

PZ CUSSONS NIGERIA PLC

Q3 UNAUDITED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 28 FEBRUARY 2017

GROUP									
UNAUDITED FINANCIAL RESULTS FOR THE 3RD QUARTER YEAR ENDED 28TH FEB 2017									
	Q1 Ended 31 Aug 2016	Q2 Ended 30 Nov 2016	Q3 Ended 28 Feb 2017	3rd Qtr Ended 28 Feb 2017	Q1 Ended 31 Aug 2016	Q2 Ended 30 Nov 2016	Q3 Ended 28 Feb 2017	3rd Qtr Ended 28 Feb 2017	% Increase/ (Decrease)
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	
Turnover	16,752,793	16,549,364	23,847,710	57,149,867	14,953,066	15,666,775	20,037,054	50,656,895	12.82
Operating Profit	2,210,379	2,135,864	3,816,031	8,162,274	624,361	697,884	1,494,175	2,816,420	189.81
Profit Before Tax	(2,431,123)	2,005,946	2,780,123	2,354,946	546,792	605,797	987,387	2,139,976	10.05
Taxation	845,381	(709,154)	(899,810)	(753,583)	(118,941)	(254,196)	(119,303)	(492,440)	53.03
Profit for the period	(1,585,742)	1,296,792	1,890,313	1,601,363	427,851	351,601	868,084	1,647,536	(2.80)
Attributable to:									
Owners of the company	(1,436,361)	1,078,200	1,838,627	1,480,465	377,165	299,728	794,512	1,471,405	0.62
Non-controlling interests	(149,381)	218,592	51,687	120,898	50,686	51,873	73,572	176,131	(31.36)
	(1,585,742)	1,296,792	1,890,313	1,601,363	427,851	351,601	868,084	1,647,536	(2.80)
Earnings per share (Kobo)	(40)	33	48	40	11	9	22	41	

Comment

Our first half result was impacted by adverse movement in foreign exchange rate amounting to a loss of N6.1 Billion in 2017 against a loss of N0.5 Million same period prior year

Financial Ratios	Quarter Ended 28 Feb 2017	Quarter Ended 28 Feb 2016	Quarter Ended 28 Feb 2015
Gross Margin	34%	27%	27%
Operating margin	14%	6%	8%
Net Profit margin	2.8%	3%	5%
Current Ratio	1.4	1.8	2.2
Quick Ratio (Acid test)	0.9	1.1	1.1
NWC	19,480.2	20,829.6	22,607.1
Accounts Receivable Turnover (Sales/Average AR)	7.9	5.9	6.4
Debtors Days	34.3	45.6	42.2
Inventory Turnover (CoGS/Ave Inventory)	1.7	1.8	2.0
Stock Days	160.8	147.1	134.5
EPS (N)	0.40	0.41	0.70

**3RD QTR ENDED
28 FEB 2017**

**3RD QTR ENDED
28 FEB 2016**

Financial Performance

Net Profit/loss	1,601,363	1,972,074
Networking capital	19,480,176	20,829,595
Capital Employed	94,252,993	74,430,174
Authorised share capital	2,000,000	2,000,000
Issued & Fully paid:	-	-
Share capital	1,985,238	1,985,238
Share premium	6,878,269	6,878,269
Other reserves	31,565,912	32,037,137
Shareholders Fund	43,052,643	43,402,970

PZ Cussons Nigeria PLC

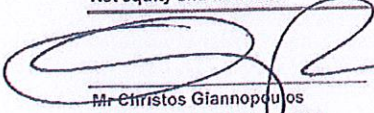
Unaudited consolidated statement of profit or loss and other comprehensive income for the Quarter ended 28 February 2017

