



Dangote Flour Mills Plc
Unaudited Consolidated and Separate Financial Statements
for the six months ended 30 June, 2017

Dangote Flour Mills Plc

Corporate Information

Legal form	Dangote Flour Mills Plc was incorporated in Nigeria on 1 January 2006. The Company is listed on the Floor of the Nigerian Stock Exchange (NSE) with the symbol "DANGFLOUR". The Group's parent company is Dangote Industries Limited (DIL).
Country of incorporation and domicile	Nigeria
Nature of business and principal activities	Milling of wheat and production of wheat products. Dangote Pasta Limited and Dangote Noodles Limited are subsidiaries of Dangote Flour Mills Plc (DFM). DFM produces bread flour, confectionary flour, semolina and wheat meal.
Registered office	Terminal 'E' Greenview Development Building Apapa Wharf, Lagos
Transfer office	EDC Registrars Limited 154, Ikorodu Road, Onipanu, Shomolu, Lagos, Nigeria
Secretary	Aisha Ladi Isa (Mrs.)
Auditors	Akintola Williams Deloitte Civic Tower, Plot GA1, Ozumba Mbadiwe Avenue, Victoria Island, Lagos
Bankers	Access Bank Diamond Bank Plc Ecobank Nigeria Plc First Bank of Nigeria Limited First City Monument Bank Plc Guaranty Trust Bank Plc Skye Bank Plc Stanbic IBTC Bank Plc Sterling Bank Plc United Bank for Africa Plc Zenith Bank Plc
Directors	Executive directors Mr. Thabo Mabe Ms. Halima Dangote Alh. Ahmed Shehu Yakasai Non-executive directors Mr. Olakunle Alake Mr. Arnold Ekpe Mr. Asue Ighodalo Mrs. Yabawa Lawan Wabi mni Mr. Peter Matlare Resigned 20 April 2017

Dangote Flour Mills Plc

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Dangote Flour Mills Plc

Statement of Director's responsibilities for the preparation and approval of the consolidated and separate financial statements for the period ended 30 June, 2017

The Directors of Dangote Flour Mills Plc are responsible for the preparation of the unaudited consolidated and separate financial statements that presents fairly the financial position of the Group as at 30 June, 2017 and the results of its operations, cash flows and changes in equity for the period ended, in compliance with International Financial Reporting Standards, and in the manner required by the Companies and Allied Matters Act of Nigeria, Cap C20 LFN 2004 and the Financial Reporting Council of Nigeria Act, 2011.

The unaudited consolidated and separate financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

In preparing the unaudited consolidated and separate financial statements, the Directors are responsible for:

- Properly selecting and applying accounting policies;
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance;
- Making an assessment of the Group's ability to continue as a going concern;

The Directors are responsible for:

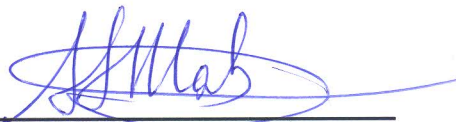
- Designing, implementing and maintaining an effective and sound system of internal controls throughout the Group;
- Maintaining adequate accounting records that are sufficient to disclose and explain the financial position of the Group and its transactions and results accurately in accordance with International Financial Reporting Standards;
- Maintaining statutory accounting records in compliance with legislation in force in Nigeria and in accordance with International Financial Reporting Standards;
- Taking such steps as are reasonably available to them to safeguard the assets of the Group; and
- Preventing and detecting fraud and other irregularities by implementing a sound system of internal controls.

Going concern

The Directors have made an assessment of the Group's ability to continue as a going concern and have no reason to believe the Group will not remain a going concern in the year ahead.

