a leading edge company in petroleum products marketing, real estate and hospitality service delivery segments to further raise investors share value.

2019 RESULTS

We are indeed pleased to report that regardless of the challenging business climate and the low purchasing power of the naira, we achieved strong performances in volumes and earnings for 2019 year under review.

11Plc made significant strides during the year as we continue to experience the benefit from the investments we made from prior years. Improved performance is also reinforced by the meticulous strategic decisions we made during the year with the astute managerial team we have in place.

The Turnover for 2019 was 191.68BN and the Profit after tax was 8.88BN. We are very pleased with this stewardship for the period and positive that as we reinvest and grow our capacity juxtaposed with our strategic planning and renewed commitment, we will improve on our current results next year. You can be rest assured your Company will continue to record growth and deliver impressive returns in the future years to come.

In line with our tradition of delivering superior and competitive shareholder returns, I am pleased to recommend for your approval, a dividend of 825 kobo subject to applicable statutory deductions.

INVESTMENTS

I had briefly mentioned we have seen a huge potential in luxury hospitality and recreational industry in Lagos with the potential acquisition of The Lagos Continental hotels limited. This is a five (5) star hotel situated in the very prestigious Victoria island corridor. We also plan bringing a world class technical hotelier brand as partners to run the facility in order to deliver a seven (7) star status that the asset is capable of delivering based on the existing infrastructure and upscale environment it is situated. Other competing hotel brands within its proximity is a clear pointer that such an investment will significantly increase our shareholders earning as we work towards extracting huge benefits and advantage from the investment.

We continue to grow our aviation business portfolio and I am also very pleased to report that within just over a year of our re-entry into the market, we have significantly grown sales volumes and our customer base. We have steadily invested in our people and state of the art aviation assets that has ensured we receive huge domestic and foreign airline operator's patronage. This list is still growing.

Currently, we significantly enjoy uninterrupted PMS supply into our Apapa facility as we deploy our NNPC PFI (Pro forma Invoice) arrangement. This is also more advantageous for us as these products are slightly cheaper and make us more efficient. During the year, we signed a PMS storage agreement with them to store the product in our tanks for other off takers to load from our terminal facility. This also guarantees we will also have molecules when needed and also, we get paid rent by NNPC for warehousing the product in our storage tanks.

Our lubricant business continues to deliver strong performances thanks in part to the aggressive Peel & Win marketing and promotional mechanism tool we now deploy (series 1 and 2) in driving sales within the various product market segments. We also recognize the significant advantages of our partnerships with the automotive mechanic across the country in ensuring our brand stays highly competitive. We do not undermine the continuous upgrade and rebranding of our products in order to stay ahead of the chasing pack as competition is keen in the lubricant business. Expectedly, our aggressive sales and marketing strategies will continue to position us in an advantageous position in order to record more successes in the market place to guarantee 11Plc increase her dominance in the lubricant business that will translate to higher market share and value.

PEOPLE

Our dedicated employees always strive to make significant contributions toward stabilizing our growth and business. On your behalf, I wish to thank them for all their efforts, diligence to duty and world class work ethics as we could not have achieved these successes without them. Their responses to the challenging business environment, their numerous accomplishments in an ever changing, dynamic and many a time difficult situations cannot be over emphasized.

THE FUTURE

As we look forward to 2020, we are very positive the leadership of your Company is poised to providing clear cut direction to increase value and earnings irrespective of government policy and contrite business climate. We commit to always seek to maximise our output from investments we have in place to generate more growth and earnings.

At this point, I seize this opportunity to thank you all, our dear shareholders for attending the Annual General Meeting and for the continued support you provide our company as a whole.

I also want to thank the Board, Management, our valued Customers, other partners and stakeholders for supporting our business over the years and solicit for more understanding and support in the future.

Thank you.

Adetunji Oyebanji

Managing Director/ Chief Executive Officer

Report of the Directors

For The Year Ended December 31, 2019

The Directors are pleased to present to the members of the Company, their report and the Audited Financial Statements for the year ended December 31, 2019.

STATE OF AFFAIRS

In the opinion of the Directors, the state of the Company's affairs was satisfactory and no events have occurred since the balance sheet date that would affect the financial statements as presented.

ACTIVITIES

The Company remains engaged in the marketing of petroleum products and property business. There was no significant change in the activities of the company during the year under review.

Results for the year

	N'000
Revenue	191,676,329
Profit before taxation	13,107,877
Profit after taxation	8,883,749

Your Board recommends for your approval a dividend of N2,974,910,903 that is 825 Kobo per share, subject to the deduction of withholding tax at the appropriate rate. The dividend represents 33% of the after tax profit for the year.

If the recommended dividend is approved, the profit retained in the business as at December 31, 2019 will amount to ₦36,512,025,000 made up as follows:

	N'000
Retained earnings as at December 31, 2019	39,486,935
Proposed Dividends	(2,974,910)
Retained earnings after payment of Dividends	36,512,025

PROPERTY, PLANT AND EQUIPMENT

Information relating to changes in the fixed assets is given in Note 3 & 4 of the financial statements.

DIRECTORS

The following Directors were in office during the year ended December 31, 2019:

Mr. Ramesh Kansagra	Chairman (British)
Mr. Adetunji A. Oyebanji	Managing Director (Nigerian)
Mr. Ramesh Virwani	Executive Director (Indian)
Alhaji Abdulkadir Aminu	Non-Executive Director (Nigerian)
Mr. Paul C. Obi	Non-Executive Director (Nigerian)
Mr. Rishi Kansagra	Non-Executive Director (British)

BRIEF RESUME OF DIRECTORS

MR. RAMESH KANSAGRA

Mr. Ramesh Kansagra is a first class degree holder (BSc. Hons.) in Microbiology, University of London.

He is the Managing Director, Solai Holdings Limited (SHL) with over 30 years managing the Group. SHL has a Net Asset Value in excess of £240 million and are involved in oil trading, raw materials for the ceramics industry, agriculture and food industries processing with various investments in Africa and the United Kingdom.

Mr. Ramesh Kansagra is a recipient of the honorary award of the Member of the Federal Republic of Nigeria (MFR).

MR. ADETUNJI A. OYEBANJI

Mr. Tunji Oyebanji obtained a Bachelor of Science Degree in Economics from the University of Lagos in June 1979. He also holds an MBA in Marketing from the City University, London, United Kingdom.

He joined Mobil Oil Nigeria in December 1980 and has held several positions in the Company including Branch Manager North, Branch Manager West, Manager Fuels Services and Marketing Director. In addition, he has held several offshore appointments including Executive Director, Mobil Oil Ethiopia, Executive Director, Mobil Oil Cameroun and Manager Industrial and Wholesale Fuels (Africa/ Middle East), Exxon Mobil Petroleum & Chemicals Co. He was first appointed to the Board in December 2002 and after several foreign assignments was re-appointed in August 2007. In October 2008, he was appointed Chairman and Managing Director.

Mr. Oyebanji has attended numerous training programs at home and abroad including a two-year developmental assignment in 1993 at Mobil's corporate headquarters in Virginia, USA.

He is a member of several professional bodies and a Fellow of the National Institute of Marketing of Nigeria and Institute of Directors Nigeria. He is also an alumnus of the Thunderbird School of Global Management, Arizona, USA and the Lagos Business School Senior Management Program.

Mr. Oyebanji retained his role as the Managing Director and oversees the entire operations of the Company after the acquisition of 60% ExxonMobil controlling shares in October 2016 by Nipco Investments Limited and the Change in Control in April 2017.

ALHAJI ABDULKADIR AMINU

A civil engineer by profession, Alhaji Abdulkadir Aminu has over 25 years of experience in oil and gas sector.

He has successfully established and piloted numerous private Companies in oil and gas which includes Azkard International Limited and A.A. Mbamba Petroleum Group, since early 90s to date. He is one of the founding fathers of Nipco Plc, as well as its Group Executive Director.

He has served on the Boards of several regulatory agencies in the petroleum sector, including Petroleum Products Pricing & Regulatory Agency (PPPRA) and the Petroleum Equalization Fund (PEF).

He is the immediate past IPMAN National President and is currently the Chairman Board of Trustees of IPMAN. Alhaji Aminu has also served the country under the Palliative Committee set up by then President, Chief Olusegun Obasanjo to cushion the effects of increase in price of petroleum products. A prestigious title holder of Sarki Hurmi Adamawa and a council member of the emirate.

MR. RAMESH VIRWANI

Mr. Ramesh Virwani is a chartered Accountant, with over 25 years' experience in the field of Finance and Accounts. He worked for Purebond Limited, United Kingdom in various capacities in different parts of Nigeria.

He joined Nipco Plc as a General Manager, Finance and Accounts in 2008; he became the Executive Director, Finance in January, 2011. He assumed the role of Executive Director and Chief Operating officer in 11Plc in April, 2017 and he oversees the financial and commercial aspects of the company in supervisory capacity.

CHIEF PAUL CHUKWUMA OBI (KSC)

Chief Paul Obi, a Lawyer, has been in active legal practice for thirty years. A graduate of the University of Lagos, he is a Notary Public. He is also an Associate member, Chartered Institute of Arbitrators, London as well as a member of International Bar Association. He has a master's degree in Law with specialization in Oil and gas law and Practice. He has a strong flair for Commercial practice and Civil litigation.

He is the Managing Partner of P. C. OBI & Co, a firm of Legal Practitioners which he established in 1993. The firm P.C. Obi & Co is the external Legal Adviser to 11 PLC. The firm also serves as Company Secretaries and Legal Advisers to many other corporate institutions across many sectors. Chief Paul Obi sits on several boards and is the chairman of Sir Paul Obi foundation.

MR. RISHI KANSAGRA

Mr. Rishi Kansagra is a graduate of Harvard Business School and Somerville College, University of Oxford, having studied Philosophy, Politics and Economics.

He currently sits on various advisory Boards such as Vivo Energy, Iodine Global Network, Nipco plc, Bridge International Academies in Nigeria, as well as being an Executive Director of Solai Holdings- a group operating in oil and gas, manufacturing and logistics assets throughout East and West Africa since 2006.

He previously worked with Bank of England (2002 – 2004) and Chevron Corporation (2004-2006).

SENATOR DANIEL O. ALUKO

Senator Daniel Aluko is a graduate of the College of Energy and Petroluem Studies, Oxford England with a post graduate Degree in International Oil Trading and Pricing. He had his first degree in Geography with specialization in regional Planning from the University of Benin in 1982

He is the Executive Chairman of Alsteg & Midlands Limited and serves as an external consultant to Chevron Nigeria Mid-Africa Strategic Business Unit. He retired as the Director, Government Affairs, Policy, Government and Public Affairs - Chevron Nigeria Mid Africa Strategic Business Unit (NMASBU) in January 2018. He has over 25 years' experience in the oil and gas industry.

He was also a Senator of the Federal Republic of Nigeria representing Ekiti South Senatorial District from 1999-2003. As a member of the 4th National Assembly, he served as the Chairman Senate Committee on Petroleum (Downstream) and Vice Chairman Senate Committee on Gas among other committees.

He is a member of several professional bodies with various awards to his credit. A recipient of fellowships & grants from foreign universities and bodies including the prestigious Stanford University Graduate School of Business.

His appointment to the board is effective from the 27th of February, 2020.

DIRECTORS' INTEREST

The Directors' interest in the Issued Share Capital of the Company as recorded in the Register of Members and in the Register of Directors' holdings and contracts as notified by them for the purposes of section 275 of the Companies and Allied Maters Act are as follows:

	Number of Shares As at Dec 31, 2019	Number of Shares As at Dec 31, 2018
Mr. Adetunji Oyebanji	21,757	21,757

DIRECTORS INTEREST IN CONTRACTS

None of the Directors have notified the company for the purpose of section 277 of the Companies and Allied Matters Act Cap C.20 Laws of the Federation of Nigeria, 2004, of any declarable interest in contracts with which the company is involved up to 27th February, 2020.

INDEPENDENT AUDITORS

The Auditors, Messrs. Grant Thornton Nigeria have indicated their willingness to continue in office in accordance with Section 357(2) of the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004. A resolution will be proposed at the Annual General Meeting to authorize the Board of Directors to fix their remuneration.

AUDIT COMMITTEE

The members of the Audit Committee appointed at the last Annual General Meeting have since met and will at this meeting, in accordance with the provisions of the Companies and Allied Matters Act, present their report to you.

MAJOR SHAREHOLDING

According to the Register of members, the shareholder below held more than 5% of the issued share capital of the Company as at December 31, 2019:

Nipco Investments Limited, which had 280,574,789 ordinary shares of 50 kobo each, representing 77.81%.