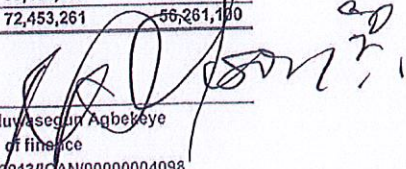
	The Group			The Company		
	Q3, 2016/17	Q3, 2015/16	%	Q3, 2016/17	Q3, 2015/16	%
	Total N'000	Total N'000	%Change	Total N'000	Total N'000	Change
Continuing operations						
Revenue	57,149,867	50,656,895	12.8	57,149,867	50,656,895	0.1
Cost of sales	(37,925,397)	(36,966,969)	2.6	(44,394,104)	(41,716,502)	0.1
Gross profit	19,224,470	13,689,926	40.4	12,755,763	8,940,393	0.4
Selling and distribution costs	(6,698,400)	(6,876,946)	(2.6)	(4,689,158)	(4,902,943)	(0.0)
Administrative expenses	(4,363,796)	(3,996,560)	9.2	(3,855,342)	(3,449,174)	0.1
Operating profit	8,162,274	2,816,420	189.8	4,211,263	588,276	6.2
Other income	147,508	208,329	(29.2)	252,091	314,416	(0.2)
Foreign exchange gain/(loss)	(6,104,974)	(494,775)	1,133.9	(2,532,237)	(19,522)	128.7
Interest income	355,266	159,841	122.3	48,446	10,615	3.6
Interest cost	(205,128)	(549,839)	(62.7)	(335,781)	(737,708)	(0.5)
Net finance cost	150,138	(389,998)	(138.5)	(287,335)	(727,093)	(0.6)
Profit before taxation	2,354,946	2,139,976	10.0	1,643,782	156,077	9.5
Taxation	(753,583)	(492,440)	53.0	(526,010)	(123,549)	3.3
Profit after taxation	1,601,363	1,647,536	(2.8)	1,117,772	32,528	33.4
Attributable to:						
Equity holders of the parent	1,480,465	1,471,405	0.6	1,117,772	32,528	33.4
Non controlling interest	120,898	176,131	(31.4)			
Basic EPS (kobo)	40	41		28	1	
Diluted EPS (kobo)	40	41		28	1	

The results shown above for 2017/16 in comparison to 2016/15 relate to continuing operations.

PZ Cussons Nigeria Plc
 Unaudited consolidated statement of financial position
 as at 28 Feb. 2017

	Notes	The Group		The Company	
		Q3 2016/17	2015/16	Q3 2016/17	2015/16
		N'000	N'000	N'000	N'000
Assets					
Non-current assets					
Property, plant and equipment	4	26,961,334	26,504,924	25,848,702	25,339,722
Investments in subsidiaries	5			504,406	504,406
		26,961,334	26,504,924	26,353,108	25,844,128
Current assets					
Inventories	6	25,889,026	19,278,455	18,540,313	14,342,118
Trade and other receivables	7	25,370,008	15,587,350	19,547,866	11,358,182
Deposits for letter of credit	8	4,299,369	191,791	2,695,785	191,791
Cash and cash equivalents	9	11,733,256	12,867,654	5,316,189	4,524,881
		67,291,659	47,925,250	46,100,153	30,416,972
Total assets		94,252,993	74,430,174	72,453,261	56,261,100
Equity					
Ordinary share capital	16	1,985,238	1,985,238	1,985,238	1,985,238
Share premium		6,878,269	6,878,269	6,878,269	6,878,269
Retained earnings		31,565,912	32,037,137	24,094,859	24,928,782
Equity attributable to equity holders of the company		40,429,419	40,900,644	32,958,366	33,792,289
Non controlling interest		2,623,224	2,502,326		
Total equity		43,052,643	43,402,970	32,958,366	33,792,289
Liabilities					
Non-current liabilities					
Deferred taxation	14	3,141,735	3,694,005	4,458,832	4,108,185
Provisions	15	247,132	237,544		
		3,388,868	3,931,549	4,458,832	4,108,185
Current liabilities					
Trade and other payables	12	46,149,042	25,716,237	34,601,249	18,034,963
Current taxation payable	13	1,526,769	1,289,711	434,814	325,663
Provisions	15	135,682	89,707		
		47,811,493	27,095,655	35,036,063	18,360,626
Total liabilities		51,200,350	31,027,204	39,494,895	22,468,811
Net equity and liabilities		94,252,993	74,430,174	72,453,261	56,261,100


