



11PLC

***UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL
STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023.***

1 Mobil Road, Apapa, Lagos.

Mobil™

Financial Highlights

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	Group			Company		
	2023	2022	Change %	2023	2022	Change %
Revenue	345,582,308	269,010,114	28	337,407,138	262,846,134	28
Profit before taxation	24,762,280	13,920,806	78	23,650,383	13,679,578	73
Taxation	(3,405,547)	(4,512,789)	(25)	(3,007,065)	(4,434,390)	(32)
Profit for the Year	21,356,733	9,408,017	127	20,643,318	9,245,188	123
Total Comprehensive Income	21,356,733	9,408,017	127	20,643,318	9,245,188	123
Earnings per 50k share (kobo)	5,923	2,609	127	5,725	2,564	123
Total assets	156,532,579	141,808,826	10	155,841,308	143,934,807	8
Capital expenditure	2,194,246	3,975,197	(45)	847,183	625,365	35
Authorised share capital	180,298	200,000	(10)	180,298	200,000	(10)
Number of 50k shares issued and fully paid up (absolute figures in units)	360,595,261	360,595,261	-	360,595,261	360,595,261	-


11Plc
 Unaudited Consolidated and Separate Statements of Financial Position
 As at September 30, 2023

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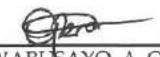
	Note	Group		Company	
		September 2023	December 2022	September 2023	December 2022
Assets					
Non-current assets					
Property plant and equipment	2	47,138,022	47,499,143	23,689,472	23,733,701
Intangible assets	3	7,900	8,464	7,900	8,464
Investment property	4	11,287,200	12,913,008	11,287,200	12,913,008
Right-of-use assets	23	1,934,113	1,457,369	1,934,113	1,457,369
Investments in Subsidiary	2	-	-	22,100,000	22,100,000
Prepayments	5	7,910	14,086	7,910	14,086
Total non-current assets		60,375,145	61,892,070	59,026,595	60,226,628
Current assets					
Inventories	6	14,376,625	23,208,226	14,084,514	22,946,892
Prepayments	5	529,443	7,618,233	455,489	7,613,776
Trade and other receivables	7	42,994,790	24,040,048	45,450,118	28,599,809
Cash & Cash equivalent	19	38,256,576	25,050,249	36,824,592	24,547,702
Total current asset		96,157,434	79,916,756	96,814,713	83,708,179
Total assets		156,532,579	141,808,826	155,841,308	143,934,807
Equity and Liabilities					
Equity					
Share capital		180,298	180,298	180,298	180,298
Share premium		14,380	14,380	14,380	14,380
Retained income and other reserves	21	75,958,644	57,666,970	79,445,367	61,867,109
Total equity		76,153,322	57,861,647	79,640,045	62,061,787
Current liabilities					
Current tax payable	15	5,038,119	2,200,940	4,255,706	1,896,610
Borrowings	11	17,345,025	-	17,345,025	-
Trade and other payables	8	35,138,863	46,805,684	31,732,531	45,009,857
Current portion of deferred income	10	1,799,374	11,904,429	1,500,173	11,812,953
Total current liabilities		59,321,381	60,911,053	54,833,436	58,719,420
Non current liabilities					
Deferred tax liability	12	6,976,631	7,066,444	7,286,582	7,183,919
Borrowings	11	9,169,654	10,000,000	9,169,654	10,000,000
Deferred income	10	4,911,591	5,969,681	4,911,591	5,969,681
Total non-current liabilities		21,057,876	23,036,125	21,367,827	23,153,600
Total liabilities		80,379,257	83,947,179	76,201,263	81,873,020
Total Equity and Liabilities		156,532,579	141,808,826	155,841,308	143,934,807

The accounting policies and notes 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 Oct 26, 2023 by:


 A.K. OYEBAKJI
 FRC/2014/IODN/00000007151
 MANAGING DIRECTOR


 RAMESH VIRWANI
 FRC/2014/ANAN/00000009240
 EXECUTIVE DIRECTOR


 OLUWABUSAYO A. OPARA
 FRC/2023/PRO/ICAN/001/248288
 ACCOUNTING MANAGER

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Unaudited Consolidated and Separate Statements of Profit or Loss
for the period ended September 30, 2023