ANALYSIS OF SHAREHOLDING

The Company's issued and paid up share capital as at December 31, 2019 was ₦180,297,630.50 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 S'HOLDERS	%OF S'HOLDERS	NO. OF HOLDINGS	%OF S'HOLDING
1 - 1,000	20,997	68.12	7,100,649	1.97
1,001 - 10,000	8,864	28.75	24,096,929	6.68
10,001 - 50,000	786	2.55	15,297,758	4.24
50,001 - 100,000	89	0.29	6,334,273	1.76
100,001 - 500,000	81	0.26	16,839,651	4.67
500,001 - 1,000,000	6	0.02	4,674,565	1.30
1,000,001 - 10,000,000	3	0.01	5,676,647	1.57
10,000,001 & Above	1	0.00	280,574,789	77.81
TOTAL	**30,827**	**100.00**	**360,595,261**	**100.00**

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)

CONTRIBUTIONS AND CHARITABLE GIFTS

The Company made contributions, sponsorships and charitable gifts amounting to ₦17,150,000 in the year 2019 (2018 ₦13,750,000).

The breakdown is as follows:

55th Annual Youth Leadership Training Camp (Nigerian Red Cross Society)	350,000.00
Nigerian American Chamber of Commerce Secretariat Building	500,000.00
Down Syndrome Foundation of Nigeria Awareness Month 2019	500,000.00
Forestall Damage of Area B Command (Police Community Relations Committee)	500,000.00
Rehabilitation of Army Children School, Apapa	12,500,000.00
Sporting and Youth Empowerment Initiative, school football tournament	2,800,000.00
	17,150,000.00

EMPLOYMENT AND EMPLOYEES

The Company is an equal opportunity employer and does not discriminate on any grounds. Employment opportunities are open to all suitable qualified Nigerians irrespective of their place of origin, gender, age, sexual orientation, disability, political opinion or faith. The Company continues to pursue its policy of non-discrimination in recruitment and continued employment, offering physically challenged persons' career opportunities.

In the period under review, the Company employed four persons and conducted training and development courses for three employees.

DISTRIBUTION OF PRODUCTS

The Company distributes its products through a network of outlets and distributors as well as some direct sales to end-users. Fuel products are supplied from the company's terminal at Apapa Lagos, PPMC depots and third-party terminals. Whilst our route to the lubricants market is through accredited distributors across the country.

BY ORDER OF THE BOARD

Chris-Olumayowa Meseko
FRC/2018/NBA/00000019003
Company Secretary/Dep. Legal Adviser

Dated this 27 day of February, 2020.

For The Year Ended December 31, 2019

The Company is committed to the highest standard of corporate governance in all its activities and conducts its business with utmost integrity, taking into account the legitimate interest of all its stakeholders.

This statement describes the Company's corporate governance practices that were in place throughout the financial year ended December 31, 2019 in compliance with the Code of Corporate Governance issued by the Securities and Exchange Commission.

The Board of Directors

The primary function of the Board of Directors (the Board) is to provide effective leadership and direction to enhance the long-term value of the Company to its shareholders and other stakeholders. The Board oversees the business affairs of the Company. The Board has the overall responsibility for reviewing the strategic plans and performance objectives, financial plans and annual budget, key operational initiatives, major funding and investment proposals, financial performance reviews, and corporate governance practices.

In addition, the principal duties of the Board include:

- Setting the Company's strategic objective and ensuring that the necessary financial and human resources are in place for the Company to meet its objectives.
- Overseeing the process for evaluating the adequacy of internal control, risk management, financial reporting and compliance.
- Appointing the Company's Chief Executive Officer and approving the remuneration policies and guidelines for the Board and senior management.
- Reviewing the performance of senior management and overseeing succession planning for senior management.
- Setting the Company's values and standards (including ethical standards) and ensuring that obligations to shareholders and other stakeholders are understood and met.

Board Size and Board Composition

As at December 31, 2019, the Board comprised six directors; 2 of which are Executive Directors whilst 4 are Non-Executive Directors, including the Chairman.

Taking into account the nature and scope of the Company's businesses. The Board believes that the current composition and size provides sufficient diversity without interfering with efficient decision-making. In line with the requirement of Corporate governance, the Board received nominations for Independent Non-Executive Director and after extensive review and screening process, recommendation was made to the board for appointment of an Independent-Non Executive Director in the 2020 financial year.

Roles of the Chairman and the Chief Executive Officer

The Chairman and the CEO functions in the Company are assumed by different individuals. The Chairman, Mr. Ramesh Kansagra, is a Non-Executive Director, while the Chief Executive Officer (CEO), Mr. Adetunji Oyebanji, is an Executive Director.
There is a clear division of responsibility between the Chairman and CEO, which strikes a balance in power and authority at the top of the Company.

The Chairman:

- Is responsible for leadership of the Board and is pivotal in creating the conditions for overall effectiveness of the Board, board committees and individual directors.
- Takes a leading role in the Company's drive to achieve and maintain a high standard of corporate governance with the full support of the Directors, Company Secretary and Management.
- Approves the agendas for the Board meeting and ensures sufficient allocation of time for thorough discussion of agenda items.
- Promotes an open environment for debates and ensures Non-Executive Directors are able to speak freely and contribute effectively.
- Exercises control over quality, quantity and timelines of information flow between the Board and management.
- Provides close oversight, guidance, advice and leadership to the CEO and management.
- Plays a pivotal role in fostering constructive dialogue between shareholders, the Board and management at AGMs and other shareholder meetings.

The CEO is the highest ranking executive officer of the Company. The CEO is responsible for:

- Running the day-to-day business of the Company, within the authorities delegated to him by the Board.
- Ensuring implementation policies and strategy across the Company as set by the Board.
- Day-today management of the executive and senior management team.
- Leading the development of senior management within the Company with the aim of assisting in the training and development of suitable individuals for future director roles.
- Ensuring that the Chairman is kept appraised in a timely manner of issues faced by the Company and of any important events and developments.
- Leading the development of the Company's future strategy including identifying and assessing risks and opportunities for the growth of its business and reviewing the performance of its existing businesses.

Role of Non-Executive Directors

The Board and management fully appreciate that an effective and robust Board whose members engage in open and constructive debate, and challenge management on its assumptions and proposals, is fundamental to good corporate governance.

The Company has adopted initiatives to put in place processes to ensure that Non-Executive Directors have sufficient time and resources to discharge their oversight function effectively. These initiatives include that:

Regular informal meetings are held by management to brief the Non-Executive Directors on prospective deals and potential developments at an early stage, before formal Board's approval is sought.

Periodic information papers and board papers on the latest market developments and trends, and key business initiatives are circulated to Non-Executive Directors on a timely basis to afford the directors time to review them.

The Company has also made available on the Company's premises an office for use by the Non-Executive Directors at any time for the Non-Executive Directors to meet regularly without the presence of management.

Directors' Attendance at Board Meetings

DIRECTORS	March 7, 2019	May 15, 2019	September 26, 2019	December 18, 2019
Mr. Ramesh Kansagra	✓	✓	✓	✓
Mr. Adetunji Oyebanji	✓	✓	✓	✓
Alh. Abdulkadir Aminu	✓	✓	✓	✓
Mr. Paul C. Obi	✓	✓	✓	✓
Mr. Ramesh Virwani	✓	X	✓	✓
Mr. Rishi Kansagra	X	✓	✓	✓

Keys

✓ **= Present**

X = Absent with apology

Board Committees

The Board has delegated certain functions to the Board committees; each of which has its own written terms of reference and whose actions are reported to and monitored by the Board. The Board accepts that while these various board committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board. In addition to the Statutory Audit Committee, the Board constituted an Ad-hoc Committee to advise the Board on issues relating to Corporate governance. The Board adopted the recommendation of the Ad-hoc committee in line with relevant codes of corporate governance by setting up two additional Board Committees i.e. the Nomination & Governance Committee and the Finance, Risk and General Purpose Committee. These committees were formally inaugurated at the Board Meeting held on 18th February, 2020.

Statutory Audit Committee

In compliance with section 359 of the Companies and Allied Matters Act, 2004 and Securities and Exchange Commission Code of Corporate Governance, the Statutory Audit Committee was established by the Board of the Company.

The Committee consists of six members comprising of three shareholders and three directors. The Committee forms part of the internal audit mechanism created by the Company to ensure financial regulatory and risk management compliance to financial laws and practices.

The functions of the Statutory Audit Committee as listed in the terms of reference are:

- Ascertain whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices;
- Review the scope and planning of audit requirements;
- Review the findings on management matters in conjunction with external auditors and departmental responses thereon;
- Keep under review the effectiveness of the Company's system of accounting and internal control;
- Make recommendations to the Board in regard to the appointment, removal and remuneration of external auditors of the Company to ensure the independence and objectivity of the external auditors and that there is no conflict of interest which could impair the independent judgment of the external auditors;
- Authorize the internal auditors to carry out investigations into any activities of the Company which may be of interest or concern to the Committee;
- Assist in the oversight of the integrity of the Company's financial statements and establish and develop the internal audit function;
- Make a recommendation to the Board on the Dividend payout.

Attendance at Audit Committee Meetings

MEMBERS	February 1, 2019	March 7, 2019	April 25, 2019	July 19, 2019	October 23, 2019
Mr. Esan Ogunleye	✓	✓	✓	✓	✓
Mr. Raphael Oluwole Osayemeh	✓	✓	✓	✓	✓
Barrister G. Adetutu Siyonbola	✓	✓	✓	✓	✓
Mr. Ramesh Virwani	✓	✓	✓	✓	✓
Mr. Paul C. Obi	✓	✓	✓	✓	✓
Alhaji Abdulkadir Aminu	✓	✓	X	✓	✓

Keys

✓ **= Present**

X = Absent with apology

Induction and Training of Directors

The Company conducts orientation programs, which is presented by the CEO and senior management, to familiarize new directors with business and governance policies. The orientation programs give directors an understanding of the Company's business to enable them to assimilate into their new roles. The program also allows the new director to get acquainted with senior management, thereby facilitating board interaction and independent access to senior management.

Board Performance

The Board conducted a self-evaluation assessment at the end of the 2019 financial year to measure its effectiveness as a whole and the contribution of each individual director. The evaluation considers the range and balance of skills, experience, independence and knowledge of the Company, its diversity, how the Board works together as a unit and any other factor considered relevant to its effectiveness. The strengths were recognized and weaknesses were addressed.

Access to Information

Management recognizes the importance of ensuring the flow of complete, adequate and timely information to the directors on an ongoing basis to enable them make informed decisions to discharge their duties and responsibilities.

In order to allow directors sufficient time to prepare for the meetings, all Board and Board committee papers are distributed to the directors at least a week in advance of the meeting. Any additional material or information requested by the directors is promptly furnished. Employees who are able to provide additional insight into matters to be discussed are invited during Board and committee meetings

The Board on its part recognizes the need to communicate and disseminate information regarding the operations and management of the company to all relevant stakeholders (including shareholders, regulatory authorities, media, analysts and the general public).

Independent Professional Advice

The Board has a process for directors, either individually or as a group, in the furtherance of their duties, to take independent professional advice, if necessary, at the company's expense.

Accountability and Audit

The Company recognizes the importance of providing the Board with accurate and relevant information on a timely basis. The reports keep the Board members informed of the Company's performance and position.

The directors are responsible for preparing the financial statement of the Company and ensuring that the financial statements are prepared in accordance with statutory requirements and applicable accounting standards. The Board also ensures timely publication of the financial statements of the Company.

Internal Control and Risk Management

The Company has established an in-house internal audit function. The internal audit is an independent function within the Company. The Head of Internal Audit reports directly to the Audit Committee functionally and to the CEO administratively.

The primary role of internal audit function is to assist the Board and senior management to meet the strategic and operational objectives of the Company, by providing an independent and objective evaluation of the adequacy and effectiveness of risk management, controls and governance processes. The Company's internal audit approach is aligned with the Company's risk management framework by focusing on key financial, operational, compliance and information technology risks. The annual internal audit plan is reviewed and approved by the Audit Committee. All internal audit findings, recommendations and status of remediation, are circulated to the Audit Committee, the CEO, the external auditors and relevant senior management.

The Head of Internal Audit presents the internal audit findings to the Board. The internal auditors have unfettered access to all the Company's documents, records, properties and personnel, including the audit Committee.

Code of Business Conduct and Ethics

The Board is committed to conducting all business activities, legally, ethically and in accordance with the highest standards of integrity and propriety.

The Board promotes an ethical corporate culture. Every Director and employee subscribes to comply with the Company's Standards of Business Conduct which covers our business principles and ethics.

Compliance Statement

In the course of 2019, none of our directors, employees and counterparts notified us of any contravention of the Post-Listing Requirements of the Nigerian Stock Exchange and 11 Plc's Securities Trading Policy.

The Company has complied with the requirements of the Securities and Exchange Commission's 2011 Code of Corporate Governance for Public Companies in Nigeria and the Post-Listing Requirements of the Nigerian Stock Exchange.

The Company complied with the requirements guiding its operations and activities throughout the year. 11Plc ensures that its existence and operations remain within the law.