 Mr Christos Giannopoulos
 Chief Executive Officer (CEO)
 FRC/2013/IODN/00000004206


 Mr Oluwasegun Agbekeye
 Head of finance
 FRC/2013/IOAN/00000004098

PZ Cussons Nigeria Plc
Unaudited consolidated statement of changes in equity
as at 28 Feb 2017

	The Group					Total N'000
	Attributable to owners of the company					
	Share capital N'000	Share premium N'000	Retained earnings N'000	Non controlling interest N'000	Revaluation reserve	
At 1 June 2015	1,985,238	6,878,269	32,573,287	2,235,650	-	43,672,444
Profit for the year	-	-	1,863,013	266,676	-	2,129,689
Deferred tax on revalued assets transferred to reserves	-	-	-	-	-	-
Total comprehensive income for the year	-	-	1,863,013	266,676	-	2,129,689
Transactions with owners:						
Dividend paid relating to year ended 31 May 2015	-	-	(2,421,991)	-	-	(2,421,991)
Unclaimed dividend forfeited	-	-	22,828	-	-	22,828
Total transaction with owners	-	-	(2,399,163)	-	-	2,399,163
At 31 May 2016	1,985,238	6,878,269	32,037,137	2,502,326	-	43,402,970
At 1 June 2015	1,985,238	6,878,269	32,037,137	2,502,326	-	43,402,970
Profit for the period	-	-	1,480,465	120,898	-	1,601,363
Total comprehensive income for the period	-	-	1,480,465	120,898	-	1,601,363
Transactions with owners:						
Dividend paid relating to year ended 31 May 2016	-	-	(1,985,238)	-	-	(1,985,238)
Unclaimed dividend forfeited	-	-	33,548	-	-	33,548
Total transaction with owners	-	-	(1,951,690)	-	-	1,951,690
At 28 Feb. 2017	1,985,238	6,878,269	31,585,912	2,623,224	-	43,052,643

Note: The group recognised Plant, Property and Equipment at deemed cost in the preparation of the IFRS opening statement of financial position. Accordingly, revaluation reserve of N7.5 billion existing in the NGAAP financial statements was

PZ Cussons Nigeria Plc
Unaudited Statement of changes in equity
as at 30 Nov 2016

	Company					Total N'000
	Attributable to owners of the company					
	Share capital N'000	Share premium N'000	Retained earnings N'000	Non controlling interest N'000	Revaluation reserve	
At 1 June 2015	1,985,238	6,878,269	17,721,422	-	-	26,584,929
Profit for the year	-	-	389,999	-	-	389,999
Total comprehensive income for the year	-	-	389,999	-	-	389,999
Transactions with owners:						
Excess of net assets acquired w.r.t PZT & PZP	-	-	9,216,524	-	-	9,216,524
Dividend paid relating to year ended 31 May 2015	-	-	(2,421,991)	-	-	(2,421,991)
Unclaimed dividend forfeited	-	-	22,828	-	-	22,828
Total transaction with owners	-	-	6,817,361	-	-	6,817,361
At 31 May 2016	1,985,238	6,878,269	24,928,782	-	-	33,792,289
At 1 June 2016	1,985,238	6,878,269	24,928,782	-	-	33,792,289
Loss for the year	-	-	1,117,772	-	-	1,117,772
Total comprehensive income for the year	-	-	1,117,772	-	-	1,117,772
Transactions with owners:						
Dividend paid relating to year ended 31 May 2016	-	-	(1,985,238)	-	-	(1,985,238)
Unclaimed dividend forfeited	-	-	33,543	-	-	33,543
Total transaction with owners	-	-	(1,951,695)	-	-	(1,951,695)
At 28 Feb. 2017	1,985,238	6,878,269	24,094,859	-	-	32,958,366

Note: The group recognised Plant, Property and Equipment at deemed cost in the preparation of the IFRS opening statement of financial position. Accordingly, revaluation reserve of