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Statement of Income	Group				Company			
	Jul - Sep 2023	Jul - Sep 2022	Jan - Sep 2023	Jan - Sep 2022	Jul - Sep 2023	Jul - Sep 2022	Jan - Sep 2023	Jan - Sep 2022
	Revenue	140,671,206 (120,953,040)	108,278,243 (99,254,407)	345,582,308 (303,823,255)	269,010,114 (242,661,643)	137,371,572 (120,657,293)	106,205,880 (98,695,534)	337,407,138 (303,044,146)
Cost of sales	19,718,166	9,023,836	41,759,053	26,348,471	16,714,279	7,510,346	34,362,992	21,193,793
Gross profit	460,674	2,142,161	6,026,573	6,460,514	593,225	2,142,161	6,010,901	6,460,514
Other income	(314,432)	(3,835,023)	(12,341,170)	(9,637,049)	(4,197,329)	(3,835,023)	(12,341,170)	(9,637,049)
Selling and distribution expenses	(8,004,154)	(2,791,221)	(10,306,538)	(8,229,701)	(1,571,767)	(1,008,834)	(3,874,151)	(3,316,250)
Administrative expenses	120,468		120,468		(12,083)		(12,083)	
Other operating income/ (expense)	11,980,722	4,539,753	25,258,386	14,942,236	11,526,325	4,808,650	24,146,489	14,701,008
Operating profit	378,826	51,213	1,157,810	109,340	378,826	51,213	1,157,810	109,340
Finance income	(1,186,985)	(422,736)	(1,653,916)	(1,130,770)	(1,186,985)	(422,736)	(1,653,916)	(1,130,770)
Finance costs	11,172,563	4,168,230	24,762,280	13,920,806	10,718,166	4,437,127	23,650,383	13,679,578
Profit before taxation	(1,103,824)	(1,353,770)	(3,405,547)	(4,512,789)	(923,993)	(1,441,161)	(3,007,065)	(4,434,390)
Income tax expense	10,068,739	2,814,460	21,356,733	9,408,017	9,794,173	2,995,966	20,643,318	9,245,188
Profit for the year	2,792	781	5,923	2,609	2,716	831	5,725	2,564

Basic earnings per share (kobo)

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Unaudited Consolidated and Separate Changes in Equity
for the period ended September 30, 2023

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GROUP						
September 2023	Share capital	Share premium	Total share capital	Retained earnings	Other Reserves	Total equity
Balance as at January 1, 2023	180,298	14,380	194,678	57,666,970	-	57,861,648
Profit for the year	-	-	-	21,356,733	-	21,356,733
Dividend payment	-	-	-	(3,065,060)	-	(3,065,060)
Other Comprehensive Income/(loss) for the year	-	-	-	-	-	-
Balance as at September 30, 2023	180,298	14,380	194,678	75,958,644	-	76,153,321

September 2022	Share capital	Share premium	Total share capital	Retained earnings	Other Reserves	Total equity
Balance as at January 1, 2022	180,298	14,380	194,678	42,472,030	-	42,666,708
Profit for the year	-	-	-	9,408,017	-	9,408,017
Dividend payment	-	-	-	(3,065,060)	-	(3,065,060)
Balance as at September 30, 2022	180,298	14,380	194,678	48,814,987	-	49,009,665

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September 2023	Share capital	Share premium	Total share capital	Retained earnings	Other Reserves	Total equity
Balance as at January 1, 2023	180,298	14,380	194,678	61,867,109	-	62,061,787
Profit for the year	-	-	-	20,643,318	-	20,643,318
Dividend payment	-	-	-	(3,065,060)	-	(3,065,060)
Balance as at September 30, 2023	180,298	14,380	194,678	79,445,367	-	79,640,045

September 2022	Share capital	Share premium	Total share capital	Retained earnings	Other Reserves	Total equity
Balance as at January 1, 2022	180,298	14,380	194,678	46,916,787	-	47,111,465
Profit for the year	-	-	-	9,245,189	-	9,245,189
Dividend payment	-	-	-	(3,065,060)	-	(3,065,060)
Balance as at September 30, 2022	180,298	14,380	194,678	53,096,916	-	53,291,595

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Unaudited Consolidated and Separate Statements of Cash Flow
for the period ended September 30, 2023

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	Note	Group		Company	
		Jan- Sep 2023	Jan- Sep 2022	Jan- Sep 2023	Jan- Sep 2022
OPERATING ACTIVITIES					
Operating Profit		25,258,386	14,942,236	24,146,489	14,701,008
Adjustment for non cash items					
Depreciation of fixed assets	2	4,048,289	4,010,497	2,516,887	2,669,447
Depreciation of right-of-use asset	22	186,506	202,301	186,506	202,301
Amortization of intangible assets	3	564	564	564	564
Expected credit loss		134,853	-	125,603	-
(Gain) / Loss on disposal of fixed assets	18	144,634	-	12,083	-
Total non cash items		4,514,846	4,213,362	2,841,643	2,872,312
Changes in current assets and liabilities					
Decrease/(Increase) in inventories	6	8,831,601	4,466,158	8,862,378	4,649,495
Decrease/(Increase) in due from associated companies	7	(2,150,984)	(781,873)	(168,167)	(781,873)
Decrease/(Increase) in trade debtors and bridging claims	7	(13,951,690)	(1,385,926)	(13,718,034)	(1,420,240)
Decrease/(Increase) in other debtors and prepayments	7	4,108,044	1,702,401	4,074,751	2,438,821
Increase/(Decrease) in due to associated companies	8	(21,804,356)	(10,335,903)	(21,504,887)	(10,975,109)
Increase/(Decrease) in trade creditors and bridging allowance	8	3,379,018	(7,777,158)	3,118,522	(9,091,686)
Increase/(Decrease) in other creditors and accruals	8	6,758,527	23,392,503	5,109,044	22,670,966
Increase/(Decrease) in unamortised rental income	10	(11,163,147)	(6,908,246)	(11,370,873)	(6,908,246)
Net changes in current assets and liabilities		(25,992,990)	2,371,954	(25,597,266)	582,128
Income taxes paid	15	(658,181)	(2,752,043)	(545,306)	(2,752,043)
Net cash generated from operating activities		3,122,061	18,775,509	845,560	15,403,405
INVESTING ACTIVITIES					
Purchase of fixed assets	2	(2,194,246)	(3,975,197)	(847,183)	(625,365)
Proceeds from disposal of assets		-	-	-	-
Interest received		1,157,810	109,340	1,157,810	109,340
Net cash used in investing activities		(1,036,436)	(3,865,857)	310,627	(516,025)
FINANCING ACTIVITIES					
Dividend paid		(3,065,060)	(3,065,060)	(3,065,060)	(3,065,060)
Finance to purchase leased assets	22	(675,000)	(52,000)	(675,000)	(52,000)
Increase/(Decrease) in borrowings	11	16,514,679	(4,000,000)	16,514,679	(4,000,000)
Interest charges		(1,653,916)	(1,130,770)	(1,653,916)	(1,130,770)
Net cash used in financing activities		11,120,703	(8,247,830)	11,120,703	(8,247,830)
Net Increase/(Decrease) in cash and cash equivalents		13,206,329	6,661,823	12,276,890	6,639,550
Cash and cash equivalents at beginning of the period		25,050,247	18,012,074	24,547,702	17,693,269
Cash and cash equivalents at end of the period		38,256,576	24,673,897	36,824,592	24,332,819