Whistle-Blowing Policy

The Company is committed to a high standard of ethical conduct and adopts a zero tolerance approach to fraud. The Company will treat all information received confidentially and protect the identity and the interest of all whistleblowers.

All cases reported are objectively investigated and appropriate remedial measures are taken where warranted. Matters requiring immediate or urgent attention are reported immediately to the Audit Committee Chairman.

On an ongoing basis, the whistle-blower policy is covered during staff training and periodic communication to all staff as part of the Company's efforts to promote awareness of fraud control.

Securities Trading Policy

In accordance with the amended Post-Listing Requirements of the Nigerian Stock Exchange, the Company has put in place a securities trading policy which has been circulated to all directors, employees and counterparts who may at any time possess inside or material information about the Company. This is to guard against situations where such personnel in possession of confidential and price sensitive information deal with Company's securities in a manner that amounts to insider trading.

Complaints Management Policy

The Company has put in place a complaints management policy framework to resolve complaints arising from issues covered under the Investments and Securities Act, 2007 (ISA). This can be found on the Company's website.

Sustainability Policy

11 PLC 's sustainability policy aligns with its sustainability strategy in achieving the following goals:

- Shared Prosperity in the area of enhancing local content & capacity, developing local skills and social investment
- Responsible operations with focus on safety and wellness, responsible oil and gas marketing organization
- Environmental stewardship
- Equality & Transparency through good corporate governance practice and promoting equality.
- Corporate Social responsibly – We focus to establish sustainable partnership with our stakeholders within our policy guidelines on Community development.

Safety, Security, Health & Environment (SSHE)

The Company takes pride in its Safety, Security, Health & Environment programs. The Company takes the health of its employees seriously, consequently it has always maintained an on-site well-equipped Clinic manned by qualified and competent medical personnel. In addition, the Company also engages top health care providers to look after the health care needs of employees and their dependents. We comply with relevant statutory provisions and regulations on SSHE. In addition to the foregoing, the company annually organizes awareness programs such as the 2019 SSHE Week with a theme "Fire: A Good Servant but a Wicked Master", the provision of a well manned Firefighting Truck/Tender for any emergencies and many other related activities, to mention a few.

Company Secretary

Directors have separate and independent access to the Company Secretary. The Company Secretary is responsible for, among other things, ensuring that Board procedures are observed and that Company's Memorandum and Articles of Association, relevant rules and regulations, as well as laws are complied with. He also assists the Chairman and the Board in implementing and strengthening corporate governance practices and processes, with a view to enhancing long-term shareholder value.

The appointment and the removal of the Company Secretary is subject to the Board's approval.

Shareholders Participation and Protection of Shareholders' Rights

The Company recognizes the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all the Company's shareholders are treated equitably and the rights of all investors, including minority shareholders are protected.

The Company is committed to providing shareholders with adequate, timely and sufficient information pertaining to changes in the Company's business activities, financial performance and other business related matters. This is done in line with the Code of Conduct for shareholders issued by the Securities and Exchange Commission.

All general meetings of shareholders are convened by the Board in accordance with the provisions of the Companies and Allied Matters Act and notices of meetings, agenda and all other statutory notices are communicated to the shareholders within the time specified by the laws.

The Company encourages shareholders' participation during the Annual General Meeting which is held in an accessible location. Shareholders are able to proactively engage the Board and management on the Company's business activities, financial performance and other business related matters.

BY ORDER OF THE BOARD

Chris-Olumayowa Meseko
FRC/2018/NBA/000000/19003
Company Secretary/Dep. Legal Adviser

Dated this 27 day of February, 2020.

Statement of Directors' Responsibilities

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

a) Ensuring that the company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the company and comply with the requirements of the Companies and Allied Matters Act.
b) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; and
c) Preparing the company's financial statements using the suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied.

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

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

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

Adetunji A. Oyebanji
Director
Dated this 27 day of February, 2020
FRC/2014/IODN/00000007151

Virwani Ramesh
Director
Dated this 27 day of February, 2020
FRC/2014/ANAN/00000009240

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REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF 11 PLC

Opinion

We have audited the financial statements of **11 Plc, (the "Company")** which comprise the statement of financial position as at **31 December 2019**, and the statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at **31 December 2019**, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Financial Reporting Council of Nigeria Act No. 6, 2011 and the provision of the Companies and Allied Matters Act, CAP C20 LFN, 2004.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of *Ethics for Professional Accountants (IESBA Code)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. We have communicated the key audit matters to those charged with governance (TCWG). The key audit matters are not a comprehensive reflection of all matters discussed. These matters addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
Right of Use (ROU) Asset – Adoption of IFRS 16 (Lessees) 11 Plc implemented IFRS 16 on leases as a first adoption which took effect from 1 January 2019. Under IFRS 16, the standard allows the lessee to recognize a right of use asset and a lease liability at the date of commencement. The standard thus removes the distinction between operating lease and finance leases as previously required under IAS 17, with the only optional exemptions being applied for certain short-term leases and leases of low-value. The company recognized a carrying amount on ROU asset of N1.527 billion (Leases of landed property accounted for 100%) and no financial liability as at 31 December 2019 as the company pays the total lease amount on inception of the lease. We considered this a key audit matter given the significance of the amount and the judgments needed in establishing the underlying key assumptions. These assumptions and estimates include assessment of lease term and determining the useful life of right-of-use asset.	In evaluating the company's adoption of the standard, we: • Reviewed management's impact assessment of adopting the new standard (IFRS 16) • Evaluated and tested the design and operating effectiveness of the controls that management has established to identify Contract that is, or contains, a lease. • Assessed the retrospective application and verified whether this is consistent with the definition and expedients of IFRS 16. • Considered completeness by reviewing key service contracts to assess whether they contained a lease under IFRS 16. • Tested the basis for the initial and subsequent measurement of ROU Assets and lease liabilities. • We performed procedures to ensure that the practical expedients elected by the company were correctly implemented Based on our procedures performed and our assessment of the disclosures made, we are satisfied that the disclosure of the expected impact of IFRS 16 is in accordance with the standard.

Other Information
The directors are responsible for the other information. The other information comprises of the Chairman's Statement, Chief Executive Officer's Statement, Report of the Directors, Corporate Governance Report, Statement of Directors' Responsibilities and Other National Disclosures, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. Other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an opinion or 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 material inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of thus other information, we are required to report that fact. We have nothing to report in this regard. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

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

We also:

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

ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) Conclude on the appropriateness of management's use of the going concern of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transaction and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements
The Companies and Allied Matters Act, CAP C20, LFN 2004 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
ii) In our opinion, proper books of account have been kept by the company; and
iii) The Company's Statement of Financial Position and Statement of profit or loss are in agreement with the books of account.

27 February 2020

Uchenna Okigbo, FCA
FRC/2016/ICAN/0000001563
For: GRANT THORNTON
(Chartered Accountants)
LAGOS, NIGERIA.

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
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Report of the Audit Committee

To the Members of 11plc

In compliance with Section 359 sub-section 6 of the Companies and Allied Matters Act, CAP C20 LFN 2004, the committee reviewed the audited financial statements of the company for the year ended December 31, 2019 and report as follows:

1. The accounting and reporting policies of the company are consistent with legal requirements and agreed ethical practices.
2. The scope and planning of the external audit was adequate.
3. The company maintained effective systems of accounting and internal control during the year.
4. Having reviewed the External Auditors' findings and recommendations, we are satisfied with management responses thereon.

Mr. Esan Ogunleye
FRC/2013/CIBN/00000003821
Chairman,
Audit Committee.

Dated this 27 day of February, 2020

Members of Audit Committee:

Barr. G. Adetutu Siyonbola

Mr. Ramesh Virwani

Mr. Raphael Osayameh

Alhaji Aminu Abdulkadir

Mr. Paul C. Obi

11Plc

(Registration number RC 914)

Financial statement for the year ended December 31, 2019

Statement of Financial Position as at December 31, 2019

	Note(s)	2019 N. '000	2018 N. '000
Assets			
Non-current assets			
Property plant and equipment	3	28,377,610	10,923,166
Right-of-use-assets	35	1,527,470	-
Investment property	4	20,796,632	23,372,830
Intangible assets	6	44,696	68,316
Prepayments	8	441,094	2,033,676
		51,187,502	36,397,988
Current assets			
Inventories	9	16,713,440	17,918,599
Trade and other receivables	10	13,875,781	11,513,890
Prepayments	8	2,431,809	2,393,064
Cash and cash equivalents	13	6,660,251	2,358,078
		39,681,281	34,183,632
Assets held for sale	34	330,501	79,178
Total assets		91,199,284	70,660,798
Equity and Liabilities			
Equity			
Share capital	14	180,298	180,298
Share premium	14	14,380	14,380
Retained earnings	15	39,486,935	33,578,097
Total equity		39,681,613	33,772,775
Non current liabilities			
Deferred income	18	12,805,166	14,763,734
Deferred tax liability	7	3,483,517	2,796,528
Total non-current liabilities		16,288,683	17,560,262
Current liabilities			
Trade and other payables	21	18,872,750	8,212,101
Borrowings	16	3,617,000	-
Deferred income	18	9,418,164	6,885,405
Current tax payable	20	2,767,932	2,981,363
Bank overdraft	16	553,142	1,248,892
Total current liabilities		35,228,988	19,327,761
Total liabilities		51,517,671	36,888,023
Total Equity and Liabilities		91,199,284	70,660,798

The accounting policies and notes on pages 31 to 74 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 February 27, 2020 by:

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

RAMESH VIRWANI
FRC/2014/ANAN/00000009240
EXECUTIVE DIRECTOR

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

Statement of Profit or Loss for the year ended December 31, 2019

	Note(s)	2019 N.'000	2018 N. '000
Revenue	23	191,676,329	164,609,535
Cost of sales	25	(175,035,841)	(148,015,916)
Gross profit		16,640,488	16,593,619
Other income	24	8,042,462	8,626,739
Selling and distribution expenses	26	(7,007,774)	(6,924,989)
Administrative expenses	26	(4,520,544)	(5,024,634)
Other operating expense	26	(35,552)	(28,368)
Operating profit		13,119,080	13,242,367
Finance income	28	298,900	493,724
Finance costs	27	(310,103)	(40,632)
Profit before taxation		13,107,877	13,695,459
Income tax expense	29	(4,224,128)	(4,366,524)
Profit for the year		8,883,749	9,328,935
Per share information			
Basic earnings per share (kobo)	30	2,464	2,587

The accounting policies and notes on pages 31 to 74 form an integral part of these financial statements.

Statement of Changes in Equity for the year ended December 31, 2019

	Share capital N '000	Share premium N '000	Other reserves N '000	Retained earnings N '000	Total equity N '000
For the year ended December 31, 2018					
Balance as at January 1, 2018	180,298	14,380	-	27,164,151	27,358,829
Effect of adoption of new accounting standards				(30,227)	(30,227)
Balance as at January 1, 2018 (restated)	180,298	14,380	-	27,133,924	27,328,601
Profit for the year	-	-	-	9,328,935	9,328,935
Total	180,298	14,380	-	36,462,859	36,657,537
Dividends	-	-	-	(2,884,762)	(2,884,762)
Balance as at December 31, 2018	180,298	14,380	-	33,578,097	33,772,775
For the year ended December 31, 2019					
Balance as at January 1, 2019	180,298	14,380	-	33,578,097	33,772,775
Profit for the year	-	-	-	8,883,749	8,883,749
Total	180,298	14,380	-	42,461,846	42,656,524
Dividends	-	-	-	(2,974,911)	(2,974,911)
Balance as at December 31, 2019	180,298	14,380	-	39,486,935	39,681,613
Note(s)	14	14	14	15	

The accounting policies and notes on pages 31 to 74 form an integral part of these financial statements.