PZ Cussons Nigeria Plc
Statement of Cash flows
At 28 Feb 2017

	The Group		The Company	
	Q3 2016/17 N'000	2015/16 N'000	Q3 2016/17 N'000	2015/16 N'000
Cash flows from operating activities				
Cash generated from operations	3,914,183	18,385,369	5,214,444	9,924,033
Taxation	(1,068,805)	(1,609,691)	(66,212)	(592,686)
Net cash flow generated from operating activities	2,845,378	16,775,678	5,148,232	9,331,347
Cash flows from investing activities				
Interest received	355,266	210,256	48,446	8,417
Purchase of property, plant and equipment	(2,183,269)	(3,453,991)	(2,122,331)	(3,159,691)
changes in investment w.r.t subsidiaries				22,000
Proceeds from sale of property, plant and equipment	5,045	26,897	4,432	24,477
Net cash used in investing activities	(1,822,958)	(3,216,838)	(2,069,453)	(3,104,797)
Cash flows from financing activities				
Interest Expense	(205,128)	(597,667)	(335,781)	(853,304)
Dividends paid to Company shareholders	(1,951,690)	(2,421,991)	(1,951,690)	(2,421,991)
Dividends paid to Non controlling interests	-	-	-	-
Net cash flow used in financing activities	(2,156,818)	(3,019,658)	(2,287,471)	(3,275,295)
Net increase in cash, cash equivalents and bank overdrafts	(1,134,398)	10,539,182	791,308	2,951,255
Cash, cash equivalents and bank overdrafts at the beginning of the year	12,867,654	2,328,472	4,524,881	1,573,626
Cash, cash equivalents and bank overdrafts at the end of the year	11,733,256	12,867,654	5,316,189	4,524,881