The accounting policies and notes form and integral part of these financial statement.

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(Registration number RC 914)

Unaudited Consolidated and Separate Financial Statements for the period ended September 30, 2023

Accounting Policies

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 was listed on the Nigerian Stock Exchange (the Exchange) until Friday, May 7, 2021.

Further to its voluntary delisting from the Exchange, 11Plc shares are now listed on the platform of NASD OTC Securities Exchange with effect from June 18, 2021.

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, 2022, Nipco Group shareholding in 11Plc is 84.13% while other investors hold 15.87%.

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

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

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

In 2020, 11Plc acquired the full and complete ownership of Lagos Continental Hotel as her wholly owned subsidiary. 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 consolidated financial statement of the Company has 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 2020. The financial statements were authorized for issue by the board of directors on October 26, 2023.

2. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at September 30, 2023. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with investee and has the ability to affect those returns through its power over the investee. 11Plc has 100% control of her wholly owned subsidiary 11 Hospitality formerly called Lagos Continental hotel.

3. Business Combination

Business combination are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. When the Company acquired 11 Hospitality it acquired all the assets "without recourse" to any outstanding liability. The value of the asset was assessed as appropriate and of same value with the purchase consideration.

For business combination acquisition-related cost are expensed as incurred and included in administrative expenses. No contingent liability/asset was transferred at acquisition.

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Unaudited Consolidated and Separate Financial Statements for the period ended September 30, 2023

Accounting Policies

4. Investment in Subsidiary

11Plc adopts a policy of accounting for its investments in subsidiary at cost less impairment. The reference to 'cost' includes an amount which applies to shares issued as consideration for the acquisition of a subsidiary. The cost is stated based on the nominal value of the shares issued rather than at fair value.

5. Functional and presentation currency

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

6. 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 realisable value
- trade receivables measured at amortised cost.

7. 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.

8. Use of estimates and judgment

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

9. Current versus non-current classification

The Group 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 realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Is due to be realized 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.

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(Registration number RC 914)

Unaudited Consolidated and Separate Financial Statements for the period ended September 30, 2023

Accounting Policies

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.

10. 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.

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

11. 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 Group 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 recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group 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.

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(Registration number RC 914)

Unaudited Consolidated and Separate Financial Statements for the period ended September 30, 2023

Accounting Policies

Depreciation is calculated on the assets (excluding land) on a straight line basis to write down the cost to their residual values over their estimated useful lives as follows:

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

Land is not depreciated.

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 de-recognition.

12. 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 recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Interest is capitalised 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 available for use and transferred to the appropriate asset class.

Property and equipment are derecognised 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 is calculated on a straight line basis over the useful lives (excluding land) and 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 Group 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:

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Unaudited Consolidated and Separate Financial Statements for the period ended September 30, 2023

Accounting Policies

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

13. Intangible assets

The Group's intangible assets are classified into two 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 recognised in expense as incurred. This was fully amortised in 2021.

b) Permits

These are capitalised 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 derecognised on disposal or when no future economic benefits are expected from their use or disposal.

14. Financial instruments

a) Initial recognition and measurement

Financial instruments are recognised initially when the Group becomes a party to the contractual provisions of the instruments. The Group initially measures its financial instruments at fair value. See accounting policy 29 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.

