



Unilever Nigeria Plc
Unaudited Interim Financial Statements
For the Six Months ended 30 June 2017

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Income Statement
For three months ended 30 June 2017

	Note	2017 N'000	2016 N'000
Revenue	6	22,932,790	15,495,654
Cost of sales		<u>(15,318,378)</u>	<u>(11,175,180)</u>
Gross profit		7,614,412	4,320,474
Selling and distribution expenses		(995,153)	(732,095)
Marketing and administrative expenses		<u>(2,979,674)</u>	<u>(3,334,929)</u>
Operating profit		3,639,585	253,450
Finance income		225,314	163,677
Finance costs		<u>(1,000,841)</u>	<u>(349,215)</u>
Profit before taxation		2,864,058	67,912
Taxation		<u>(790,155)</u>	<u>(15,717)</u>
Profit for the period		<u>2,073,903</u>	<u>52,195</u>
Attributable to:			
Equity holders		<u>2,073,903</u>	<u>52,195</u>
Earnings per share for profit attributable to equity holders:			
Basic and diluted earnings per share (Naira)		<u>0.55</u>	<u>0.01</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

Income Statement
For six months ended 30 June 2017

	Note	2017 N'000	2016 N'000
Revenue	6	45,105,104	32,277,813
Cost of sales		<u>(31,197,498)</u>	<u>(21,924,751)</u>
Gross profit		13,907,606	10,353,062
Selling and distribution expenses		(1,942,193)	(1,502,375)
Marketing and administrative expenses	7	<u>(5,571,070)</u>	<u>(6,689,438)</u>
Operating profit		6,394,343	2,161,249
Finance income	8	374,977	220,856
Finance costs	9	<u>(1,725,220)</u>	<u>(894,891)</u>
Profit before taxation		5,044,100	1,487,214
Taxation	10	<u>(1,367,107)</u>	<u>(393,615)</u>
Profit for the period		<u><u>3,676,993</u></u>	<u><u>1,093,599</u></u>
Attributable to:			
Equity holders		<u><u>3,676,993</u></u>	<u><u>1,093,599</u></u>
Earnings per share for profit attributable to equity holders:			
Basic and diluted earnings per share (Naira)		<u><u>0.97</u></u>	<u><u>0.29</u></u>

The notes on pages 9 to 17 form an integral part of these financial statements.

**Statement of Other Comprehensive Income
 For three months ended 30 June 2017**

	2017 N'000	2016 N'000
Items that will not be reclassified to income statement:		
Remeasurement on post employment benefit obligations	-	-
Tax effect	-	-
	<hr/>	<hr/>
Other comprehensive income	-	-
Profit for the period	<hr/> 2,073,903	<hr/> 52,195
Total comprehensive income	<hr/> 2,073,903 <hr/>	<hr/> 52,195 <hr/>
Attributable to:		
Equity holders	<hr/> 2,073,903 <hr/>	<hr/> 52,195 <hr/>

**Statement of Other Comprehensive Income
 For six months ended 30 June 2017**

	2017 N'000	2016 N'000
Items that will not be reclassified to income statement:		
Remeasurement on post employment benefit obligations	-	-
Tax effect	-	-
	<hr/>	<hr/>
Other comprehensive income	-	-
Profit for the period	<hr/> 3,676,993	<hr/> 1,093,599
Total comprehensive income	<hr/> 3,676,993 <hr/>	<hr/> 1,093,599 <hr/>
Attributable to:		
Equity holders	<hr/> 3,676,993 <hr/>	<hr/> 1,093,599 <hr/>

The notes on pages 9 to 17 form an integral part of these financial statements.

Statement of Financial Position
As at 30 June 2017

	Note	30 June 2017	31 December 2016
		N'000	N'000
Assets			
Non-current assets			
Property, plant and equipment	11	30,049,344	29,272,186
Intangible assets		823,007	940,124
Other non-current assets		96,658	140,160
Employee loan receivable		103,735	111,671
Retirement benefit surplus	17	531,273	484,621
		<u>31,604,017</u>	<u>30,948,762</u>
Current assets			
Assets held for sale		171,411	171,411
Inventories	12	9,825,491	9,878,499
Trade and other receivables	13	33,907,843	18,945,578
Employee loan receivable		67,736	72,918
Cash and bank balances	14	15,117,369	12,474,141
		<u>59,089,850</u>	<u>41,542,547</u>
Total assets		<u><u>90,693,867</u></u>	<u><u>72,491,309</u></u>
Liabilities			
Current liabilities			
Trade and other payables	15	47,680,086	32,476,502
Income tax		879,168	502,855
Bank overdrafts	14	943,807	-
Loans and borrowings		18,547,103	20,501,276
Deferred income		32,756	32,756
		<u>68,082,920</u>	<u>53,513,389</u>
Non-current liabilities			
Deferred tax liabilities		4,334,966	3,942,337
Retirement benefit obligations	17	2,500,059	2,613,268
Long service award obligations	17	206,867	181,166
Other employee benefits		76,044	74,150
Deferred income		46,403	62,781
Loans and borrowings		457,999	414,275
		<u>7,622,338</u>	<u>7,287,977</u>
Total liabilities		<u><u>75,705,258</u></u>	<u><u>60,801,366</u></u>

Statement of Financial Position (continued)
As at 30 June 2017

	Note	30 June 2017	31 December 2016
		N'000	N'000
Equity			
Ordinary share capital	20	1,891,649	1,891,649
Share premium	20	45,717	45,717
Retained earnings		13,051,243	9,752,577
Total equity		<u>14,988,609</u>	<u>11,689,943</u>
Total equity and liabilities		<u>90,693,867</u>	<u>72,491,309</u>

The financial statements on pages 2 to 17 were approved for issue by the Board of Directors on 13 July 2017 and signed on its behalf by:



His Majesty N.A. Achebe CFR, MNI
 Chairman
 FRC/2013/NIM/00000001568



Yaw Nsarkoh
 Managing Director
 FRC/2014/IODN/00000007035



Adesola Sotande-Peters
 Finance Director
 FRC/2015/ICAN/00000010834

The notes on pages 9 to 17 form an integral part of these financial statements.