PZ Cussons Nigeria Plc							
Notes to the consolidated financial statements							
4. Property, plant and equipment							
The Group							
3rd Qtr, 2017							
Cost	Freehold land and buildings	Leasehold land and buildings	Plant and Machinery	Office furniture and fittings	Motor vehicles	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 June 2016	29,048	17,671,124	18,701,418	2,042,602	621,464	2,344,090	41,409,746
Additions	-	-	-	-	-	2,183,269	2,183,269
Reclassifications	-	170,740	650,517	201,267	1	(1,022,525)	-
Write Off	-	-	-	-	-	-	-
Disposals	-	-	-	-	(52,456)	-	(52,456)
At 28 Feb 2017	29,048	17,841,864	19,351,935	2,243,869	569,009	3,504,834	43,540,559
Depreciation							
At 1 June 2016	6,971	2,782,050	9,532,890	1,400,517	530,717	-	14,253,145
Charge for the year	436	259,588	1,679,133	359,178	80,200	-	2,378,535
Impairment charge	-	-	-	-	-	-	-
On Write off	-	-	-	-	-	-	-
On Disposals	-	-	-	-	(52,455)	-	(52,455)
At 28 Feb 2017	7,407	3,041,638	11,212,023	1,759,695	558,462	-	16,579,225
Net book values							
At 28 Feb 2017	21,641	14,800,226	8,139,912	484,174	10,547	3,504,834	26,961,334
2016							
Cost	Freehold land and buildings	Leasehold land and buildings	Plant and Machinery	Office furniture and fittings	Motor vehicles	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 June 2015	29,048	16,942,343	18,407,435	2,101,530	718,480	2,543,294	39,742,134
Additions	-	-	1,630,990	293,424	-	3,453,991	3,453,991
Transfers	-	1,728,781	-	-	-	(3,653,195)	-
Write Off	-	-	(1,209,967)	(333,114)	(17,426)	-	(1,560,507)
Disposals	-	-	(127,044)	(19,239)	(179,589)	-	(225,872)
At 31 May 2016	29,048	17,671,124	18,701,418	2,042,601	621,465	2,344,090	41,409,746
Depreciation							
At 1 June 2015	6,391	2,495,306	9,836,970	1,705,384	680,236	-	14,524,287
Charge for the year	581	301,672	1,628,729	207,942	16,202	-	2,155,126
On Write off	-	-	(1,200,659)	(333,005)	(17,427)	-	(1,550,991)
On Disposals	-	-	(127,044)	(19,237)	(177,319)	-	(223,600)
At 31 May 2016	6,972	2,796,978	9,938,096	1,581,084	601,692	-	14,904,822
Net book values							
At 31 May 2016	22,076	14,874,146	8,763,322	481,517	19,773	2,344,090	26,504,924
At 31 May 2015	22,657	13,447,037	8,770,489	395,146	38,244	2,543,294	25,217,847
The Company							
3rd Qtr, 2017							
Cost	Freehold land and buildings	Leasehold land and buildings	Plant and Machinery	Office furniture and fittings	Motor vehicles	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 June 2016	29,048	17,293,653	17,660,307	1,835,895	534,709	2,239,256	39,592,858
Additions	-	-	-	-	-	2,122,331	2,122,331
Reclassifications	-	84,033	650,517	201,267	1	(935,818)	-
Intercoy transfers	-	-	-	-	-	-	-
Disposals	-	-	-	-	(49,149)	-	(49,149)
At 28 Feb 2017	29,048	17,377,686	18,310,824	2,037,162	485,561	3,425,769	41,666,050
Depreciation							
At 1 June 2015	6,971	2,782,050	9,532,890	1,400,517	530,717	-	14,253,145
Charge for the year	436	237,986	1,201,753	171,344	1,832	-	1,613,351
Intercoy transfers	-	-	-	-	-	-	-
On disposals	-	-	-	-	(49,148)	-	(49,148)
At 28 Feb 2017	7,407	3,020,036	10,734,643	1,571,861	483,401	-	15,817,348
Net book values							
At 28 Feb 2017	21,641	14,357,650	7,578,181	465,301	2,160	3,425,769	25,848,702
2016							
Cost	Freehold land and buildings	Leasehold land and buildings	Plant and Machinery	Office furniture and fittings	Motor vehicles	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 June 2015	29,048	14,113,505	12,063,141	1,787,266	612,462	2,041,138	30,646,561
Additions	-	-	-	-	-	3,159,691	3,159,691
Reclassification	-	1,514,562	1,302,532	285,525	-	(3,102,619)	-
Intercompany Transfers	-	1,665,585	5,604,268	66,191	2,079	141,046	7,479,169
write offs	-	-	(1,182,590)	(291,278)	(17,427)	-	(1,491,295)
Disposals	-	-	(127,044)	(11,809)	(62,405)	-	(201,258)
At 31 May 2016	29,048	17,293,653	17,660,307	1,835,895	534,709	2,239,256	39,592,858
Depreciation							
At 1 June 2015	6,391	2,337,763	6,963,433	1,496,350	602,911	-	11,406,888
Charge for the year	581	275,887	1,172,564	157,731	5,027	-	1,611,790
Intercompany Transfers	-	168,400	2,697,281	49,447	2,079	-	2,917,207
write offs	-	-	(1,173,344)	(291,243)	(17,427)	-	(1,482,014)
On disposals	-	-	(127,044)	(11,808)	(61,873)	-	(200,725)
At 31 May 2016	6,972	2,782,050	9,532,890	1,400,517	530,717	-	14,253,146
Net book values							
At 31 May 2016	22,076	14,511,603	8,127,417	435,378	3,992	2,239,256	25,339,722
At 31 May 2015	22,657	11,775,743	5,099,708	290,876	9,551	2,041,138	19,239,673