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Unaudited Consolidated and Separate Financial Statements for the period ended September 30, 2023

Accounting Policies

c) Derecognition

In determining whether the financial asset is due for derecognition, the Group 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 group 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 Group are measured at amortised costs. The Group'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 Group's financial assets are subsequently measured at amortised cost if they meet both of the following criteria:

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

Financial liabilities

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

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Unaudited Consolidated and Separate Financial Statements for the period ended September 30, 2023

Accounting Policies

- 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 Group 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 Group'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 Group recognises loss allowances for expected credit losses (ECL) on trade receivables. The Group applies the simplified approach which requires expected lifetime losses to be recognised 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 recognised in the profit or loss account and deducted from the carrying amount in the statement of financial position.

At each reporting date, the Group 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

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In making an assessment of whether a customer is credit worthy and in determining the loss rate, the Group 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.

15. 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 2.5% 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 recognised 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

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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.

16. Leases: Right-of-use

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 land and building.

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

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

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.

The Company 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. The Company 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.

Operating leases

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

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

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

17. Inventories

Inventories are stated at the lower of cost and net realisable 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

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Accounting Policies

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 writes down is recognised.

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

18. Employee benefits

The Group 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 Benefit - Pension

This plan defines the amount of pension benefit to be provided and it is generally funded by payments to independent pension fund administrators.

The Company still adopts the defined benefit scheme for its Annuitants.

The defined benefit plan defines the amount of pension benefit that an employee will receive on retirement which is dependent on one or more factors as determined by the actuary. The defined benefit obligation is calculated by the actuary using the projected unit credit method.

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 Note 13. Employer's contribution is 10% and Employee's contribution is 8%.

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 recognised as expenses in the Statement of profit or loss.

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

Termination benefits

Termination benefits are recognised an expense when the Group 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 Group settles termination benefits within twelve months and are accounted for as short-term benefits.

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Accounting Policies

19. Provisions and contingencies

Provisions are recognised as best estimates on statement of financial position date. They are recognised when the Group 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.

20. Revenue recognition

The Group recognises 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) or rendering of service (by providing a room, sales of food and beverages to hotel guest) in exchange for a consideration. The subsidiary is a hospitality company which largely offers lodging, meals and guest services to clients. Revenue from contracts with customers is recognised when it is established that a transfer of goods and service has taken place at a consideration that the subsidiary expects to be entitled in exchange for such manner of goods and services.

- 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/service confirmation, or at the point of load confirmation for pick-ups. Rooms/accommodation service is deemed performed at the time of checking in by the customer. Revenue is recognised over the time period of stay as the customer utilises the provision of the benefit from the accommodation. 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. Revenue from hospitality business is recognised based on the contract price net of any agreed discount and commissions.

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

The price is recognised in the statement of profit or loss.

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

Revenue is recognised at the point in time.

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Accounting Policies

Disaggregation of revenue from contracts with customers

The Group derives revenue from four major categories namely: fuels, liquefied petroleum gas, lubricants and hospitality service. The Group 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 26.

21. Interest Income

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

22. Other Income

Other income refers to all other sources of income apart from the sale of petroleum products and hospitality service which the Group receives. The Group generate revenue from other stream which includes amongst others, rental income, backcourt income, laundry service, business center, gym, space rental and secretarial service.

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, Mandillas and UPS.

23. 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.

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Accounting Policies

24. 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.

25. 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 23.

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 its investment properties and service stations; and income from 11 hospitality.

26. Share capital and reserves

a) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognised 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.

e) Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to ordinary shareholders of the Company by the number of shares outstanding during the year.

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Accounting Policies

27. Deferred income

This relates to advance rent received from investment property. The current portion is amortised 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.

28. Impairment of non-financial assets

The Group 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 Group 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.

29. Fair value measurement

The fair value of the 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

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Accounting Policies

- 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, the Group 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 investment properties and employee loans are categorised 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.

30. 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 Group. Such changes are reflected in the assumptions when they occur.

Valuation of Investment properties

11Plc carries its investment properties at cost. The Company engaged an independent valuation specialist to assess the fair value as at December 2022.

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

There is no significant risk or uncertainty as at September 30, 2023 that will lead to material adjustment of the carrying amounts of assets and liabilities within the next financial year.

31. Key accounting judgments

In the process of applying the Group'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.

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Notes to the Unaudited Consolidated and Separate Financial Statements

For the Period Ended September 30, 2023

1 Property, plant and equipment Group

September 2023	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	2,171,295	23,346,582	31,389,511	3,360,435	628,954	1,398,396	62,295,173
Transfer from assets under Construction	68,294	10,773	149,351	-	-	(228,418)	-
Additions	178,409	312,116	872,533	622,042	-	209,144	2,194,245
Disposals	-	(987)	(586,396)	(10,258)	-	-	(597,641)
At the end of the period	2,417,998	23,668,483	31,825,000	3,972,219	628,954	1,379,122	63,891,777
Depreciation							
At beginning of the year	-	(4,164,256)	(8,220,822)	(1,941,668)	(469,284)	-	(14,796,029)
Charge for the period	-	(456,164)	(1,431,583)	(512,049)	(22,686)	-	(2,422,483)
Disposals	-	654	459,230	4,873	-	-	464,757
At the end of the period	-	(4,619,765)	(9,193,175)	(2,448,845)	(491,970)	-	(16,753,755)
Carrying Value							
September 30, 2023	2,417,998	19,048,717	22,631,824	1,523,374	136,983	1,379,122	47,138,022