11Plc

(Registration number RC 914)
Financial statements for the year ended December 31, 2019

Statement of Cash Flows for the year ended December 31, 2019

	Note(s)	2019 N. '000	2018 N. '000
Cash flows from operating activities			
Profit before taxaton		13,107,877	13,695,459
Adjustment for non cash items			
Net finance cost/(income)		11,203	(453,093)
Depreciation of PPE and investment property		3,357,127	3,246,531
Depreciation of right-of-use asset		194,570	-
Amortization of intangible assets		23,620	24,578
Loss on Sale of Property, Plant and Eqiupment		35,552	28,368
Amortisation of deferred rental income		(7,630,271)	(7,893,302)
Exchange (gain)/loss		(44,747)	(73,426)
Operating profit before working capital changes		(4,052,946)	(5,120,344)
Working capital adjustments/changes			
(Increase)/Decrease in inventories	9	1,205,158	(9,969,998)
(Increase)/Decrease in due from related companies	10	(2,818,037)	2,025,015
(Increase)/Decrease in foreign currency deposit for imports	10	-	221,116
(Increase)/Decrease in trade receivables and bridging claims		(74,850)	(1,427,547)
(Increase)/Decrease in other debtors and prepayments		1,161,014	10,166,286
(Increase)/Decrease in due to related companies	21	5,126,965	-
Increase/(Decrease) in trade creditors & bridging allowance	21	5,171,589	(10,606,294)
Increase/(Decrease) in other creditors and accruals	21	362,096	(724,755)
Net changes in current assets and liabilities		10,133,936	(10,316,177)
Income taxes paid	20	(3,078,072)	(2,573,543)
Rental income received	18	8,204,462	6,341,135
Net cash generated from operating activities		24,315,257	2,026,530
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(18,273,079)	(2,959,998)
Purchase of intangible assets	6	-	(28,031)
Proceeds from sale of property, plant and equipment	3	2,153	39,059
Interest received		298,900	493,724
Net cash used in investing activities		(17,972,026)	(2,455,246)
Cash flows from financing activities			
Borrowing	16	3,617,000	
Dividend paid	31	(2,974,911)	(2,884,762)
Finance to purchase right-of-use-assets		(1,722,041)	
Interest Paid	27	(310,103)	(40,632)
Net cash used in financing activities		(1,390,055)	(2,925,394)
Net (Decrease)/Increase in cash and cash equivalents		4,953,176	(3,354,110)
Cash and cash equivalents at January 1		1,109,186	4,389,870
Effect of exchange (gain)/loss movement on cash balances		44,747	73,426
Cash and cash equivalents at December 31	13	6,107,109	1,109,186

The accounting policies and notes on pages 31 to 74 form an integral part of these financial statements.

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 December 31, 2019, Nipco Group shareholding in 11Plc is 77.81% while other investors hold 22.19%.

The Change in Control (CJC) 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 February 27, 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 form an integral part of these financial statements.

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.

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:

Item	Average useful life (years)
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.

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

Item	Average useful life (years)
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. See accounting policy 26 on fair value measurement.

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.

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 other 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.

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.

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.

Policy applicable before January 1, 2019

As a lessee

a) Finance leases

These are leases that transfer substantially all the risks and rewards of ownership to the Company. They are recognised at the commencement of the lease term as finance leases and are capitalized at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Finance lease payments are apportioned between interest expense and repayments of debt.

Assets acquired under lease are depreciated using the useful life of the assets. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, they are depreciated over the shorter of the useful life and the lease term.

Policy applicable from January 1, 2019

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

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

As a lessee

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

The policy remains the same.

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 investment properties presented in the statement of financial position are in line with the accounting policy disclosed in note 4.

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 17. 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.

See note 17 on defined benefit scheme.

c) 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 further details on page 65.

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). See further details in note 38.

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.

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 in the investment property note 4. 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 December 31, 2019 that will lead to material adjustment of the carrying amounts of assets and liabilities within the next financial year.

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.

Financial risk management

Financial instruments in the statement of financial position comprise of cash and cash equivalents (Note 13), trade and other receivables (Note 10), trade and other payables (Note 21).

The Company's Directors are responsible for reviewing and agreeing policies to manage the risk 11Plc's operations are exposed to. The Company's operations are exposed to the following risks:

Capital risk

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, provide returns to shareholders, benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company consists of debt, which includes borrowings, overdraft and cash and cash equivalents disclosed in Note 13 and 16 and equity as disclosed in the statement of financial position Notes 14 and 15.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or utilise assets to reduce debt.

The Company monitors capital on the basis of its gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position.

The Company is not exposed to any external imposed capital requirement.

The gearing ratio at the end of the reporting period was as follows:

Debt to Equity Ratio	**2019**	**2018**
	(N'000)	**(N'000)**
Total debt (i)	(4,107,142)	(1,248,892)
Cash and bank balances	6,660,251	2,358,078
Net Assets	2,553,109	1,109,186
Total equity (ii)	39,681,613	33,772,775
Net debt /equity	-	-

(i) Total debt is the overdraft facility gotten from the bank and borrowings as disclosed in note 16.
(ii) Total equity includes all capital and reserves of the Company as described in note 14 and 15.

Liquidity risk

The Company manages liquidity risks by maintaining adequate reserves and prudent working capital management. In addition, the Company has access to sufficient debt funding sources and to committed borrowing facilities to meet current business requirements.

11Plc does not have any risk concentrations as the Company can get extended facility from suitable sources.

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

2019	Less than 3 months (N'000)	Between 3 months and 1 year (N'000)	Greater than 1 year (N'000)
Trade and other payables	17,203,645	-	-
Borrowings	3,617,000		-
Bank overdraft	553,142	-	-

2018	Less than 3 months (N'000)	Between 3 months and 1 year (N'000)	Greater than 1 year (N'000)
Trade and other payables	6,826,584	-	-
Bank overdraft	1,248,892	-	-

Trade and other payables excludes VAT payables, WHT and unclaimed dividends.

At the end of the year, the Company had the following overdraft facilities:

Bank Name	Facility Type	Facility Amount (N'000)	Used Lines (N'000)	Interest Rates (%)
Zenith Bank	Uncommitted	12,000,000	352,634	14%
First Bank	Uncommitted	5,000,000	200,508	14%
Citibank	Uncommitted	4,000,000	-	18%
Total		**21,000,000**	**553,142**	**15.3%**

The Carrying amount of the used lines of overdraft equals its fair value.

Liquidity risk on cash is limited because the counterparties are banks with good credit-ratings. At the end of the financial year, the Company had the following cash balances:

RATING	2019 Amount (N'000)	2018 Amount (N'000)
A+	-	9
AA	-	(422,636)
A	9	
B+	-	1,531,813
B	6,107,100	-
Total	**6,107,109**	**1,109,186**

The bank ratings were obtained from Standard & Poor's and Fitch rating agencies.

Interest risk

The Company is exposed to interest rate risk because it borrows funds at rates subject to movements in the money market. The Company's interest risk arises from overdraft and borrowings from banks.

The Company does not manage its exposure to interest rate risk and does not apply ECL on it because the maximum exposure envisaged is deemed negligible as illustrated by the interest rate sensitivity below.

The analysis below shows the impact of a ±1% change in the interest rates on the Statement of Profit or Loss as at end of December 2019.

2019	Interest Expense	Annualized Int. As at Dec 2019.	Naira (Sensitivity + 1%)	Naira (Sensitivity - 1%)
	(N'000)	%		
Net financing	310,103	15.3	15.3	(15.3)

Interest expense in 2018 relates to expense on overdraft and interest payable to dealers for deposits with the Company.

2018	Interest Expense	Annualized Int. As at Dec 2018.	Naira (Sensitivity + 1%)	Naira (Sensitivity - 1%)
	(N'000)	%		
Net financing	40,632	18.0	18.0	(18.0)

Credit Risk

The Company's credit policy ensures that credit sales are only made to credit worthy customers. These policies include detailed credit assessment of individual customers and regular monitoring of credit balances. Other policies include securing the credits with bank guarantees from company selected 'A' rated banks and introducing deposit schemes for the customers.

Mitigating measures are defined and implemented for high-risk customers. These include shortened payment terms, vigorous collection efforts and limiting the amount of credit exposure to any individual customer.

There is no material concentration of credit risk geographically or with individual customers and there has been no significant level of counterparty default in recent years.

Age analysis of receivables(Net amount)	2019 (N'000)	2018 (N'000)
Current	4,670,394	6,117,545
Overdue 1 - 30 days	1,518,400	692,299
Overdue 31 - 60 days	4,386,208	387,100
Overdue 61 - 90 days	-	437,930
Overdue 91 - 180 days	37,508	1,797,804
Overdue 181 days	3,070,128	1,438,126
Total	**13,682,638**	**10,871,504**

	December 31, 2019 (N'000)	December 31, 2018 (N'000)
Trade receivables	6,475,063	6,378,827
Allowance for expected credit losses	(59,331)	(37,944)
	6,415,732	6,340,883

Information about the Company's impairment policies and the calculation of the loss allowance are provided on page 36.

Bank Balance

Counterparties are banks with good credit-ratings. The maximum exposure to credit risks is 11Plc's bank balance as at the end of 2019 financial year is limited to N 6.1B.

Foreign Exchange Risk

The Company transacts a significant portion of its purchases and some of its sales in foreign currency, and is exposed to foreign exchange risk on these transactions. The Company has no long term assets or liabilities denominated in foreign currency. It offsets its foreign currency assets and liabilities and settles the net exposure at prevailing exchange rates. The liabilities are payments due to foreign suppliers and assets are foreign currency prepayments and deposits to products. The Company does not hedge its foreign exchange exposure and instead seeks to recover currency effects through product pricing where appropriate.

The table below shows the before tax impact to Statement of Profit or Loss of a ± 10% movement in the exchange rate

Bank and Open Items

2019	Foreign Currency	Exchange Rate	Naira at Dec 2019	Naira* (Sensitivity -10%)	Naira** (Sensitivity +10%)
	(N'000)		(N'000)	(N'000)	(N'000)
GBP	-	-	-	-	-
EURO	-	-	-	-	-
USD	1,110.28	364.700	404,919.12	40,492	(40,492)

2018	Foreign Currency	Exchange Rate	Naira at Dec 2018	Naira* (Sensitivity -10%)	Naira** (Sensitivity +10%)
	(N'000)		(N'000)	(N'000)	(N'000)
GBP	-	-	-	-	-
EURO	-	-	-	-	-
USD	3,959.52	358.790	1,420,636.18	(142,064)	142,064

Trade receivables / (payables)

2019	Foreign Currency	Exchange Rate	Naira at Dec 2019	Naira* (Sensitivity -10%)	Naira** (Sensitivity +10%)
	(N'000)		(N'000)	(N'000)	(N'000)
GBP	-	-	-	-	-
EURO	-	-	-	-	-
USD	4,613.79	364.700	1,682,649.21	168,265	(168,265)

2018	Foreign Currency	Exchange Rate	Naira at Dec 2018	Naira* (Sensitivity -10%)	Naira** (Sensitivity +10%)
	(N'000)		(N'000)	(N'000)	(N'000)
GBP	-	-	-	-	-
EURO	(1)	410.20	(410.20)	41	(41)
USD	2,814	358.790	1,009,635.06	(100,964)	100,964

*Naira weakens by 10%

**Naira strengthens by 10%

Market Risk

The Company is primarily exposed to market price risk on its sales of non-regulated fuel products and lubricants. The company manages this exposure by forecasting demands and monitoring events in the global market.

For regulated fuel products and Petrol the Company's exposure is limited to changes in government policy relating to regulated price.

The Company does not use commodity price swaps, options or futures to hedge against price risk. Changes in market price for non-regulated products are reflected in the Company's product pricing.

1. New Standards and Interpretations

1.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Plan Amendment, Curtailment or Settlement - Amendments to IAS 19

The amendment deals with the determination of past service cost and gains or losses on settlement, when a plan is amended, curtailed or settled ("the event"). Specifically, when determining the past service cost or gain or loss on settlement, the net defined benefit liability (asset) shall be remeasured using the current fair value of plan assets and current actuarial assumptions reflecting the benefits offered under the plan and plan assets both before and after the event. The effect of the asset ceiling shall not be considered in this exercise. The effect of the asset ceiling shall be determined after the event.

The amendment also specifies that when determining current service costs and net interest on the defined benefit liability (asset) in a period in which an amendment, curtailment or settlement occurs, to apply inputs at the beginning of the reporting period for the current service cost and interest up to the date of the event, and to apply inputs as at the date of the event to determine current service costs and interest for the remainder of the period.

The effective date of the amendment is for years beginning on or after January 1, 2019.

The impact of this amendment is not applicable in the current year.

Prepayment Features with Negative Compensation - Amendment to IFRS 9

The amendment to Appendix B of IFRS 9 specifies that for the purpose of applying paragraphs B4.1.11(b) and B4.1.12(b), irrespective of the event or circumstance that causes the early termination of the contract, a party may pay or receive reasonable compensation for that early termination.

The effective date of the amendment is for years beginning on or after January 1, 2019.

The impact of this amendment is not applicable in the current year.

Amendments to IFRS 3 Business Combinations: Annual Improvements to IFRS 2015 - 2017 cycle

The amendment clarifies that when a party to a joint arrangement obtains control of a business that is a joint operation, and had rights to the assets and obligations for the liabilities relating to that joint operation immediately before the acquisition date, the transaction is a business combination achieved in stages. The acquirer shall therefore apply the requirements for a business combination achieved in stages.

The effective date of the amendment is for years beginning on or after January 1, 2019.

The impact of this amendment is not applicable in the current year.

Amendments to IFRS 11 Joint Arrangements: Annual Improvements to IFRS 2015 - 2017 cycle

The amendment clarifies that if a party participates in, but does not have joint control of, a joint operation and subsequently obtains joint control of the joint operation (which constitutes a business as defined in IFRS 3) that, in such cases, previously held interests in the joint operation are not remeasured.

The effective date of the amendment is for years beginning on or after January 1, 2019.

The impact of this amendment is not applicable in the current year.