PZ Cussons Nigeria Plc						
Notes to the consolidated financial statements						
			The Company			
5. Investments in subsidiaries			Q3 2017	2016	2015	
			N'000	N'000	N'000	
The Company						
At 28 Feb., 2017			504,406	504,406	504,406	
Additions			-	-	-	
Total			504,406	504,406	504,406	
There are no restrictions in transfer of funds within the entities in the group						
Principal investments						
				ownership		
					N'000	%
HPZ Limited					504,406	74.99
Roberts Pharmaceuticals Limited					-	-
PZ Power Company Limited					-	-
PZ Tower Limited					-	-
Total					504,406	
6. Inventories						
			The Group			The Company
	Q3 2017	2016	2015	Q3 2017	2016	2015
	N'000	N'000	N'000	N'000	N'000	N'000
Raw materials and consumables	13,956,380	10,958,734	12,236,662	11,993,632	9,192,746	8,053,017
Work in progress	-	-	-	-	-	-
Finished goods and goods for resale	9,526,507	6,095,554	7,148,479	4,274,400	3,111,617	3,828,686
Engineering spares and other stocks	2,406,139	2,224,167	1,627,490	2,272,281	2,037,755	1,359,895
Total	25,889,026	19,278,455	21,012,631	18,540,313	14,342,118	13,241,698
7. Trade and other receivables						
			Group			Company
Receivables due within one year:	Q3 2017	2016	2015	Q3 2017	2016	2015
	N'000	N'000	N'000	N'000	N'000	N'000
Trade receivables	6,819,635	7,683,784	9,416,359	3,382,745	3,712,705	3,571,948
Less: provision for impairment of trade receivables	(574,823)	(1,488,334)	(1,165,550)	(394,356)	(917,073)	(776,626)
Net trade receivables	6,244,812	6,195,450	8,250,809	2,988,389	2,795,632	2,795,322
Receivables from subsidiary companies	-	-	-	1,326,340	1,381,316	3,995,808
Receivables from related party companies	8,351,918	3,996,759	5,414,239	5,850,918	2,360,759	2,565,709
Export Grant & NDCC	1,960,609	1,960,609	1,960,609	1,915,572	1,915,572	1,915,572
Prepayments	215,303	125,913	189,014	198,090	117,258	117,258
Other receivables	8,597,366	3,308,618	2,100,654	7,268,557	2,787,645	1,692,258
Total	25,370,008	15,587,349	17,815,325	19,547,866	11,358,182	13,085,927
Export grants are accrued for at the rate of 20% of the invoiced value. The weighted eligibility criteria has 3 bands: 20%, 15% and 10%. Approval of the grant is subject to meeting the threshold for the following eligibility criteria: local value added, local content, employment (Nigerians), priority sector, export growth and capital investment.						

PZ Cussons Nigeria Plc
Notes to the consolidated financial statements

7. Trade and other receivables continued

	The Group			The Company		
	Q3 2016/17 N'000	2015/16 N'000	2014/15 N'000	Q3 2016/17 N'000	2015/16 N'000	2014/15 N'000
Movements in the provision for impairment of trade receivables are as follows:						
At 1 June	(1,199,036)	(1,179,589)	(1,115,533)	(788,167)	(700,768)	(613,369)
Provision for receivables impairment	624,213	(19,447)	(64,056)	393,811	(87,399)	(87,399)
Receivables written off during the year	-	-	-	-	-	-
Closing	(574,823)	(1,199,036)	(1,179,589)	(394,356)	(788,167)	(700,768)

All trade receivables are denominated in Nigerian Naira.

The credit risk of customers is assessed at a subsidiary and group level, taking into account their financial positions, past experiences and other factors. Individual customer credit limits are imposed based on these factors.

The credit period taken on sales ranges from 30 to 90 days due to the differing nature of trade receivables in the group's segments.

The group operates in twenty-six depots across the federation with about three hundred major distributors. The following table shows the age of trade receivables at the statement of financial position date for which no allowance for impairment of trade re

Customers are initially brought on board on a cash basis for a period of six months. At the expiration of the six months cash trading period, customers are free to apply for credit. Management assesses customers credit applications based on volume of trans

8. Deposits for letters of credit(LCs)

	The Group			The Company		
	Q3 2016/17 N'000	2015/16 N'000	2014/15 N'000	Q3 2016/17 N'000	2015/16 N'000	2014/15 N'000
	4,299,369	191,791	916,639	2,695,785	191,791	439,431