December 2022	Land	Buildings	Plant and Equipment	Fixtures and Fittings	Motor Vehicles	Asset under Construction	Total
		N'000	N'000	N'000	N'000	N'000	N'000
Cost							
At beginning of the year	1,895,153	21,253,183	22,256,515	3,073,466	589,942	6,748,949	55,817,208
Realignment of asset classes	-	(171,045)	96,670	13,742	7,066	194,854	141,288
Transfer from assets under Construction	147,500	5,276	54,087	-	-	(206,863)	-
Additions	-	2,315,456	4,018,155	274,488	31,946	(338,544)	6,301,502
Reclass to property, plant and equipment	128,642	-	5,000,000	-	-	(5,000,000)	128,642
Disposals	-	(56,288)	(35,917)	(1,262)	-	-	(93,466)
At the end of the year	2,171,295	23,346,582	31,389,511	3,360,435	628,954	1,398,396	62,295,173
Depreciation							
At beginning of the year	-	(3,636,920)	(6,487,661)	(1,332,470)	(430,138)	-	(11,887,189)
Charge for the year	-	(576,838)	(1,764,508)	(610,459)	(39,146)	-	(2,990,952)
Disposals	-	49,502	31,347	1,262	-	-	82,110
At the end of the year	-	(4,164,256)	(8,220,822)	(1,941,668)	(469,284)	-	(14,796,030)
Carrying Value							
December 31, 2022	2,171,295	19,182,326	23,168,688	1,418,767	159,670	1,398,396	47,499,143

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2 Property, plant and equipment Company

September 2023	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	N'000
Cost							
At beginning of the year	2,171,295	7,568,751	21,723,825	243,833	597,947	1,398,397	33,704,047
Transfer from assets under Construction	68,294	10,773	149,351	-	-	(228,418)	-
Additions	178,409	266,970	429,681	-	-	(27,877)	847,183
Disposals	-	(987)	(7,096)	-	-	-	(8,083)
At the end of the period	2,417,998	7,845,507	22,295,761	243,833	597,947	1,142,102	34,543,147
Depreciation							
At beginning of the year	-	(3,360,907)	(5,944,948)	(218,461)	(446,030)	-	(9,970,346)
Charge for period	-	(218,972)	(648,831)	(6,404)	(16,872)	-	(891,079)
Disposals	-	654	7,096	-	-	-	7,750
At the end of the period	-	(3,579,225)	(6,586,684)	(224,865)	(462,902)	-	(10,853,675)
Carrying Value							
September 30, 2023	2,417,998	4,266,282	15,709,077	18,968	135,045	1,142,102	23,689,472
INV IN SUB	-	-	-	-	-	22,100,000	22,100,000

December 2022	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	N'000
Cost							
At beginning of the year	1,895,153	7,641,744	15,440,537	228,484	558,935	5,424,363	31,189,216
Realignment of asset classes	-	(171,045)	96,670	13,742	7,066	194,854	141,287
Transfer from assets under Construction	147,500	5,276	54,087	-	-	(206,863)	-
Additions	-	149,064	1,168,448	2,869	31,946	966,042	2,338,369
Reclass to property, plant and equipment	128,642	-	5,000,000	-	-	(5,000,000)	128,642
Disposals	-	(56,288)	(35,917)	(1,262)	-	-	(93,467)
At end of the year	2,171,295	7,568,751	21,723,825	243,833	597,947	1,398,397	33,704,047
Depreciation							
At beginning of the year	-	(3,128,847)	(5,129,672)	(209,387)	(414,635)	-	(8,882,541)
Charge for the year	-	(281,562)	(846,623)	(10,336)	(31,395)	-	(1,169,916)
Disposals	-	49,502	31,347	1,262	-	-	82,111
At end of the year	-	(3,360,907)	(5,944,948)	(218,461)	(446,030)	-	(9,970,346)
Carrying Value							
December 31, 2022	2,171,295	4,207,844	15,778,877	25,372	151,917	1,398,397	23,733,701
INV IN SUB	-	-	-	-	-	22,100,000	22,100,000

The realignment of asset class was done to maintain the same balance in the fixed asset register, which resulted in the write off of 0.17M

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N'000

3 Intangible assets

Company

September 2023	Permit	Total
	N'000	N'000
Cost		
At beginning of the year	15,045	15,045
Additions	-	-
Disposals	-	-
At the end of the period	15,045	15,045
Amortization		
At beginning of the year	(6,581)	(6,581)
Amortization for the period charged to expense	(564)	(564)
Disposals	-	-
At the end of the period	(7,145)	(7,145)
Carrying Value		
September 30, 2023	7,900	7,900

December 2022	Permit	Total
	N'000	N'000
Cost		
At beginning of the year	15,045	15,045
At the end of the year	15,045	15,045
Amortization		
At beginning of the year	(5,829)	(5,829)
Amortization for the year charged to expense	(752)	(752)
Disposals	-	-
At the end of the year	(6,581)	(6,581)
Carrying Value		
December 31, 2022	8,464	8,464

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

The Company's balance is the same as the Group.