Amendments to IAS 12 Income Taxes: Annual Improvements to IFRS 2015 - 2017 cycle

The amendment specifies that the income tax consequences on dividends are recognised in profit or loss, other comprehensive income or equity according to where the entity originally recognised the events or transactions which generated the distributable reserves.

The effective date of the amendment is for years beginning on or after January 1, 2019.

The impact of this amendment is not applicable in the current year.

Notes to the Financial Statements

1. **New Standards and Interpretations (continued)**

Amendments to IAS 23 Borrowing Costs: Annual Improvements to IFRS 2015 - 2017 cycle

The amendment specifies that when determining the weighted average borrowing rate for purposes of capitalising borrowing costs, the calculation excludes borrowings which have been made specifically for the purposes of obtaining a qualifying asset, but only until substantially all the activities necessary to prepare the asset for its intended use or sale are complete.

The impact of this amendment is not applicable in the current year.

Uncertainty over Income Tax Treatments

The interpretation clarifies how to apply the recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. Specifically, if it is probable that the tax authorities will accept the uncertain tax treatment, then all tax related items are measured according to the planned tax treatment. If it is not probable that the tax authorities will accept the uncertain tax treatment, then the tax related items are measured on the basis of probabilities to reflect the uncertainty. Changes in facts and circumstances are required to be treated as changes in estimates and applied prospectively.

The effective date of the interpretation is for years beginning on or after January 1, 2019.

The impact of the amendment is not applicable in the current year.

IFRS 16 Leases

IFRS 16 Leases is a new standard which replaces IAS 17 Leases, and introduces a single lessee accounting model. The main changes arising from the issue of IFRS 16 which are likely to impact the company are as follows:

Company as lessee:

- Lessees are required to recognise a right-of-use asset and a lease liability for all leases, except short term leases or leases where the underlying asset has a low value, which are expensed on a straight line or other systematic basis.
- The cost of the right-of-use asset includes, where appropriate, the initial amount of the lease liability, lease payments made prior to commencement of the lease less incentives received; initial direct costs of the lessee; and an estimate for any provision for dismantling, restoration and removal related to the underlying asset.
- The lease liability takes into consideration, where appropriate, fixed and variable lease payments; residual value guarantees to be made by the lessee, exercise price of purchase options; and payments of penalties for terminating the lease.
- The right-of-use asset is subsequently measured on the cost model at cost less accumulated depreciation and impairment and adjusted for any re-measurement of the lease liability. However, right-of-use assets are measured at fair value when they meet the definition of investment property and all other investment property is accounted for on the fair value model. If a right-of-use asset relates to a class of property, plant and equipment which is measured on the revaluation model, then that right-of-use asset may be measured on the revaluation model.
- The lease liability is subsequently increased by interest, reduced by lease payments and re-measured for reassessments or modifications.
- Re-measurements of lease liabilities are affected against right-of-use assets, unless the assets have been reduced to nil, in which case further adjustments are recognised in profit or loss.
- The lease liability is re-measured by discounting revised payments at a revised rate when there is a change in the lease term or a change in the assessment of an option to purchase the underlying asset.
- The lease liability is re-measured by discounting revised lease payments at the original discount rate when there is a change in the amounts expected to be paid in a residual value guarantee or when there is a change in future payments because of a change in index or rate used to determine those payments.
- Certain lease modifications are accounted for as separate leases. When lease modifications which decrease the scope of the lease are not required to be accounted for as separate leases, then the lessee re-measures the lease liability by decreasing the carrying amount of the right of lease asset to reflect the full or partial termination of the lease. Any gain or loss relating to the full or partial termination of the lease is recognised in profit or loss. For all other lease modifications which are not required to be accounted for as separate leases, the lessee re-measures the lease liability by making a corresponding adjustment to the right-of-use asset.
- Right-of-use assets and lease liabilities should be presented separately from other assets and liabilities. If not, then the line item in which they are included must be disclosed. This does not apply to right-of-use assets meeting the definition of investment property which must be presented within investment property. IFRS 16 contains different disclosure requirements compared to IAS 17 leases.

Company as lessor:

- Accounting for leases by lessors remains similar to the provisions of IAS 17 in that leases are classified as either finance leases or operating leases. Lease classification is reassessed only if there has been a modification.
- A modification is required to be accounted for as a separate lease if it both increases the scope of the lease by adding the right to use one or more underlying assets; and the increase in consideration is commensurate to the stand alone price of the increase in scope.

1. New Standards and Interpretations (continued)

- If a finance lease is modified, and the modification would not qualify as a separate lease, but the lease would have been an operating lease if the modification was in effect from inception, then the modification is accounted for as a separate lease. In addition, the carrying amount of the underlying asset shall be measured as the net investment in the lease immediately before the effective date of the modification. IFRS 9 is applied to all other modifications not required to be treated as a separate lease.
- Modifications to operating leases are required to be accounted for as new leases from the effective date of the modification. Changes have also been made to the disclosure requirements of leases in the lessor's financial statements.

Sale and leaseback transactions:

- In the event of a sale and leaseback transaction, the requirements of IFRS 15 are applied to consider whether a performance obligation is satisfied to determine whether the transfer of the asset is accounted for as the sale of an asset.
- If the transfer meets the requirements to be recognised as a sale, the seller-lessee must measure the new right-of-use asset at the proportion of the previous carrying amount of the asset that relates to the right-of-use retained. The buyer-lessor accounts for the purchase by applying applicable standards and for the lease by applying IFRS 16
- If the fair value of consideration for the sale is not equal to the fair value of the asset, then IFRS 16 requires adjustments to be made to the sale proceeds. When the transfer of the asset is not a sale, then the seller-lessee continues to recognise the transferred asset and recognises a financial liability equal to the transfer proceeds. The buyer-lessor recognises a financial asset equal to the transfer proceeds.

The effective date of the standard is for years beginning on or after January 1, 2019.

The company has adopted the standard for the first time in the 2019 financial statements.

The impact of the standard is set out in note 2 Changes in Accounting Policy.

1.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after January 1, 2020 or later periods:

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

If a parent loses control of a subsidiary which does not contain a business, as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' profit or loss only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parents' profit or loss.

The effective date of the amendment is to be determined by the IASB.

It is unlikely that the amendment will have a material impact on the company's financial statements.

Definition of a business - Amendments to IFRS 3

The amendment:

- confirmed that a business must include inputs and a processes, and clarified that the process must be substantive and that the inputs and process must together significantly contribute to creating outputs.
- narrowed the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs; and
- added a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

The effective date of the amendment is for years beginning on or after January 1, 2020.

The company expects to adopt the amendment for the first time in the 2020 financial statements.

The adoption of this amendment is not expected to impact on the results of the company, but may result in more disclosure than is currently provided in the financial statements.

Presentation of Financial Statements: Disclosure initiative

The amendment clarify and align the definition of 'material' and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS Standards.

Notes to the Financial Statements

1. **New Standards and Interpretations (continued)**

The effective date of the amendment is for years beginning on or after January 1, 2020.

The company expects to adopt the amendment for the first time in the 2020 financial statements.

The adoption of this amendment is not expected to impact on the results of the company, but may result in more disclosure than is currently provided in the financial statements.

Accounting Policies, Changes in Accounting Estimates and Errors: Disclosure initiative

The amendment clarify and align the definition of 'material' and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS Standards.

The effective date of the amendment is for years beginning on or after January 1, 2020.

The company expects to adopt the amendment for the first time in the 2020 financial statements.

The adoption of this amendment is not expected to impact on the results of the company, but may result in more disclosure than is currently provided in the financial statements.

Notes to the Financial Statements

2 **Changes in accounting policies and disclosures**

The financial statements have been prepared in accordance with international Financial Reporting Standards on a basis consistent with the prior year except for the adpotion of IFRS 16

The effect of initially applying this standard will attribute to the following:

a) An increase in non-current assets
b) Reduction in return on Capital employed (ROCE)
C) Derecognition of prior year operating leases classified as Prepayments

IFRS 16 Leases

The adoption of IFRS 16 has resulted in the recognition of right-of-use asset depreciated on a straight line basis over the lease term.

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of January 1, 2019.

The policy is disclosed on page 37 and 38.

The effect of adopting IFRS 16 as at January 1, 2019, was as follows:

Impact on the statement of financial position	N. '000
Assets	
Right-of-use assets	
Opening balance - 01/01/2019	1,888,830
Additions	84,533
Depreciation	(194,570)
Reclass to non- current asset held for sale	(251,323)
at the end of the year 31/12/2019	**1,527,470**

(Increase/(decrease)) is, as follows	
Assets	
Right-of-use assets	1,527,470
Prepayments	(1,527,470)
at the end of the year 31/12/2019	**-**

Notes to the Financial Statements

3. Property, plant and equipment (continued)

	2019			2018		
	Cost (N'000)	Accumulated depreciation (N'000)	Carrying value (N'000)	Cost (N'000)	Accumulated depreciation (N'000)	Carrying value (N'000)
Land	1,649,546	-	1,649,546	718,713	-	718,713
Buildings	7,137,486	(2,546,198)	4,591,288	6,741,036	(2,294,194)	4,446,842
Plant and machinery	9,056,634	(3,919,977)	5,136,657	7,808,047	(3,533,238)	4,274,809
Furniture and fixtures	332,129	(311,994)	20,135	333,023	(272,464)	60,559
Motor vehicles	463,080	(338,728)	124,352	429,864	(306,179)	123,685
Asset under construction	16,855,632	-	16,855,632	1,298,558	-	1,298,558
Total	**35,494,507**	**(7,116,897)**	**28,377,610**	**17,329,241**	**(6,406,075)**	**10,923,166**

Reconciliation of property, plant and equipment - 2019

	Opening Net book value (N'000)	Additions (N'000)	Disposals (N'000)	Transfers (N'000)	Depreciation (N'000)	Closing Net book value (N'000)
Land	718,713	930,833	-	-	-	1,649,546
Buildings	4,446,842	431,793	(29,780)	23,242	(280,809)	4,591,288
Plant and machinery	4,274,809	507,018	(7,926)	774,100	(411,344)	5,136,657
Furniture and fixtures	60,559	788	-	-	(41,212)	20,135
Motor vehicles	123,685	46,801	-	1,430	(47,564)	124,352
Asset under construction	1,298,558	16,355,846	-	(798,772)	-	16,855,632
	10,923,166	**18,273,079**	**(37,706)**	**-**	**(780,929)**	**28,377,610**

Assets with a net book value of N38million were scrapped and disposed, which resulted in loss on disposal recognised in other expense.

Asset held for sale is disclosed in note 34.

There are no contractual committments for the acquisition of Property, Plant & Equipment and no borrowing costs have been capitalised.

An alternate analysis of Property, Plant & Equipment is presented on page 73.

Reconciliation of property, plant and equipment - 2018

	Opening Net book value (N'000)	Additions (N'000)	Disposals (N'000)	Classified as held for sale (N'000)	Transfers (N'000)	Depreciation (N'000)	Closing Net book value (N'000)
Land	749,269	-	-	(30,556)	-	-	718,713
Buildings	3,357,914	1,342,071	(8,185)	(20,590)	8,490	(232,858)	4,446,842
Plant and machinery	3,155,755	1,027,937	(29,004)	(28,032)	501,522	(353,369)	4,274,809
Furniture and fixtures	83,115	-	-	-	17,850	(40,406)	60,559
Motor vehicles	65,905	71,225	-	-	30,224	(43,669)	123,685
Asset under construction	1,368,119	518,765	(30,240)	-	(558,086)	-	1,298,558
	8,780,077	**2,959,998**	**(67,429)**	**(79,178)**	**-**	**(670,302)**	**10,923,166**

Notes to the Financial Statements

4. Investment property

	2019			2018		
	Cost (N'000)	Accumulated depreciation (N'000)	Carrying value (N'000)	Cost (N'000)	Accumulated depreciation (N'000)	Carrying value (N'000)
Investment property	33,389,783	(12,593,151)	20,796,632	33,389,783	(10,016,953)	23,372,830

Reconciliation of investment property 2019

	Opening balance (N'000)	Depreciation (N'000)	Total (N'000)
Investment property	23,372,830	(2,576,198)	20,796,632

Reconciliation of investment property 2018

	Opening balance (N'000)	Depreciation (N'000)	Total (N'000)
Investment property	25,949,059	(2,576,229)	23,372,830

A detailed presentation of investment property is presented on page 75.

Details of valuation

The company has five investment properties comprising of one office complex, and four residential properties.

The extensive refurbishment of Mobil house was completed in 2017. The costs involved in the refurbishment have been capitalised and depreciation has started running on the assets created.

The valuations of the investment properties were performed by 2 independent valuers, Sunbo Onitiri & Co (FRC/2014/00000002931) and Ismail and Partners Chartered Surveyors & Real Estate Consultants. (Gbenga Ismail: FRC/2012/NIESV/00000000245) The fair value of the investment properties as at April 2019 was 6.8billion.

Fair value information is disclosed in note 36.

There are no restrictions on the remittance of income and proceeds of disposal.