9. Cash and cash equivalents

	The Group			The Company		
	Q3 2016/17 N'000	2015/16 N'000	2014/15 N'000	Q3 2016/17 N'000	2015/16 N'000	2014/15 N'000
Cash at bank and in hand	11,733,256	12,867,654	2,328,472	5,316,189	4,524,881	1,573,626
Bank Overdrafts	-	-	-	-	-	-
Cash and cash equivalents	11,733,256	12,867,654	2,328,472	5,316,189	4,524,881	1,573,626

10. Fair values of financial assets and financial liabilities

	The Group			The Company		
	Q3 2016/17 N'000	2015/16 N'000	2014/15 N'000	Q3 2016/17 N'000	2015/16 N'000	2014/15 N'000

Set out below is a comparison by category of the carrying values and fair values of all the group's financial assets and financial liabilities as at 30 August 2014. None of the financial assets and liabilities have been reclassified during the year.

	Carrying amount and fair value	Carrying amount and fair value	Carrying amount and fair value	Carrying amount and fair value	Carrying amount and fair value	Carrying amount and fair value
Loans and receivables						
Cash and short-term deposits (note 8)	11,733,256	12,867,654	2,328,472	5,316,189	4,524,881	1,573,626
Trade and other receivables less prepayments (note 7)	25,154,705	15,461,436	17,728,311	19,349,776	11,240,924	12,968,669

Financial liabilities at amortised cost:

PZ Cussons Nigeria Plc
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12 Trade and other payables

	Group		Company	
	Q3 2016/17 N'000	2015/16 N'000	2016/17 N'000	2015/16 N'000
Trade payables	4,522,717	2,127,142	4,217,326	2,068,729
Other taxation and social security	-	157,938	-	141,674
Unclaimed Dividend	1,923,007	1,956,555	1,923,007	1,956,555
Accruals	8,379,473	3,768,061	4,726,858	2,478,029
Amounts owed to subsidiaries (Note 24)	-	-	500,000	-
Amounts owed to related parties (Note 24)	31,009,869	17,392,753	23,073,872	10,984,038
Other payables	696,790	313,788	160,186	405,938
Total	46,531,856	25,716,237	34,601,249	18,034,963
	Days	Days	Days	Days
Average credit period taken for trade purchases	90	90	90	90

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The Directors consider the carrying amount of trade and other payables to approximate their fair value.

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13. Taxation continued

Current tax payable	The Group		The Company	
	Q3, 2016/17 N'000	2015/16 N'000	Q3, 2016/17 N'000	2015/16 N'000
At 1 June 2016	1,289,711	1,671,311	325,663	634,386
Charge for the year	1,305,853	1,228,091	175,363	203,570
Current tax balance inherited from PZ Tower & PZ Power				80,393
Payment during the year	(1,068,805)	(1,609,691)	(66,212)	(592,686)
Closing Balance	1,626,759	1,289,711	434,814	325,663

14. Deferred taxation

The Group

	plant and equipment N'000	Provisions N'000	Total N'000
At 1 June 2015	3,772,841	130,748	3,903,589
Charge to income statement	(1,022,065)	812,481	(209,584)
At 31 May 2016	2,750,776	943,229	3,694,005
Charge to income statement	(552,270)		(552,270)
At 28 Feb 2017	2,198,506	943,229	3,141,735

The Company

	Property plant and equipment N'000	Provisions N'000	Total N'000
At 1 June 2015	3,260,283	497,562	3,757,845
DT acquired from merger with PZT & PZP	167,029		167,029
Charge to income statement	360,048	(176,737)	183,311
At 31 May 2016	3,787,360	320,825	4,108,185
Charge to income	350,647		350,647
At 28 Feb 2017	4,138,007	320,825	4,458,832

Certain deferred tax assets and liabilities have been offset in accordance with IAS 12 'Income taxes'. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	The Group N'000	The Company N'000
Deferred tax assets	(1,389,689)	-
Deferred tax liabilities	4,020,949	4,458,832
Group and company	2,631,260	4,458,832

1. At the statement of financial position date, the group and the company have no unused tax losses available for offset against future profits. There was no offset of deferred tax assets and deferred tax liabilities.