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For the Period Ended September 30, 2023

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	Group		Company	
	September 2023	December 2022	September 2023	December 2022
4 Investment Property				
Opening balance	12,913,008	15,485,562	12,913,008	15,485,562
Depreciation	(1,625,808)	(2,572,554)	(1,625,808)	(2,572,554)
Closing balance	11,287,200	12,913,008	11,287,200	12,913,008
Amounts recognized in statement of comprehensive				
Rental income from investment property	6,315,288	8,224,994	6,315,288	8,224,994
Direct operating expenses from rental generating	(1,671,102)	(2,580,938)	(1,671,102)	(2,580,938)
5 Prepayments (Non-Current)				
Employee benefits	7,910	14,086	7,910	14,086
Prepayment and deferred charges	7,910	14,086	7,910	14,086
Prepayments (Current)				
Trade	483,833	7,605,278	409,879	7,605,278
Insurance	45,610	12,955	45,610	8,498
Total Prepayments	537,353	7,632,319	463,399	7,627,862
6 Inventories				
Raw materials	8,945,437	19,079,023	8,843,561	18,971,632
Finished products	5,170,734	3,901,703	5,134,375	3,864,099
Consumable equipment and spares	260,454	227,500	106,578	111,161
Total	14,376,625	23,208,226	14,084,514	22,946,892
7 Trade debtors and other receivables				
Trade debtors	24,615,847	10,799,011	23,976,419	10,383,989
Other debtors	2,770,444	1,151,323	1,905,148	147,396
Withholding tax receivable	1,735,836	1,263,790	1,639,216	1,203,012
Value Added Tax	935,824	-	935,824	-
Advances and employee receivables	261,734	301,802	261,734	301,802
Due from associated companies:				
11 Hospitality	-	-	4,056,672	6,039,488
Nipco	12,492,298	10,524,122	12,492,298	10,524,122
LCH Abuja-Capital Hotels	182,807	-	182,807	-
Total	42,994,790	24,040,048	45,450,118	28,599,809
Aging analysis of trade debtor				
Current	13,032,291	8,322,059	13,032,291	8,232,172
Overdue 1 - 30 Days	2,726,760	79,427	2,418,797	79,427
Overdue 31 - 60 days	3,288,060	-	2,983,498	-
Overdue 61 - 90 days	3,201,486	1,755,090	3,201,486	1,755,090
Overdue 91 - 180 days	1,950,270	-	1,947,534	-
Overdue 181 days	416,980	317,940	392,813	317,940
Total	24,615,847	10,474,516	23,976,419	10,383,989
8 Payables and other liabilities				
Trade creditors	19,902,651	14,916,423	18,841,760	14,116,019
Other creditors	9,900,348	2,835,895	7,913,974	2,353,833
Accruals	234,845	99,341	41,655	51,319
Bridging allowance	1,020,998	2,628,217	1,020,998	2,628,217
Unclaimed dividend and payments	1,604,554	1,604,554	1,604,554	1,604,554
Value Added Tax	-	431,377	-	431,377
Withholding tax payable	45,375	55,427	45,375	55,427
Due to associated companies:				
Agri Chem	720,423	20,861,856	720,423	20,861,856
Purebond	1,543,792	2,907,246	1,543,792	2,907,246
Nipco	165,877	465,347	-	-
Total	35,138,863	46,805,684	31,732,531	45,009,847

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Notes to the Unaudited Consolidated and Separate Financial Statements

For the Period Ended September 30, 2023

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	Group		Company	
	September 2023	December 2022	September 2023	December 2022
9 Financial Instruments				
(a) Financial Assets				
Trade receivables	24,615,847	10,799,011	23,976,419	10,383,989
Other receivables (excluding VAT and WHT)	20,699,778	7,492,615	19,834,482	6,488,687
Cash and cash equivalents	38,256,576	25,050,249	36,824,592	24,547,702
Total	83,572,201	43,341,875	80,635,494	41,420,378
Impairment				
Trade receivables	24,750,700	10,895,571	24,102,022	10,475,910
Allowance for expected credit losses	(134,853)	(96,560)	(125,603)	(91,921)
Total	24,615,847	10,799,010	23,976,419	10,383,989
(b) Financial Liabilities				
Trade and other payables (excluding VAT and WHT)	35,093,488	46,318,880	31,687,156	44,523,054
Borrowings	26,514,679	10,000,000	26,514,679	10,000,000
Total	61,608,167	56,318,880	58,201,834	54,523,054
10 Deferred revenue				
(a) Portion of deferred revenue due after one year (Non-current)	4,911,591	5,969,681	4,911,591	5,969,681
(b) Portion of deferred revenue due within a year (Current)	1,799,374	11,904,429	1,500,173	11,812,953
11 Borrowings				
(a) Borrowings due after one year (Non-current)	9,169,654	10,000,000	9,169,654	10,000,000
The lender of the term loan is Zenith Bank.				
(a) Borrowings due within one year (Current)	17,345,025	-	17,345,025	-
The lender of the term loan is Citi Bank.				
12 Deferred income tax				
(a) Deferred tax movement				
At beginning of the period	(7,066,444)	(5,622,111)	(7,183,919)	(5,622,111)
Current period charge/(provision)	89,813	(1,444,333)	(102,663)	(1,561,808)
At the end of the period	(6,976,631)	(7,066,444)	(7,286,582)	(7,183,919)
(b) Deferred tax				
Deferred tax asset				
Retirement benefits				
Advance rent	1,039,428	1,577,931	1,039,428	1,577,931
Accelerated depreciation	189,423	69,097		
Bad debt & unrealised forex	149,892	48,379	146,839	
Total deferred tax asset	1,378,743	1,695,407	1,186,267	1,577,931
Deferred tax liability				
Accelerated depreciation	(8,127,123)	(7,710,641)	(8,127,123)	(7,710,641)
Capital gains tax rollover	(345,726)	(345,726)	(345,726)	(345,726)
Bad debt & unrealised forex	-	(705,483)		(705,483)
Total deferred tax liability	(8,472,849)	(8,761,850)	(8,472,849)	(8,761,850)
Net deferred tax asset/(liability)	(6,976,631)	(7,066,444)	(7,286,582)	(7,183,919)
13 Pension plan liability				
On the 1st February, 2017, the active members transferred to the Defined Contribution Scheme, leaving annuitants to continue with the Defined Benefit Scheme.				
(b) Defined contribution	44,021	61,641	44,021	61,641