Amounts recognised in profit and loss for the year before tax

Rental income relating to investment property	7,630,271	7,893,302
Direct operating expenses from rental generating property	(2,586,078)	(2,595,292)
	5,044,193	5,298,010

5. Interest in joint operations

Included in property plant & equipment is N92million (2018: N110million) (Land & Building: N25million (2018: N26million), Furniture & fixtures:N0.9million (2018: N1million), Plant and machinery: N55million (2017: N66million), Vehicles: N11million (2018: N25million) which relates to the company's interest in joint operations.

The company recognised total costs of N112million (2018: N201million) in expenses that relate to costs incurred in its joint operations.

The Company has a fifty percent (50%) interest in a joint arrangement with Total Nigeria plc. for storage and handling of jet fuel to aircraft at the Murtala Muhammed Airport Domestic Terminal.

In addition, the Company has a twenty percent (20%) interest in the Joint Users Hydrant Installation used to refuel aircraft at Murtala Muhammed Airport international terminal. The Company combines its share of the joint assets, income and expenditure, assets and liabilities and cash flow on a line-by-line basis with similar items in the Company's financial statements. The Company classifies its share of the joint operation's assets, according to the nature of the assets, while operating costs of the joint facility are shared based on throughput.

11Plc has no obligation to decommission these assets and has not recognized any decommissioning costs.

Notes to the Financial Statements

6. Intangible assets

	2019			2018		
	Cost (N'000)	Accumulated amortisation (N'000)	Carrying value (N'000)	Cost (N'000)	Accumulated amortisation (N'000)	Carrying value (N'000)
Franchise cost	77,006	(77,006)	-	77,006	(76,918)	88
Software cost	229,582	(195,606)	33,976	229,582	(172,826)	56,756
Permits	15,045	(4,325)	10,720	15,045	(3,573)	11,472
Total	**321,633**	**(276,937)**	**44,696**	**321,633**	**(253,317)**	**68,316**

Reconciliation of intangible assets - 2019

	Opening balance (N'000)	Amortisation (N'000)	Total (N'000)
Franchise cost	88	(88)	-
Software cost	56,756	(22,780)	33,976
Permits	11,472	(752)	10,720
	68,316	**(23,620)**	**44,696**

Reconciliation of intangible assets - 2018

	Opening balance (N'000)	Additions (N'000)	Amortisation (N'000)	Total (N'000)
Franchise cost	1,134	-	(1,046)	88
Software cost	51,505	28,031	(22,780)	56,756
Permits	12,224	-	(752)	11,472
	64,863	**28,031**	**(24,578)**	**68,316**

An alternate analysis of Intangible Assets is presented on page 74.

Notes to the Financial Statements

	2019 N.'000	2018 N.'000

7. Deferred tax

Deferred tax asset / (liability)

	2019	2018
Net deferred tax	(3,483,517)	(2,796,528)

Deferred tax	2019	2018
Advance rent	3,706,739	4,062,840
Accelerated depreciation	(6,475,316)	(6,503,218)
Capital gains tax rollover	(345,726)	(345,726)
Bad debt, forex and notional interest on employee loans	(369,214)	(10,424)
	(3,483,517)	**(2,796,528)**

Deferred tax movement 2019	**Opening balance**	**Charged to profit or loss**	**Charged to other comprehensive income**	**Total**
Deferred tax asset				
Advance rent	4,062,840	(356,100)	-	3,706,740
Bad debt	(10,545)	(1,042)	-	(11,587)
Impairment on trade receivables	12,142	(18,985)	-	(6,843)
Deferred tax liability				
Accelerated capital allowance	(6,503,218)	27,900	-	(6,475,318)
Capital gains tax rollover	(345,726)	-	-	(345,726)
Unrealised forex	(13,839)	(339,402)	-	(353,241)
Notional interest on employee loans	1,818	640	-	2,458
	(2,796,528)	**(686,989)**	**-**	**(3,483,517)**

Deferred tax movement 2018	**Opening balance**	**Charged to profit or loss**	**Charged to other comprehensive income**	**Total**
Deferred tax asset				
Advance rent	4,198,432	(135,592)	-	4,062,840
Bad debt	10,652	(21,197)	-	(10,545)
Impairment on trade receivables	-	12,142	-	12,142
Deferred tax liability				
Accelerated capital allowance	(5,999,858)	(503,360)	-	(6,503,218)
Capital gains tax rollover	(345,726)	-	-	(345,726)
Unrealised forex	(51,425)	37,586	-	(13,839)
Notional interest on employee loans	(2,253)	4,071	-	1,818
	(2,190,178)	**(606,350)**	**-**	**(2,796,528)**

Reconciliation of deferred tax asset / (liability)

	2019	2018
At beginning of year	(2,796,528)	(2,190,178)
Originating temporary difference movement on PPE & Investment property assets	27,901	(503,944)
Bad debt, impairment, gain/(loss) on foreign echange and notional interest on employee loans	(358,790)	33,186
Advance rent	(356,100)	(135,592)
	(3,483,517)	**(2,796,528)**

Deferred tax assets due after 12 months	2019	2018
Advance rent	3,706,740	4,062,840

Deferred tax liabilities due within 12 months	2019	2018
Bad debt	(11,587)	(10,545)
Unrealised forex	(353,241)	(13,839)
Notional interest on employee loans	2,458	1,818
Impairment on trade receivables	(6,843)	12,142
	(369,213)	**(10,424)**

Deferred tax liabilities due after 12 months	2019	2018
Depreciation	(6,475,317)	(6,503,218)
Capital gains tax rollover	(345,726)	(345,726)

Notes to the Financial Statements

	2019 N.'000	2018 N.'000

7. Deferred tax (continued)

	(6,821,043)	(6,848,944)

8. Prepayments

Prepayments are made up of the following balances:

Rent on service stations	-	1,888,830
Employee loans	441,094	354,536
Trade	2,431,809	2,183,374
	2,872,903	4,426,740

Total prepayments		
Current portion	2,431,809	2,393,064
Non-current portion	441,094	2,033,676
	2,872,903	4,426,740

- Prepayments are expensed on a straight line basis.
- Trade prepayment includes 2,093million (2019: nil) to a related party in 2018. See note 32.
- Leases recognised in current year prepayments was reclassifed to right-of-use-assets based on IFRS 16. See page 53.
- Employee loans refers to the prepaid portion of housing and car loans given to employees.

9. Inventories

Raw materials	13,664,898	13,907,099
Finished goods	2,944,149	3,925,767
Consumable equipment and spares	104,393	85,733
	16,713,440	17,918,599

Obsolete inventory are not provided for but are rather written off to profit or loss immediately they are identified.

During the year, obsolete inventory worth N6million (2018: N13million) was written off and recognised in cost of goods sold.

10. Trade and other receivables

Trade receivables	6,415,732	6,340,883
Advances and employee receivables	19,287	110,269
Value added tax receivable	-	5,169
Due from associated companies	7,236,876	4,418,839
Witholding tax receivable	193,143	637,217
Other receivables	10,743	1,513
	13,875,781	11,513,890

The carrying amount of trade and other receivables are denominated in the following currencies:

NGN	12,181,809	8,176,225
USD	1,693,972	3,337,665
	13,875,781	11,513,890

The age analysis below excludes WHT and VAT		
Neither impaired nor past due	4,670,394	6,117,545
Impaired	-	-
Not impaired and past due in the following periods		
1 to 30 days	1,518,400	692,999
31 to 60 days	4,386,208	387,100
61 to 90 days	-	437,930
91 to 180days	37,508	1,797,804
above 181	3,070,128	1,438,126
	13,682,638	10,871,504

Notes to the Financial Statements

	2019 N.'000	2018 N.'000

10. Trade and other receivables (continued)

In line with established practice, the bridging claims receivable is net off against bridging allowances payable to Petroleum Equalization Fund (PEF).

11. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

Loans and receivables 2019

	Loans and receivables	Total
Trade and other receivables (Excl. VAT and WHT)	13,682,638	13,682,638
Cash and cash equivalents	6,660,251	6,660,251
	20,342,889	**20,342,889**

Loans and receivables - 2018

	Loans and receivables	Total
Trade and other receivables (Excl. VAT and WHT)	10,871,504	10,871,504
Cash and cash equivalents	2,358,078	2,358,078
	13,229,582	**13,229,582**

Impairment	**2019**	**2018**
Trade receivables	6,475,063	6,378,827
Allowance for expected credit losses	(59,331)	(37,944)
	6,415,732	**6,340,883**

12. Loans to directors, managers and employees

Carrying value of loans to employees		
At beginning of the year	255,349	284,561
Advances	-	14,131
Repayments	(44,840)	(43,363)
	210,509	**255,349**

These advances comprises three types of loans made available to employees of the company. They are;

- Compassionate loan
- Car loan
- Home ownership scheme

The Compassionate loan and Home ownership scheme loan were given to employees at 0% interest rate while the Car loan was given to employees at 5% of the prevailing interest rate. No loan was taken by employees in 2019. In 2018, the rate equated to 0.83% (5% of 16.5%).

The Company measures employee loans at amortised cost using the effective interest method.

Employees loans at amortized cost

Loans to directors, managers and employees	92,796	119,951

Fair value information is disclosed on note 36.

13. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents consist of:

Total balance	6,660,251	2,358,078
Bank overdraft	(553,142)	(1,248,892)
	6,107,109	**1,109,186**

Notes to the Financial Statements

	2019 N.'000	2018 N.'000

13. Cash and cash equivalents (continued)

Current assets	6,660,251	2,358,078
Current liabilities	(553,142)	(1,248,892)
	6,107,109	**1,109,186**

Details on bank overdraft is disclosed in note 16.

Cash and bank		
Short term deposits	2,108,977	1,864,060
Bank account	4,551,274	494,018
	6,660,251	**2,358,078**

Short-term deposits were placed based on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings.

Credit rating		
A+	-	9
AA	-	(422,636)
A	9	-
B+	-	1,531,813
B	6,107,100	-
	6,107,109	**1,109,186**

14. Share capital

Authorised		
400,000,000 Ordinary shares at 50k each	200,000	200,000

Reconciliation of number of shares issued:		
Reported as at January 1, 2019	194,678	194,678

360,595,261 ordinary shares of the total authorised number of shares of 50k each have been called-up and fully paid.

Issued		
360,595,261 Ordinary shares of 50k each	180,298	180,298
Share premium	14,380	14,380
	194,678	**194,678**

15. Retained income and other reserves

Reconciliation of retained income is as follows:

Balance at beginning of year	33,578,097	27,164,151
Profit for the year	8,883,749	9,328,935
Effect of adoption of IFRS 9	-	(30,227)
Dividends paid	(2,974,911)	(2,884,762)
	39,486,935	**33,578,097**

Notes to the Financial Statements

	2019 N.'000	2018 N.'000

15. Retained income and other reserves (continued)

2019 reconciliation of retained income and other reserves

	Retained Income	Other Reserves	Total
Balance at beginning of year	33,578,097	-	33,578,097
Profit for the year	8,883,749	-	8,883,749
Dividends paid	(2,974,911)	-	(2,974,911)
	39,486,935	**-**	**39,486,935**

2018 reconciliation of retained income and other reserves

	Retained Income	Other Reserves	Total
Balance at beginning of year	27,164,151	-	27,164,151
Profit for the year	9,328,935	-	9,328,935
Effect of adoption of IFRS 9	(30,227)	-	(30,227)
Dividends paid	(2,884,762)	-	(2,884,762)
	33,578,097	**-**	**33,578,097**

16. Borrowing

Held at amortised cost

	2019	2018
Bank Overdraft	553,142	1,248,892
Short tem loan	3,617,000	-
	4,170,142	**1,248,892**

The bank overdraft facility and short term loan was obtained for working capital requirements

The carrying value of the bank overdraft and loan equals its fair value.

17. Retirement benefits

Defined contribution plan

The benefit structure is described as follows

Eligibility: All confirmed employees of 11Plc.

Mandatory retirement age: This is 60 for both male and female staff.

Early retirement: Allowable from age 45 with a minimum of 10 years company service.

Final pensionable salary: This is the Annual Pensionable Salary (i.e. annual basic salary + annual housing allowance + annual transport allowance + vacation allowance + year end bonus + annual furniture allowance) at date of exit (death, retirement or withdrawal from service).

Years of service: Accredited service is defined as the length of time, during which an employee worked full-time for the Company prior to retirement or death or withdrawal.

Employee savings scheme: This is payable at retirement and is calculated as 8.33% of annual pensionable salary and multiplied by the years of service, provided 5 years of qualifying service has been rendered at exit.

Pension Scheme: The Defined Benefit pension scheme was converted to Defined Contribution on the 31st January 2017 for active employees.

Notes to the Financial Statements

	2019 N.'000	2018 N.'000

17. Retirement benefits (continued)

Defined benefit plan

The Company's Defined benefit plan funding requirements are determined using PENCOM regulations. The plan was fully funded following PENCOM's approval in January 2017 to convert to a Defined Contribution scheme for active employees.The Annuitants are still under the defined benefit scheme.