2. The company opted for 'Deemed Cost' for the value of PPE on conversion to IFRS. The consequence is that the revaluation reserves N7.5b is no longer needed and is now reclassified into retained earnings. The associated deferred tax was also adjusted and the net impact of this is N1.13b increase on Deferred tax.

15. Provisions

Warranty provisions	The Group	
	2017 N'000	2016 N'000
At 1 June 2016	327,251	306,034
Charged to the income statement	135,682	89,707
Utilised in the year	(80,119)	(68,490)
At 28 Feb 2017	382,814	327,251
The ageing of the provisions are as follows:	382,814	327,251
Within 12 months	135,682	89,707
Greater than 12 months	247,132	237,544
Total	382,814	327,251

Warranty provisions

The group generally offers 1- to 3-year warranties for its electrical products and components. Directors estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest

Factors that could impact the estimated claim information include the success of the group's productivity and quality initiatives, as well as parts and labour costs.

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Notes to the consolidated financial statements

16. Ordinary share capital

Group and company	Number in thousands	Amount N'000
Authorised:		
Ordinary shares of 50k each	4,000,000	2,000,000
Total authorised share capital	4,000,000	2,000,000
Allotted, called up and fully paid:		
Ordinary shares of 50k each	3,970,478	1,985,238
Total called up share capital	3,970,478	1,985,238

18. Operating lease commitments

At the statement of financial position date, the Group and Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases over certain of its office properties, which fall due as follows:

Within one year
In the second to fifth years inclusive
Over five years

19. Related party transactions

Group and company

The group and company are controlled by PZ Cussons (Holdings) Limited, incorporated in the UK, which owns 73.03% of the group and company's shares. The remaining 26.97% of the shares are widely held.

All trading balances will be settled in cash. There were no provisions for doubtful related party receivables at 3 Sept 2016 and no charges to the income statement in respect of doubtful related party

The company controls a number of subsidiaries. These are detailed in note 5.

The Company

The company is controlled by PZ Cussons (Holdings) Limited, incorporated in the UK, which owns 73.03% of the group and company's shares. The remaining 26.97% of the shares are widely held.

All trading balances will be settled in cash. There were no provisions for doubtful related party receivables at 3 Sept 2016 and no charges to the income statement in respect of doubtful related party

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19 Cash generated from operating activities

	Group		Company	
	Q3 2016/17 N'000	2015/16 N'000	Q3 2016/17 N'000	2015/16 N'000
Cash flows from operating activities				
Profit before taxation	2,354,946	3,148,196	1,643,782	776,880
Adjustment to reconcile net income to cash provided:				
Depreciation	# 2,378,535	2,155,126	1,613,351	1,611,790
Intercompany transfer of fixed assets	# -	-	-	-
(Profit)/loss on disposal of fixed assets	(5,044)	(24,625)	(4,886)	(23,994)
NBV of PPE transferred from related parties				(4,561,962)
NBV of PPE written off		9,516		9,281
Excess of net assets acquired over purchase consideration				9,216,524
Deferred tax balance inherited on merger				167,029
Current tax balance inherited on merger				80,443
Unclaimed dividend forfeited		22,828		22,828
Interest expense	205,128	597,667	335,781	853,304
Interest income	(355,266)	(210,256)	(48,446)	(8,417)
	4,578,299	5,698,452	3,539,582	8,143,706
Changes in assets and liabilities				
(Increase)/decrease in trade and other receivables	(9,782,658)	2,324,975	(8,189,684)	1,727,745
Decrease/(increase) in deposit for letters of credit	(4,107,578)	724,848	(2,503,994)	247,640
Decrease/(increase) in inventories	(6,610,571)	1,734,176	(4,198,195)	(1,100,520)
Increase/(decrease) in trade, other payables and provisions	19,836,691	7,902,918	16,666,735	905,462
Cash flows from operating activities	3,914,183	18,385,369	5,214,444	9,924,033