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Notes to the Unaudited Consolidated and Separate Financial Statements
For the Period Ended September 30, 2023

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September 2023 September 2022

14 Disaggregated revenue information

This relates to the disaggregation of the Group's revenue from contracts with customers:

Segments

Types of goods

Fuels	222,192,925	190,277,388
Lubes	65,661,803	56,431,438
Liquefied petroleum gas(LPG)	49,552,410	16,137,307
Revenue from Hospitality Business	8,175,170	6,163,980
Total revenue from contracts with customers	345,582,308	269,010,114

Geographical markets

Nigeria	345,582,308	269,010,114
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Timing of revenue recognition

Goods transferred at a point in time	345,582,308	269,010,114
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Revenue

Third party sales	333,048,223	241,182,648
Intercompany sales	12,534,085	27,827,466
Total	345,582,308	269,010,114

Assets and liabilities related to contracts with customers	10,799,011	13,361,526
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Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days

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For the Period Ended September 30, 2023

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	Group		Company	
	September 2023	December 2022	September 2023	December 2022
15 Current tax analysis:				
Movement in current income tax balance				
At beginning of the period	2,200,940	1,964,808	1,896,610	1,964,808
Payments	(658,181)	(2,759,435)	(545,306)	(2,759,435)
Provision for the period	3,495,360	2,995,568	2,904,402	2,691,237
At the end of the period	5,038,119	2,200,940	4,255,706	1,896,610
	September 2023	September 2022	September 2023	September 2022
Taxation charge for the period				
Based on profit for the period :				
Company income tax	2,993,859	3,608,794	2,482,477	3,536,427
Naseni Levy	59,126	-	59,126	-
Police Trust Fund	1,183	-	1,183	-
Education tax	441,193	293,148	361,616	287,118
Current taxes	3,495,361	3,901,942	2,904,402	3,823,545
Deferred tax Profit & Loss	(89,813)	610,845	102,663	610,845
Total Company Deferred taxes	(89,813)	610,845	102,663	610,845
Taxation Charge Profit & Loss				
Total company Taxation charge	3,405,547	4,512,787	3,007,065	4,434,390
The tax charge comprises of company income tax at 30% of taxable income plus education tax at 2.5% of taxable income before capital allowances.				
16 Other income				
Rent income	5,915,335	6,294,813	5,915,335	6,294,813
Back-court income	11,708	30,612	11,708	30,612
Others	83,858	135,089	83,858	135,089
Total	6,010,901	6,460,514	6,010,901	6,460,514
Included in the Rent Income is N6,315M relating to rents received from investment properties				
17 Finance Income				
Interest income	1,157,810	109,340	1,157,810	109,340
Total	1,157,810	109,340	1,157,810	109,340
18 Other non-operating income /(expense)				
Profit/(Loss) on disposal of property, plant & equipment	120,468	-	(12,083)	-
Total	120,468	-	(12,083)	-
19 Cash and cash equivalents				
Bank balance	15,856,524	10,534,895	14,424,540	10,193,817
Short-term bank deposits	22,400,052	14,139,002	22,400,052	14,139,002
At the end of the period	38,256,576	24,673,897	36,824,592	24,332,819
2,082M is domiciled in foreign currency and subject to exchange rate fluctuations.				
	September 2023	December 2022	September 2023	December 2022
20 Dividends				
Dividend Proposed	3,065,060	3,065,060	3,065,060	3,065,060
Dividend Paid	(3,065,060)	(3,065,060)	(3,065,060)	(3,065,060)
At the end of the period	-	-	-	-
21 Reserves				
At the beginning of the period	57,666,970	42,472,030	61,867,109	46,916,787
Profit for the period	21,356,733	18,260,000	20,643,318	18,015,382
Dividend paid	(3,065,060)	(3,065,060)	(3,065,060)	(3,065,060)
At the end of the period	75,958,644	57,666,970	79,445,367	61,867,109