The valuation of the fund for Annuitants under the defined benefit scheme is as follows:

The valuation was carried out by Alexander Forbes (FRC/2017/NAS/00000016625) in 2019 and Ernst & Young (FRC/2012/NAS/00000000738) in 2018.

Carrying value	2019 N.'000	2018 N.'000
Pension liability	(887,584)	(885,864)
Fund at market value	797,791	856,035
	(89,793)	**(29,829)**

Plan Asset Classification Summary	2019 N.'000	2018 N.'000
Fixed deposit	2,526	62,640
Government bond	732,557	797,027
Corporate bonds	65,039	-
Cash	1,636	465
Receivables	333	536
Payables	(4,300)	(4,633)
	797,791	**856,035**

Notes to the Financial Statements

	2019 N.'000	2018 N.'000

17. Retirement benefits (continued)

Key assumptions used

The following assumptions were also used by the Actuary in the calculation of the company's Pension Expense, Plan Asset and Defined Benefit Obligation.

Discount rates used	15.00 %	15.50 %
Inflation	11.80 %	12.00 %
Expected rate of Return on Plan Asset Rate	15.00 %	15.50 %

In order to measure the liability, the projected benefit obligation is discounted to a net present value as at the current balance sheet date.

IFRS through IAS 19 requires that the discount rate be determined on the company's balance sheet date by reference to market yields on high quality corporate bonds, except where there is no deep market in such bonds, in which case the discount rate should be based on market yields on Government bonds.

The discount rate should reflect the duration of the liabilities of the benefit program.

The weighted average liability duration for the Plan is 4years. The average weighted duration of a similar Nigerian Government bond as at 31st of December, 2019 was 4years with a gross redemption yield of 11.60%.

In view of the above, the actuary adopted 15.00% p.a as the discount rate for the current valuation.

Fund management and regulatory expenses are charged directly to the fund on an on-going basis.

Demographic Assumptions:

Mortality:The rates of mortality assumed in the plan are the rates in PA (90) Table (UK annuitant table - published jointly by the Institute and Faculty of Actuaries, UK). The Mortality experience reflects our assumed future longevity of each pensioner, which is age related.

Age now	Average expectation of life Male	Female
55	21	26
60	18	22
65	14	18
70	11	14
75	8	11
80	6	8

Defined contribution plan

The Company's contribution to the scheme in 2019 was N93.4million(2018:N98.5million).

18. Deferred income

Deferred income relates to advance rent on investment properties leased mainly to Mobil Producing Nigeria Unlimited and NNPC promissory notes.

Analysis of deferred income

Opening balance	21,649,139	23,201,305
Additions	8,204,462	6,341,135
Amortisation (rental income for the year)	(7,630,271)	(7,893,301)
	22,223,330	**21,649,139**
Non-current	12,805,166	14,763,734
Current	9,418,164	6,885,405
	22,223,330	**21,649,139**

Notes to the Financial Statements

	2019 N.'000	2018 N.'000

18. Deferred income (continued)

The Company leases its investment properties to Mobil Producing Nigeria Unlimited under various lease agreements. There were no contingent rents recognised during the period.

19. Contigent liability

At the reporting date, there were several lawsuits with claims amounting to N74million (2018: N114million) against the Company. The directors are of the opinion that the Company will not incur any significant loss with respect to these claims and accordingly, no provisions have been made in the accompanying financial statements.

20. Current tax payable

	2019 N.'000	2018 N.'000
Balance at beginning of the year	(2,981,363)	(2,355,463)
Current tax for the year	(3,537,138)	(3,760,175)
Balance at December 31	2,767,932	2,981,363

Movement in current income tax

	2019 N.'000	2018 N.'000
Opening balance	2,981,363	2,355,463
Payments	(3,078,072)	(2,573,543)
Provision for the year	3,537,138	3,760,175
Withholding tax credit utilised	(672,497)	(560,732)
Balance at December 31	**2,767,932**	**2,981,363**

21. Trade and other payables

	2019 N.'000	2018 N.'000
Trade payables	6,794,465	1,397,826
VAT payable	115,679	-
Other payables	265,390	208,969
Due to related companies	5,126,965	-
Accrued expenses	40,044	59,090
Unclaimed dividend & payments	1,553,426	1,385,517
Non-product trade payables	1,572,620	1,531,487
Bridging allowance	3,404,161	3,629,212
	18,872,750	**8,212,101**

Terms and conditions of the above financial liabilities:

- Trade and other payables are non-interest bearing and are settled within an average of 34 days of receipt of invoice
- Other payables are non-interest bearing and are mainly made up of retention on contracts, WHT and employee payables .
- Terms and conditions of related parties are disclosed in note 32.

22. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below. There was no contract liability in 2019.

Loans and payables - 2019

	Financial liabilities at amortised cost	Total
Trade and other payables	17,203,645	17,203,645
Bank overdraft	553,142	553,142
Short term borrowings	3,617,000	3,617,000
	21,373,787	**21,373,787**

Loans and payables - 2018

	Financial liabilities at amortised cost	Total
Trade and other payables (Excl. VAT, WHT and unclaimed dividend and payment)	6,826,584	6,826,584
Bank overdraft	1,248,892	1,248,892
	8,075,476	**8,075,476**

Notes to the Financial Statements

	2019 N,'000	2018 N,'000

23. Revenue

Third party sales	186,144,148	139,465,457
Intercompany sales	5,532,181	25,144,078
	191,676,329	**164,609,535**

The amount included in revenue arising from exchanges of goods or services included in revenue are as follows:

Sale of goods	191,676,329	164,609,535

Disaggregated revenue information

Fuels	154,962,941	132,847,291
Lubes	35,333,041	31,055,883
Liquefied petroleum gas(LPG)	1,380,347	706,361
	191,676,329	**164,609,535**

Geographical markets

Nigeria	191,676,329	191,676,329

Timing of revenue recognition

Goods transferred at a point in time	191,676,329	191,676,329

24. Other income

Rental income	7,890,508	8,150,317
Other operating income	72,113	378,734
Backcourt Income	79,841	97,688
	8,042,462	**8,626,739**

Rental income represents rent received from investment properties of N7,630million (2018: N7,893million) and the balance represents rent from service stations.

Other operating income includes: services charges on demurrage, sale of scrap.

25. Cost of sales

Sale of goods

Purchases	174,617,549	147,610,693
Manufacturing expense	418,292	405,223
	175,035,841	**148,015,916**

Notes to the Financial Statements

	2019 N.'000	2018 N.'000

26. Operating expense

Total expenses

	2019 N.'000	2018 N.'000
Administrative expenses	7,007,774	5,024,634
Selling and distribution expenses	4,520,544	6,924,988
Loss on asset disposals	35,552	28,368
	11,563,870	**11,977,990**

The following items are included within operating expenses:

	2019 N.'000	2018 N.'000
Administrative expense (excl. depreciation)	1,834,827	2,285,098
Selling and distribution expenses (excl. depreciation)	6,172,257	6,461,574
Depreciation and amortisation	3,521,234	3,202,950
Loss on asset disposals	35,552	28,368
	11,563,870	**11,977,990**

Depreciation on manufacturing expense is charged to cost of sales and excluded from depreciation and amortisation in operating expense.

Included in operating expenses are the following expenses by nature

Expenses by nature

	2019 N.'000	2018 N.'000
Employee related expenses	1,768,773	2,082,823
Volume related expense	4,012,258	4,583,192
Depreciation and amortisation	3,521,234	3,202,950
Maintenance & repairs	639,506	641,462
Auditors remuneration	21,000	21,000
Loss on asset disposals	35,552	28,368
Short-term rent	34,844	264,140
Others	1,076,798	691,223
Advert and promotion	412,933	435,846
Interest expense employee	19,687	19,269
Impairment on trade receivables	21,285	7,717
	11,563,870	**11,977,990**

Auditors remuneration includes 21M (including value added tax) to Grant Thornton for 2019 Audit services and 21M relates to prior year fees.

Non-audit services relates to tax consultancy services amounting to 20M.

Others mainly consists of contract labour, financial, legal, research and royalty paid to ExxonMobil.

27. Finance costs

	2019 N.'000	2018 N.'000
Interest expense	310,103	40,632

Finance costs were incurred on overdraft facility obtained for working capital requirements, deposit made by dealers and on establishment of letter of credit.

28. Finance Income

	2019 N.'000	2018 N.'000
Interest income on short-term bank deposits	281,214	473,021
Interest income on loan to employees	17,686	20,703
	298,900	**493,724**

Notes to the Financial Statements

	2019 N.'000	2018 N.'000

29. Taxation

Major components of the tax expense

	2019 N.'000	2018 N.'000
Current		
Company income tax	3,251,352	3,427,809
Prior year overprovision	898	-
Education tax (non - deductibility of Depreciation - 2%)	284,888	332,366
	3,537,138	**3,760,175**
Deferred		
Origination and reversal of temporary differences	668,004	616,022
Tax effect on IFRS 9	18,986	(9,673)
	686,990	**606,349**
	4,224,128	**4,366,524**
Profit before tax	13,107,877	13,695,459

Reconciliation of tax expense using accounting profit

	2019 N.'000	2018 N.'000
Income tax using statutory rate 30%	3,932,363	4,108,638
Education tax	285,331	332,365
Investment allowance (Tax incentive)	(38,434)	(71,848)
Others	43,970	(2,631)
	4,223,230	**4,366,524**

30. Earnings per share

Basic earnings per share is determined by dividing profit or loss attributable to the ordinary equity holders of the parent by the weighted average number of oredinary shares outsandind during the year. The weighted avereage number of shares used in the Earnings per share calculation is 360,595,261 (2018: 360,595,261).

The final dividend stated below was declared and authorised after the end of the reporting period. The dividend has therefore not been recognised as a liablility in the reporting period. It has been disclosed for information purposes only.

	2019	2018
Basic earning per sghare		
from continuing operations (kobo per share)	2,452	2,587

The computation of basic earnings per share was based on earnings and a weighted average number of ordinary shares in issue

	2019	2018
Profit or Loss		
Dividend per share: final (kobo)	825	825

31. Dividends paid

	2019	2018
Dividends	(2,974,911)	(2,884,762)

Notes to the Financial Statements

	2019 N.'000	2018 N.'000

32. Related parties

Relationships

Nipco Plc	Parent Company
Agri Chemicals Limited	Common shareholders

Related party balances

	2019 N.'000	2018 N.'000
Amounts included in Trade receivable (Trade Payable) regarding related parties		
Nipco Plc	7,236,876	4,418,839
Advance payment to related parties		
Agri Chemicals Limited	5,126,965	2,092,568
Dividend paid		
Nipco Plc	1,999,240	1,932,790

Related party transactions

	2019 N.'000	2018 N.'000
Income from related parties		
Nipco Plc	5,532,181	25,144,078
Administration expense paid to (received from) related parties		
Nipco Plc	281,134	398,831
Purchases from related party		
Nipco Plc	15,655,418	6,701,769
Agri Chemicals Limited	22,428,856	33,906,276

11Plc purchased lubricants from ExxonMobil Corporation through Agri Chemicals Limited.

Other related party disclosures

The sales to and purchases from related parties were made on terms equivalent to those that would prevail in an arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. No guarantees were provided or received for any related party receivables or payables. For the year ended December 31, 2019, 11Plc has not recorded any impairment of receivables relating to amounts owed by related parties (2018: Nil). This assessment is taken each financial year by examining the financial position of the related party and the market in which the related party operate.

33. Commitments

Authorised capital expenditure

No commitment on investment properties in 2019.

Notes to the Financial Statements

34. Non-current assets held for sale

The asset held for sale relates to a service station that the Lagos state goverment intend to use for a project of overidding public interest.

Disposal of Asset held for sale - 2019	Cost (N'000)	Depreciation (N'000)	Carrying value (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)	-
Write off of unamortised pepayments	-	-	251,323
	233,674	**(154,496)**	**330,501**

Disposal of Asset held for sale - 2018	Cost (N'000)	Depreciation (N'000)	Carrying value (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)	-
	233,674	**(154,496)**	**79,178**

35. Right-of-use Asset

Cost		
Opening balance	1,888,830	-
Additions	84,533	-
Classified as held for sale	(251,323)	-
	1,722,040	-
Accumulated amortisation		
Depreciation	(194,570)	-
Carrying value		
Opening balance	1,888,830	-
Depreciation	84,533	-
Classified as held for sale	(251,323)	-
Depreciation	(194,570)	-
	1,527,470	-

Note 36 Fair Value Measurement and disclosures

11plc considers the fair value of its financial assets and liabilities not significantly different from its carrying values disclosed in the statement of financial position

a) Investment Properties

Location of Investment properties	Valuation technique
1, Lekki Epe Express Way, Victoria Island, Lagos	The market approach was used in arriving at the fair value of the property using evidences of similar and comparable (nature, location and condition) properties of recent sales transaction in the property market.
1, Ligali Ayorinde Street, Victoria Island, Lagos	The market approach was used in arriving at the fair value of the property using evidences of similar and comparable (nature, location and condition) properties of recent sales transaction in the property market.
3 Bayo Kuku Road, Ikoyi, Lagos	The market approach was used in arriving at the fair value of the property using evidences of similar and comparable (nature, location and condition) properties of recent sales transaction in the property market.
10A & B Temple Road, Ikoyi, Lagos	The market approach was used in arriving at the fair value of the property using evidences of similar and comparable (nature, location and condition) properties of recent sales transaction in the property market.
10 Temple Road, Ikoyi, Lagos	The market approach was used in arriving at the fair value of the property using evidences of similar and comparable (nature, location and condition) properties of recent sales transaction in the property market.

b) Employee loans

Loans to Employees	The discounted cash flow method was used in arriving at the fair value of the loans the Company provides to employees. This fair value is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risks and remaining maturity.