The unaudited consolidated and separate financial statements for the period ended 30 June, 2017, set out on pages 4 to 35, which have been prepared on the going concern basis, were approved by management on 25 July, 2017 and were signed on their behalf by:

Signed on behalf of the Management of the Group by:



Mr. Thabo Mabe
Group Chief Executive Officer
FRC/2013/IODN/00000001741



Ms. Halima Dangote
Executive Director
FRC/2017/IODN/00000016365

Dangote Flour Mills Plc

Consolidated and separate statement of profit or loss and other comprehensive income for the six months ended 30 June, 2017

	Note(s)	Group						Company					
		3 Months to		6 Months to		3 Months to		6 Months to		3 Months to		6 Months to	
		30-Jun-17	N'000	30-Jun-17	N'000	31-Mar-16	N'000	30-Jun-17	N'000	30-Jun-17	N'000	31-Mar-16	N'000
Revenue	3	35,810,068	64,855,975	15,776,591	26,448,709	30,546,508	56,275,028	12,668,259	21,019,764				
Cost of sales	4	(27,418,180)	(49,576,146)	(12,355,492)	(21,761,437)	(22,971,572)	(42,105,259)	(9,755,623)	(17,022,446)				
Gross profit		8,391,888	15,279,829	3,421,099	4,687,272	7,574,936	14,169,769	2,912,636	3,997,318				
Other income	5	2,199,091	2,552,471	14,016	23,041	2,182,281	2,513,573	6,614	8,803				
Distribution and administrative expenses	6	(5,013,743)	(7,828,500)	(1,432,814)	(3,709,501)	(4,280,750)	(6,290,523)	(978,479)	(2,286,044)				
Operating profit before foreign exchange gain		5,577,236	10,003,800	2,002,301	1,000,812	5,476,467	10,392,819	1,940,771	1,720,077				
Foreign exchange gain		-	-	526,740	1,489,138	-	-	526,740	1,489,138				
Operating profit		5,577,236	10,003,800	2,529,041	2,489,950	5,476,467	10,392,819	2,467,511	3,209,215				
Finance costs	8	(1,139,658)	(1,855,370)	(715,994)	(1,652,477)	(1,135,012)	(1,843,228)	(708,561)	(1,639,379)				
Interest income	7	377,013	647,641	56,633	56,942	368,305	638,579	55,494	55,494				
Profit before tax		4,814,591	8,796,071	1,869,680	894,415	4,709,760	9,188,170	1,814,444	1,625,330				
Taxation	9	(1,658,781)	(3,044,610)	52,009	126,516	(1,592,274)	(3,035,666)	(6,153)	36,079				
Profit after tax		3,155,810	5,751,461	1,921,689	1,020,931	3,117,486	6,152,504	1,808,291	1,661,409				
Other comprehensive income		-	-	-	-	-	-	-	-				
Total comprehensive income for the period		3,155,810	5,751,461	1,921,689	1,020,931	3,117,486	6,152,504	1,808,291	1,661,409				
Profit/(loss) attributable to:													
Owners of the parent		3,168,372	5,791,787	1,912,382	1,046,375	3,117,486	6,152,504	1,808,291	1,661,409				
Non controlling interests		(12,562)	(40,326)	9,307	(25,444)	-	-	-	-				
Total comprehensive income/(loss) attributable to:		3,155,810	5,751,461	1,921,689	1,020,931	3,117,486	6,152,504	1,808,291	1,661,409				
Owners of the parent		3,168,372	5,791,787	1,912,382	1,046,375	3,117,486	6,152,504	1,808,291	1,661,409				
Non controlling interests		(12,562)	(40,326)	9,307	(25,444)	-	-	-	-				
Total comprehensive income/(loss) attributable to:		3,155,810	5,751,461	1,921,689	1,020,931	3,117,486	6,152,504	1,808,291	1,661,409				

Dangote Flour Mills Plc

Consolidated and separate statement of profit or loss and other comprehensive income for the six months ended 30 June, 2017

	Group						Company					
	3 Months to		6 Months to		3 Months to		6 Months to		3 Months to		6 Months to	
	30-Jun-17	N'000	30-Jun-17	N'000	31-Mar-16	N'000	31-Mar-16	N'000	30-Jun-17	N'000	31-Mar-16	N'000
Profit/(loss) attributable to:												
Owners of the parent	3,168,372		5,791,787		1,912,382		1,046,375		3,117,486		1,808,291	
Non controlling interest	(12,562)		(40,326)		9,307		(25,444)		-		-	
	3,155,810		5,751,461		1,921,689		1,020,931		3,117,486		1,808,291	
												1,661,409
Earnings per share												
Earnings per share												
Basic and diluted earnings per share (kobo)	10	63.37 k	115.84 k	38.25 k	20.93 k	62.35 k	123.05 k	36.17 k	33.23 k			