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For the Period Ended September 30, 2023

22 RIGHT OF USE ASSET

September 2023

Cost	
At beginning of the year	2,389,986
Additions	675,000
Disposals	(13,500)
At the end of the period	3,051,486

Depreciation	
At beginning of the year	(932,617)
Charge for period	(186,506)
Disposals	1,750
At the end of the period	(1,117,373)

Net book value	
September 30, 2023	1,934,113

December 2022

Cost	
At beginning of the year	2,483,629
Additions	35,000
Reclass to Land	(128,642)
Transfers from asset under Construction	-
At the end of the year	2,389,986

Depreciation	
At beginning of the year	(673,405)
Charge for period	(259,213)
At the end of the year	(932,617)

Net book value	
December 31, 2022	1,457,369

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Notes to the Unaudited Consolidated and Separate Financial Statements

For the Period Ended September 30, 2023

23 Segmental Information

As at September 30 2023, the Group had two reportable business segments:

(i) Petroleum Products Marketing (ii) Property Business

All MON's assets are located within Nigeria and there were no export sales made as at September 30, 2023. (2022: Nil)

Segment revenue reported below represents revenue generated from external customers. There were also no intersegment sales as at September 30, 2023 (2022: 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)	Liquefied petroleum gas Business (N'000)	Property Business		Total (N'000)
			Investment property (N'000)	Hospitality (N'000)	
A The segment results for the year ended September 30, 2023 are as follows:					
Revenue	287,854,728	49,552,410	-	8,175,170	345,582,308
Cost of sales	(268,618,941)	(34,425,205)	-	(779,109)	(303,823,255)
Operating expense	(14,361,405)	(62,346)	(1,671,102)	(6,432,388)	(22,527,241)
Other income/expense	(304,387)	-	6,315,288	15,672	6,026,573
Finance income	1,157,810	-	-	-	1,157,810
Finance costs	(1,653,916)	-	-	-	(1,653,916)
Profit before tax	4,073,890	15,064,858	4,644,186	979,345	24,762,280
Taxation credit/(charge)	(1,425,710)	-	(1,581,356)	(398,483)	(3,405,547)
Profit after tax	2,648,180	15,064,858	3,062,830	580,864	21,356,733

The segment results for the year ended September 30, 2022 are as follows:

Revenue	262,846,134	-	-	6,163,980	269,010,114
Cost of sales	(241,652,341)	-	-	(1,009,302)	(242,661,643)
Operating expense	(11,023,877)	-	(1,928,422)	(4,913,451)	(17,866,750)
Other income	345,146	-	6,115,368	-	6,460,514
Finance income	109,340	-	-	-	109,340
Finance costs	(1,130,770)	-	-	-	(1,130,770)
Profit before tax	9,493,632	-	4,185,946	241,227	13,920,806
Taxation	(3,056,299)	-	(1,378,091)	(78,399)	(4,512,789)
Profit after tax	6,437,333	-	2,807,855	162,828	9,408,017

B Reconciliation of segment assets and liabilities to total assets and liabilities as September 30, 2023:

Intangible assets	7,900	-	-	-	7,900
Segmented total assets (excl. cash and cash equivalents & deferred tax)	97,367,676	9,613,230	11,287,198	-	118,268,103
Segmented total liabilities (excl. bank overdraft, borrowings & deferred tax)	(38,764,815)	-	(8,123,133)	-	(46,887,948)
Borrowings	(26,514,679)	-	-	-	(26,514,679)
Deferred tax	(6,976,631)	-	-	-	(6,976,631)
Cash and cash equivalents	36,824,592	-	-	-	36,824,592
Segmented net assets	61,944,043	9,613,230	3,164,065	-	74,721,337
Capital expenditure	847,183	-	-	1,347,063	2,194,246
Depreciation charge for the year	(817,738)	(260,411)	(1,625,808)	(1,531,402)	(4,235,360)

Reconciliation of segment assets and liabilities to total assets and liabilities as at December 31, 2022:

Intangible assets	8,464	-	-	-	8,464
Segmented total assets (excl. cash and cash equivalents & deferred tax)	68,452,502	9,873,641	12,913,006	25,510,964	116,750,113
Segmented total liabilities (excl. bank overdraft, borrowings & deferred tax)	(53,897,902)	-	(14,751,710)	(8,231,122)	(76,880,734)
Deferred tax	(7,183,919)	-	-	117,475	(7,066,444)
Cash and cash equivalents	24,045,155	-	-	502,547	24,547,702
Segmented net assets	31,424,300	9,873,641	(1,838,704)	17,899,864	57,359,100
Capital expenditure	2,338,369	-	-	3,963,132	6,301,501
Depreciation charge for the year	(1,082,666)	(347,215)	(2,572,554)	(1,821,035)	(5,476,254)

Segment assets consist primarily of Investment properties, property, plant and equipment, intangible assets, Inventory, long term receivables, debtors and other receivables.

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

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