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

Notes to the Financial Statements

	2019 N. '000	2018 N. '000

37. Directors & Key management personnel emoluments

	2019 N. '000	2018 N. '000
Emoluments of directors		
Fees paid to Non-Executive Directors	-	-
Remuneration paid to Executive Directors	173,692	175,382
Other emoluments to NED	1,985	1,441
Total	175,676	176,823

The Executive Directors' remuneration shown above (excluding pensions and pension contributions) include:

Chairman	0	0

The role of the chairman has been seperated from the role of managing director

Highest paid Director	81,529	80,493

Directors received emoluments in the following ranges :

		Number
N251,001 - N50,000,000		
Above N50,000,000	2	2

The chairman does not receive emolument

Emoluments of key management personnel

Short term benefits (Salaries wages & other benefits)	273,746	285,725
Post employment benefits	-	-
Total	273,746	285,725

Staff numbers

(a) The average monthly number of full time persons employed by the Company during the year (excluding the 3 executive directors) was as follows :

	Number	Number
Management staff	15	16
Senior staff	58	60
Total	73	76

(b) Employees of the Company, other than Directors, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension contributions) in the following ranges :

Under N2,000,000	1	1
N2,000,001 - N 6,000,000	7	10
N6,000,001 - N 8,000,000	16	8
N8,000,001 - N 10,000,000	12	19
N10,000,001 - N 20,000,000	24	21
N20,000,001 & above	13	17
Total	73	76

38 Segmental Information

As at December 31 2019, 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 December 31, 2019. (2018: Nil)

Segment revenue reported below represents revenue generated from external customers. There were also no intersegment sales as at December 31, 2019 (2018: 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)
A The segment results for the period ended December 31, 2019 are as follows:			
Revenue	191,676,329	-	191,676,329
Cost of sales	(175,035,841)	-	(175,035,841)
Operating expense	(8,977,792)	(2,586,078)	(11,563,870)
Other income	412,191	7,630,271	8,042,462
Finance income	298,900	-	298,900
Finance costs	(310,103)	-	(310,103)
Profit before tax	8,063,684	5,044,192	13,107,876
Taxation credit/charge	(2,558,462)	(1,665,666)	(4,224,128)
Profit for the period	5,505,221	3,378,527	8,883,748
The segment results for the period ended December 31, 2018 are as follows:			
Revenue	164,609,535	-	164,609,535
Cost of sales	(148,015,916)	-	(148,015,916)
Operating expense	(9,382,699)	(2,595,292)	(11,977,991)
Other income	733,437	7,893,302	8,626,739
Finance income	493,724	-	493,724
Finance costs	(40,632)	-	(40,632)
Profit before taxation	8,397,450	5,298,010	13,695,459
Taxation	(2,619,636)	(1,746,888)	(4,366,524)
Profit for the period	5,777,813	3,551,122	9,328,935

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

	Petroleum Products Marketing (N'000)	Property Business (N'000)	Total (N'000)
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 (excl.bank overdraft & deferred tax)	(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)

Reconciliation of segment assets and liabilities to total assets and liabilities as at December 31, 2018:

	Petroleum Products Marketing (N'000)	Property Business (N'000)	Total (N'000)
Intangible assets	68,316	-	68,316
Segmented total assets (excl. cash and cash equivalents & deferred tax)	45,066,501	23,236,219	68,302,720
Segmented total liabilities	(9,446,577)	(23,396,026)	(32,842,603)
Deferred tax		(2,796,528)	(2,796,528)
Cash and cash equivalents	1,109,186	-	1,109,186
Segmented net assets	36,729,111	(2,956,335)	33,772,775
Capital expenditure	2,988,029	-	2,988,029
Depreciation charge for the year	(670,302)	(2,576,229)	(3,246,531)

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.

Property, plant and equipment

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 asset under Construction	-	23,242	774,100	-	1,430	(798,772)	-
Disposals	-	(58,585)	(32,531)	(1,682)	(15,015)	-	(107,813)
At the end of the period	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 the end of the period	-	(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	5,136,657	20,135	124,352	16,855,632	28,377,610

December 2018	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	749,269	5,469,837	6,443,546	316,855	356,235	1,368,119	14,703,861
Additions	-	1,342,071	1,027,937	-	71,225	518,765	2,959,998
Transfers from asset under Construction	-	8,490	501,522	17,850	30,224.25	(558,086)	-
Held for sale	(30,556)	(69,082)	(132,354)	(1,682)			(233,674.38)
Disposals		(10,280)	(32,604)	-	(27,820)	(30,240)	(100,943)
At end of the year	718,713	6,741,036	7,808,047	333,023	429,864	1,298,558	17,329,241
Depreciation							
At beginning of the year	-	(2,111,923)	(3,287,791)	(233,740)	(290,330)	-	(5,923,784)
Charge for year	-	(232,858)	(353,369)	(40,406)	(43,669)	-	(670,302)
Held for sale		48,492	104,322	1,682	-		154,496
Disposals	-	2,094	3,600	-	27,820	-	33,515
At end of the year	-	(2,294,194)	(3,533,238)	(272,464)	(306,179)	-	(6,406,075)
Net book value							
December 31, 2018	718,713	4,446,842	4,274,809	60,559	123,685	1,298,558	10,923,166

Intangible assets

December 2019	Software Costs	Franchise Costs	Permit	Total
	N'000	N'000	N'000	N'000
Cost				
At beginning of the year	229,582	77,006	15,045	321,633
Additions	-	-	-	-
Disposals	-	-	-	-
At the end of the period	**229,582**	**77,006**	**15,045**	**321,633**
Amortization				
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	-	-	-	-
At the end of the period	**(195,606)**	**(77,006)**	**(4,325)**	**(276,937)**
Net Book Value				
December 31, 2019	**33,976**	**0**	**10,720**	**44,696**

December 2018	Software Costs	Franchise Costs	Permit	Total
	N'000	N'000	N'000	N'000
Cost				
At beginning of the year	201,551	91,041	15,045	307,637
Additions	28,031	-	-	28,031
Disposals	-	(14,035)	-	(14,035)
At end of the year	229,582	77,006	15,045	321,633
Amortization				
At beginning of the year	(150,046)	(89,907)	(2,821)	(242,774)
Amortization for the period charged to expense	(22,780)	(1,046)	(752)	(24,578)
Disposals	-	14,035	-	14,035
At end of the year	(172,826)	(76,918)	(3,573)	(253,317)
Net Book Value				
December 31, 2018	**56,756**	**88**	**11,472**	**68,316**

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.

Notes to the Financial Statements

Investment property movement analysis

December 2019	Land and Buildings	Plant and Equipment	Fixtures and Fittings	Asset under Construction	Total
	N'000	N'000	N'000	N'000	N'000
Cost					
At beginning of the year	12,646,195	20,450,384	-	293,204	33,389,783
Additions	-	-	-	-	-
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
At end of the year	**12,646,195**	**20,450,384**	-	**293,204**	**33,389,783**
Depreciation					
At beginning of the year	(1,799,269)	(8,217,684)	-	-	(10,016,953)
Charge for year	(300,690)	(2,275,508)	-	-	(2,576,198)
Disposals	-	-	-	-	-
At end of the year	**(2,099,959)**	**(10,493,192)**	-	-	**(12,593,151)**
Net book value					
December 31, 2019	10,546,236	9,957,192	-	293,204	20,796,632

December 2018	Land and Buildings	Plant and Equipment	Fixtures and Fittings	Asset under Construction	Total
	N'000	N'000	N'000	N'000	N'000
Cost					
At beginning of the year	12,646,195	20,548,734	-	194,854	33,389,783
Additions	-	(98,350)	-	98,350	-
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
At end of the year	12,646,195	20,450,384	-	293,204	33,389,783
Depreciation					
At beginning of the year	(1,498,576)	(5,942,148)	-	-	(7,440,724)
Charge for the year	(300,692)	(2,275,537)	-	-	(2,576,229)
Disposals	-	-	-	-	-
At end of the year	(1,799,269)	(8,217,684)	-	-	(10,016,953)
Net book value					
December 31, 2017	10,846,926	12,232,700	-	293,204	23,372,830

11Plc

(Registration number RC 914)
Financial statement for the year ended December 31, 2019

Statement of Value Added

	2019 N, '000	%	2018 N, '000	%
- Inland sales	191,676,329		164,609,535	
- Export sales	-		-	
Sales to outsiders	191,676,329		164,609,535	
- Local purchases	158,686,883		120,266,165	
- Purchases from imports	22,428,856		33,906,276	
Purchases of goods and other services	181,115,739		154,172,441	
Value added by trading operations	10,560,590	57	10,437,094	55
Other income	8,042,462	43	8,626,739	45
	18,603,052		19,063,833	
Other expense	(35,552)	(0)	(28,368)	-
	18,567,500	100	19,035,465	100

Applied as follows :				
To pay staff and labour related expenses	1,768,773	10	2,028,265	11
To pay dividends to shareholders	2,974,911	16	2,884,762	15
To pay interests and similar charges	310,103	2	40,632	0
To pay Government taxes and licences	4,224,128	23	4,366,524	22
To provide for maintenance of assets	3,380,747	18	3,271,108	17
Profit after tax transferred to reserve (net of dividend)	5,908,838	32	6,444,173	34
	18,567,500	100	19,035,465	100

11Plc

(Registration number RC 914)
Financial statement for the year ended December 31, 2019

Five-Year Financial Summary

	2019	2018	2017	2016	2015
	N'000	N'000	N'000	N'000	N'000
Equity					
Share capital	180,298	180,298	180,298	180,298	180,298
Share premium	14,380	14,380	14,380	14,380	14,380
Reserves	39,486,935	33,578,097	27,164,151	21,262,818	15,168,723
	39,681,614	33,772,775	27,358,829	21,457,796	15,353,401
Assets and liabilities :					
Property, plant & equipment	28,377,610	10,923,166	10,923,166	7,936,980	7,612,813
Investment property	20,796,631	23,372,829	23,372,830	29,374,398	29,288,265
Intangible assets	44,696	68,316	68,316	82,683	100,862
Deferred tax assets	-	-	-	0	156,455
Prepayments	441,094	2,033,676	2,033,676	1,978,780	1,598,378
Working capital	4,452,293	14,935,050	14,855,872	3,506,932	1,034,858
	54,112,324	51,333,037	51,253,859	42,879,773	39,791,631
Net deferred credits	(16,288,683)	(17,560,262)	(17,560,262)	(21,422,277)	(24,428,230)
Net tangible assets	37,823,641	33,772,775	33,693,597	21,457,496	15,363,401
Turnover	191,676,329	164,609,535	164,609,535	94,107,683	64,220,901
Profit before taxation	13,107,877	13,695,459	13,695,459	12,019,892	6,906,322
Taxation	(4,224,128)	(4,366,524)	(4,366,524)	(3,865,599)	(2,033,393)
Profit after taxation	8,883,749	9,328,935	9,328,935	8,154,293	4,872,929
Actuarial gains/(losses)	-	-	-	536,088	(679,048.81)
Reserves beginning of the year	33,578,097	27,164,151	21,262,818	15,168,723	13,354,772
Bonus issue	-	-	-	-	-
Dividends	(2,974,911)	(2,884,762)	(2,884,762)	(2,596,286)	(2,379,929)
Adoption of IFRS adjustments	-	(30,227)	-	-	-
Reserves end of year	39,486,935	33,578,097	27,706,991	21,262,818	15,168,723
Earnings per 50k share	2464K	2587K	2261K	2261K	1351K
Dividends per 50k share		825k	800K	800K	720K
Net assets per 50k share	10489K	9366K	9344K	5951K	4261K

Note:

1) Earnings and dividend per share are calculated on the basis of the fully paid ordinary shares of 360,595,261 for 2015- 2019 financial year .

   Net assets per share are based on the net assets of the Company and number of ordinary shares of 50k in issue at the end of each financial year

2) All figures disclosed are based on IFRS.