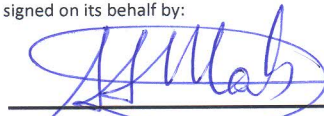
Dangote Flour Mills Plc

Consolidated and separate statement of financial position

as at 30 June, 2017

	Note(s)	Group			Company		
		6 Months to 30-Jun-17 N'000	6 Months to 31-Mar-16 N'000	15 Months to 31-Dec-16 N'000	6 Months to 30-Jun-17 N'000	6 Months to 31-Mar-16 N'000	15 Months to 31-Dec-16 N'000
Assets							
Non-Current Assets							
Property, plant and equipment	11	31,292,785	22,750,743	25,103,593	22,976,218	13,578,639	16,337,767
Investments in subsidiaries	12	-	-	-	2,507,637	2,507,637	2,507,637
Deferred tax	13.2	3,839,498	5,089,764	4,159,474	3,321,741	2,762,744	3,657,517
		35,132,283	27,840,507	29,263,067	28,805,596	18,849,020	22,502,921
Current Assets							
Inventories	14	14,645,029	6,967,908	10,784,629	12,229,678	5,200,922	8,623,532
Amount owed by group companies	12.2	-	-	-	11,891,594	11,433,782	13,919,545
Trade and other receivables	15	8,947,213	5,139,590	9,480,169	5,160,801	3,479,903	5,648,724
Short term loans receivable	23.1	5,864,272	6,130,818	5,787,872	2,785,356	3,015,726	2,997,143
Other financial asset	25	15,869,043	-	9,329,792	15,869,043	-	9,329,792
Cash and bank balances	16	31,777,561	15,495,779	14,328,310	30,290,021	14,560,440	13,583,631
		77,103,118	33,734,095	49,710,772	78,226,493	37,690,773	54,102,367
Non-current assets held for sale	27	6,143	-	6,143	-	-	-
Total Assets		112,241,544	61,574,602	78,979,982	107,032,089	56,539,793	76,605,288
Equity and Liabilities							
Equity							
Share capital	17	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Share premium		11,527,612	11,527,612	11,527,612	11,527,612	11,527,612	11,527,612
Capital reserves	18	21,412,878	20,563,151	23,276,829	21,412,878	20,563,151	23,276,829
Accumulated loss		(6,651,776)	(22,005,743)	(12,443,563)	(2,357,660)	(18,959,112)	(8,510,164)
Equity Attributable to Equity Holders of Parent		28,788,714	12,585,020	24,860,878	33,082,830	15,631,651	28,794,277
Non-controlling interest	12.1	(714,898)	(660,748)	(674,572)	-	-	-
		28,073,816	11,924,272	24,186,306	33,082,830	15,631,651	28,794,277
Liabilities							
Non-Current Liabilities							
Borrowings	19	358,756	511,813	5,860,194	358,756	511,813	5,860,194
Deferred tax	13.3	3,771,381	1,486,994	1,526,319	3,771,381	1,486,994	1,526,319
		4,130,137	1,998,807	7,386,513	4,130,137	1,998,807	7,386,513
Current Liabilities							
Trade and other payables	20	20,945,647	16,037,580	16,240,882	12,920,744	9,535,615	11,552,383
Borrowings	19	58,325,835	31,231,845	30,377,313	56,237,562	29,035,160	28,163,769
Current tax payable	21	766,109	382,098	788,968	660,816	338,560	708,346
		80,037,591	47,651,523	47,407,163	69,819,122	38,909,335	40,424,498
Total Liabilities		84,167,728	49,650,330	54,793,676	73,949,259	40,908,142	47,811,011
Total Equity and Liabilities		112,241,544	61,574,602	78,979,982	107,032,089	56,539,793	76,605,288

The unaudited consolidated and separate financial statements and the notes on pages 4 to 35, were approved by the directors on the 25 July, 2017 and were signed on its behalf by:



Mr. Thabo Mabe
Group Chief Executive Officer
FRC/2013/IODN/00000001741



Ms. Halima Dangote
Executive Director
FRC/2017/IODN/00000016365



Mr. Babatunde Oduwaye
Ag. Group CFO
FRC/2014/ICAN/00000005598

Dangote Flour Mills Plc

Consolidated and separate statement of changes in equity

for the six months ended 30 June, 2017

	Share capital		Share premium	Total share capital		Capital reserves	Accumulated loss	Total attributable		Non-controlling	Total equity
	N'000	N'000		N'000	N'000			to equity holders of the group	interest		
Group											
Balance at 1 October, 2015	2,500,000		11,527,612	14,027,612	6,588,637	(23,052,118)	(2,435,869)	(635,304)			(3,071,173)
Profit/(loss) for the six months	-	-	-	-	-	1,046,375	1,046,375	-	-	-	1,020,931
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the six months	-	-	-	-	-	1,046,375	1,046,375	(25,444)	-	-	1,020,931
Loan waiver from former parent company	-	-	-	-	13,974,514	-	-	-	13,974,514	-	13,974,514
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	13,974,514	-	-	-	13,974,514	-	13,974,514
Balance at 31 March, 2016	2,500,000		11,527,612	14,027,612	20,563,151	(22,005,743)	12,585,020	(660,748)			11,924,272
Profit/(loss) for the period	-	-	-	-	-	9,562,180	9,562,180	-	-	-	9,548,356
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	9,562,180	9,562,180	(13,824)	-	-	9,548,356
Fair valuation of parent company loan	-	-	-	-	2,713,678	-	-	-	2,713,678	-	2,713,678
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	2,713,678	-	-	-	2,713,678	-	2,713,678
Balance at 31 December, 2016	2,500,000		11,527,612	14,027,612	23,276,829	(12,443,563)	24,860,878	(674,572)			24,186,306
Profit/(loss) for the six months	-	-	-	-	-	5,791,787	5,791,787	(40,326)	-	-	5,751,461
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the six months	-	-	-	-	-	5,791,787	5,791,787	(40,326)	-	-	5,751,461
Reversal of fair valuation of parent company loan	-	-	-	-	(1,863,951)	-	(1,863,951)	-	-	-	(1,863,951)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	(1,863,951)	-	(1,863,951)	-	-	-	(1,863,951)
Balance at 30 June, 2017	2,500,000		11,527,612	14,027,612	21,412,878	(6,651,776)	28,788,714	(714,898)			28,073,816

Dangote Flour Mills Plc

Consolidated and separate statement of changes in equity for the six months ended 30 June, 2017

Company	Share capital		Share premium		Total share capital		Capital reserves		Accumulated loss		Total attributable to owners of the parent		Non-controlling interest		Total equity	
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 October, 2016	2,500,000	-	11,527,612	-	14,027,612	6,588,637	(20,620,520)	(4,271)	-	-	(4,271)	-	-	-	-	(4,271)
Profit for the six months	-	-	-	-	-	-	1,661,409	-	-	-	1,661,409	-	-	-	-	1,661,409
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the six months	-	-	-	-	-	-	1,661,409	-	-	-	1,661,409	-	-	-	-	1,661,409
Loan waiver from former parent company	-	-	-	-	-	13,974,514	-	-	-	-	13,974,514	-	-	-	-	13,974,514
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	-	13,974,514	-	-	-	-	13,974,514	-	-	-	-	13,974,514
Balance at 31 March, 2016	2,500,000	-	11,527,612	-	14,027,612	20,563,151	(18,959,112)	15,631,651	-	-	15,631,651	-	-	-	-	15,631,651
Profit for the period	-	-	-	-	-	-	10,448,946	-	-	-	10,448,946	-	-	-	-	10,448,946
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	10,448,946	-	-	-	10,448,946	-	-	-	-	10,448,946
Fair valuation of parent company loan	-	-	-	-	-	2,713,678	-	-	-	-	2,713,678	-	-	-	-	2,713,678
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	-	2,713,678	-	-	-	-	2,713,678	-	-	-	-	2,713,678
Balance at 31 December, 2016	2,500,000	-	11,527,612	-	14,027,612	23,276,829	(8,510,164)	28,794,277	-	-	28,794,277	-	-	-	-	28,794,277
Profit for the six months	-	-	-	-	-	-	6,152,504	-	-	-	6,152,504	-	-	-	-	6,152,504
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the six months	-	-	-	-	-	-	6,152,504	-	-	-	6,152,504	-	-	-	-	6,152,504
Reversal of fair valuation of parent company loan	-	-	-	-	-	(1,863,951)	-	-	-	-	(1,863,951)	-	-	-	-	(1,863,951)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	-	(1,863,951)	-	-	-	-	(1,863,951)	-	-	-	-	(1,863,951)
Balance at 30 June, 2017	2,500,000	-	11,527,612	-	14,027,612	21,412,878	(2,357,660)	33,082,830	-	-	33,082,830	-	-	-	-	33,082,830
Note(s)	17	17	17	17	17	17	17	17	17	17	17	17	17	17	17	17

The accounting policies on page 10 and the notes on pages 11 to 31 form an integral part of the unaudited consolidated and separate financial statements.

Dangote Flour Mills Plc

Consolidated and separate statement of cash flows for the six months ended 30 June, 2017

	Note(s)	Group			Company		
		6 Months to 30-Jun-17 N'000	6 Months to 31-Mar-16 N'000	15 Months to 31-Dec-16 N'000	6 Months to 30-Jun-17 N'000	6 Months to 31-Mar-16 N'000	15 Months to 31-Dec-16 N'000
Cash flows from operating activities							
Cash generated from operations	22	13,404,248	8,144,974	8,791,873	12,622,942	7,244,903	7,910,152
Finance income		647,641	56,942	670,662	638,579	55,494	667,219
Finance costs		(1,855,370)	(1,248,188)	(3,647,053)	(1,843,228)	(1,235,090)	(3,615,414)
Tax (paid)/received	21	(502,357)	(11,748)	(11,536)	(502,357)	-	213
Net cash generated from operating activities		11,694,162	6,941,980	5,803,946	10,915,936	6,065,307	4,962,170
Cash flows from investing activities							
Purchase of property, plant and equipment	11	(7,682,966)	(708,225)	(4,026,479)	(7,646,605)	(500,663)	(3,662,643)
Proceeds from sale of property, plant and equipment		996	3,672	4,313	-	3,673	3,803
Net cash used in investing activities		(7,681,970)	(704,553)	(4,022,166)	(7,646,605)	(496,990)	(3,658,840)
Cash flows from financing activities							
Repayment of borrowings		(10,083,333)	(3,182,631)	(4,380,447)	(10,083,333)	(3,182,631)	(4,380,447)
Opening of letters of credit		31,140,318	13,409,836	49,528,810	31,140,318	13,409,836	49,528,810
Repayment of letters of credit		(7,619,926)	(12,758,536)	(42,280,398)	(7,619,926)	(12,758,536)	(42,280,398)
Working capital facilities		-	427,733	(1,683,385)	-	427,733	(1,683,385)
Proceeds from Dangote Industries Limited		-	10,000,000	10,000,000	-	10,000,000	10,000,000
Net cash generated from financing activities		13,437,059	7,896,402	11,184,580	13,437,059	7,896,402	11,184,580
Net increase in cash and cash equivalents		17,449,251	14,133,829	12,966,360	16,706,390	13,464,719	12,487,910
Cash and cash equivalents at the beginning of the year		14,328,310	1,361,950	1,361,950	13,583,631	1,095,721	1,095,721
Total cash and cash equivalents at the end of the year	16	31,777,561	15,495,779	14,328,310	30,290,021	14,560,440	13,583,631

The accounting policies on page 10 and the notes on pages 11 to 31 form an integral part of the unaudited consolidated and separate financial statements.

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

1 General information

1.1 Company information

Dangote Flour Mills Plc (the Company) is a public limited company incorporated in Nigeria. Its parent company effective February, 2016 with a 75.7% (2015: 10.0%) shareholding is Dangote Industries Limited (DIL). The address of its registered office is Union Marble House, 1, Alfred Rewane Road, Falomo, Ikoyi, Lagos.

The name change from Tiger Branded Consumer Goods Plc to Dangote Flour Mills Plc was approved at the 10th annual general meeting by the Shareholders of the Group through a special resolution on 7th April 2016 as a result of the change in parent company.

1.2 Nature of operations

The principal activities of Dangote Flour Mills Plc and its subsidiaries ("the Group") are the milling of wheat and production of wheat products. Dangote Pasta Limited and Dangote Noodles Limited are subsidiaries of Dangote Flour Mills Plc. Dangote Flour Mills Plc produces bread flour, confectionery flour, semolina and wheat meal.

1.3 Accounting period

The reporting period covered by the unaudited consolidated and separate financial statements is 1 January, 2017 to 30 June, 2017, while the comparative period is 1 October, 2015 to 31 March, 2016. This is following a change in "The Group's" financial year from 30 September to 31 December after a change in the Company ownership.

1.4 Going concern

The unaudited consolidated and separate financial statements have been prepared on a going concern basis which assumes realization of assets and discharge of liabilities in the normal course of business in the foreseeable future.

Total group assets exceeded total group liabilities as at 30 June, 2017 by N28.1billion (2016: N11.9billion). Group current liabilities exceeded current assets as at 30 June, 2017 by N 2.9billion (2016 by N3.9billion), not including a loan of Nil (2016 N10.0 billion) advanced by the parent company. The Group recognised a profit for the 6 months ended 30 June, 2017 of N5.8billion (2016: N1.0billion) which has resulted in accumulated loss of N 6.7billion at 30 June, 2017 (2016: N22.0billion)

1.5 Statement of compliance with IFRS

The unaudited consolidated and separate financial statements have been prepared in accordance with the International Financial Reporting Standards.

2 Significant of accounting policies

Dangote Flour Mills Plc has consistently applied the same accounting policies and methods of computation in its six months unaudited consolidated and separate financial statements as in its 2016 annual financial statement. None of the new standards, interpretations and amendments, effective for the first time from 1st January 2017, have had a material effect on the financial statement.

Basis of preparation

These six months unaudited consolidated and separate financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2016 annual report.

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

	Group						Company					
	3 Months to		6 Months to		3 Months to		6 Months to		3 Months to		6 Months to	
	30-Jun-17	30-Jun-17	31-Mar-16	31-Mar-16	30-Jun-17	30-Jun-17	30-Jun-17	30-Jun-17	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16
N'000	N'000	N'000	N'000	N'000	N'000	N	N'000	N'000	N'000	N'000	N'000	N'000
3. Revenue												
Flour	30,546,508	56,001,148	11,938,524	20,290,029	30,546,508		56,275,028	12,668,259		21,019,764		
Spaghetti, macaroni and other pasta products	5,220,596	7,982,205	2,149,683	3,649,554	-							
Noodles	42,964	872,622	1,688,384	2,509,126								
	35,810,068	64,855,975	15,776,591	26,448,709	30,546,508		56,275,028	12,668,259		21,019,764		
4. Cost of sales												
Sale of goods												
Work in progress and raw materials at the beginning of the year	9,060,211	7,915,043	7,694,137	3,388,473	6,898,591		6,679,488	6,738,148		2,776,697		
Work in progress and raw materials at the end of the year	(12,155,299)	(12,155,299)	(5,062,284)	(5,062,284)	(10,927,909)		(10,927,909)	(4,258,559)		(4,258,559)		
	(3,095,088)	(4,240,256)	2,631,853	(1,673,811)	(4,029,318)		(4,248,421)	2,479,589		(1,481,862)		
Engineering spares and other stocks at the beginning of the year	2,837,038	2,869,584	1,552,277	2,570,336	1,888,577		1,944,044	665,381		1,406,931		
Purchases	27,667,759	49,148,136	8,687,881	20,067,798	24,650,948		42,390,547	6,666,868		16,345,344		
	27,409,709	47,777,464	12,872,011	20,964,323	22,510,207		40,086,170	9,811,838		16,270,413		
Engineering spares and other stocks at the end of the year	(2,489,728)	(2,489,728)	(1,928,554)	(1,928,554)	(1,301,768)		(1,301,768)	(942,362)		(942,362)		
Cost of materials consumed	24,919,981	45,287,736	10,943,457	19,035,769	21,208,439		38,784,402	8,869,476		15,328,051		
Direct labour cost	354,453	794,960	252,656	523,950	349,961		650,316	162,828		331,925		
Direct overhead cost	860,436	1,847,771	650,902	1,029,390	837,626		1,581,737	378,212		673,739		
Other overheads	736,142	496,274	214,544	423,389	233,343		348,856	77,320		154,170		
Depreciation	547,168	1,149,405	293,933	748,939	342,203		739,948	267,787		534,561		
	2,498,199	4,288,410	1,412,035	2,725,668	1,763,133		3,320,857	886,147		1,694,395		
Cost of goods produced	27,418,180	49,576,146	12,355,492	21,761,437	22,971,572		42,105,259	9,755,623		17,022,446		

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

	Group						Company					
	3 Months to		6 Months to		3 Months to		6 Months to		3 Months to		6 Months to	
	30-Jun-17 N'000	31-Mar-16 N'000	30-Jun-17 N'000	31-Mar-16 N'000	30-Jun-17 N	30-Jun-17 N'000	30-Jun-17 N	30-Jun-17 N'000	31-Mar-16 N'000	30-Jun-17 N'000	31-Mar-16 N'000	30-Jun-17 N'000
5. Other income												
Profit on sale of assets	-	1,669	-	1,669	-	-	-	-	-	-	-	3,672
Exchange gain	458,945	-	521,925	-	-	458,945	-	521,925	-	-	-	-
Haulage recovery	1,722,616	-	1,990,918	-	-	1,722,616	-	1,990,918	-	-	-	-
Sundry income	17,530	12,347	39,628	21,372	720	720	730	2,942	2,942	2,942	5,131	5,131
	2,199,091	14,016	2,552,471	23,041	2,182,281	2,513,573	6,614	2,513,573	6,614	6,614	8,803	8,803
6. Distribution and administrative expenses												
The following items are included within distribution and administrative expenses:												
Administration and management fees	54,883	257,135	50,428	48,019	54,883	257,135	19,153	32,507	10,563	10,563	26,726	26,726
Auditors remuneration	25,587	50,428	59,637	96,529	29,604	49,527	29,604	60,000	20,000	20,000	36,771	36,771
Legal and professional fees	33,261	60,000	60,000	52,489	60,000	60,000	60,000	268,125	30,245	30,245	52,489	52,489
Allowance and other impairments	60,000	60,000	60,000	118,490	132,093	268,125	132,093	1,019,181	193,253	193,253	72,832	72,832
Depreciation	167,246	337,944	337,944	691,220	530,489	1,019,181	530,489	357,206	223,117	223,117	428,324	428,324
Employee costs	724,964	1,488,382	1,488,382	428,324	236,548	357,206	236,548	3,053,009	332,541	332,541	718,171	718,171
Other expenses	257,569	409,227	409,227	1,135,193	2,445,090	3,053,009	2,445,090	434,232	(39,165)	(39,165)	255,632	255,632
Distribution expenses	2,519,634	3,178,843	3,178,843	530,354	404,553	434,232	404,553	759,601	194,350	194,350	311,024	311,024
Selling and marketing expenses	521,087	656,504	656,504	571,901	368,337	759,601	368,337	4,925	4,925	4,925	8,538	8,538
General expenses	647,949	1,328,837	1,328,837	4,925	8,538	8,538	8,538	-	-	-	-	-
Exchange loss	-	-	-	-	-	-	-	-	-	-	-	-
Loss on sale of assets	1,563	1,563	1,563	(2,150)	-	-	-	-	-	-	-	-
	5,013,743	7,828,500	7,828,500	1,432,814	4,280,750	6,290,523	978,479	6,290,523	978,479	978,479	2,286,044	2,286,044