Statement of Changes in Equity
For six months ended 30 June 2017

	Share capital N'000	Share premium N'000	Retained earnings N'000	Total N'000
Balance at 1 January 2016	1,891,649	45,717	6,065,887	8,003,253
Total comprehensive income for the period				
Profit for the period	-	-	1,093,599	1,093,599
Other comprehensive income				
Remeasurement on post employment benefit obligations, net of tax	-	-	-	-
	-	-	1,093,599	1,093,599
Transactions with owners				
Dividend declared	-	-	(189,165)	(189,165)
Balance at 30 June 2016	<u>1,891,649</u>	<u>45,717</u>	<u>6,970,321</u>	<u>8,907,687</u>
Balance at 1 January 2017	1,891,649	45,717	9,752,580	11,689,946
Total comprehensive income for the period				
Profit for the period	-	-	3,676,993	3,676,993
Other comprehensive income				
Remeasurement on post employment benefit obligations, net of tax	-	-	-	-
	-	-	3,676,993	3,676,993
Transactions with owners				
Dividend declared	-	-	(378,330)	(378,330)
Balance at 30 June 2017	<u>1,891,649</u>	<u>45,717</u>	<u>13,051,243</u>	<u>14,988,609</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

Statement of Cash Flows
For six months ended 30 June 2017

	Note	30 June 2017 N'000	30 June 2016 N'000
Cash flows from operating activities			
Cash generated from operations	18	8,046,626	8,678,098
Retirement benefits paid		(441,955)	(356,877)
Long service award obligations paid		(5,277)	(1,571)
Tax paid		(598,165)	(159,301)
Net cash flow generated from operating activities		<u>7,001,229</u>	<u>8,160,349</u>
Cash flows from investing activities			
Interest received		374,977	220,856
Purchase of property, plant and equipment	11	(1,938,990)	(788,664)
Proceeds from sale of property, plant and equipment		4,363	-
Net cash used in investing activities		<u>(1,559,650)</u>	<u>(567,808)</u>
Cash flows from financing activities			
Drawdown of long-term loan		3,341,272	-
Repayment of long-term loan		(217,316)	(225,850)
Repayment of short-term loan		(5,000)	-
Interest payment		(1,725,220)	(800,300)
Dividend paid		(135,895)	(74,374)
Net cash flow used in financing activities		<u>1,257,841</u>	<u>(1,100,524)</u>
Net increase/(decrease) in cash and cash equivalents		6,699,421	6,492,017
Cash and cash equivalents at the beginning of the period		<u>7,474,141</u>	<u>(7,100,428)</u>
Cash and cash equivalents at the end of the period	14	<u><u>14,173,562</u></u>	<u><u>(608,411)</u></u>

The notes on pages 9 to 17 form an integral part of these financial statements.

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1. General information

Unilever Nigeria Plc is incorporated in Nigeria under the Companies and Allied Matters Act 1990 as a public limited liability company and is domiciled in Nigeria. The Company's shares are listed on the Nigerian Stock Exchange (NSE). The Company is principally involved in the manufacture and marketing of foods and food ingredients, and home and personal care products. It has manufacturing plants in Lagos and Agbara.

2. Basis of preparation

These interim financial statements for the six months ended 30 June 2017 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2016, which have been prepared in accordance with IFRS.

3. Significant accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

4. Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2016.

5. Financial risk management

Financial risk factors

Unilever's activities expose it to a variety of financial risks: market risk (foreign exchange risk), credit risk and liquidity risk. Unilever's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on Unilever's financial performance.

Risk management is carried out by a Treasury Department under policies approved by the Finance Director. Unilever's Treasury Department identifies, evaluates and manages financial risks in close co-operation with Unilever's operating units. These policies are mostly Unilever Global Policies adapted for local use.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Company's annual financial statements as at 31 December 2016. There have been no changes in the risk management structure since year end or in any risk management policy.

5.1. Financial risk factors

(a) Market risk

(i) Foreign exchange risk

Unilever is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro and USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities.

The Company manages this risk mainly by hedging foreign exchange currency contracts. At 30 June 2017, the unhedged financial assets and liabilities amounted to N13.9 billion (2016: N10 billion).

5. Financial risk management (continued)

5.1. Financial risk factors

(ii) Cash flow and fair value interest rate risk

Unilever’s interest rate risk arises from bank overdrafts and bank loans. Overdrafts issued at variable rates expose Unilever to cash flow interest rate risk. Borrowings issued at fixed rates expose Unilever to fair value interest rate risk.

Unilever analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, Unilever calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

The following table shows the split in fixed and floating rate exposures:

	2017 N'000	2016 N'000
Fixed rate (bank loans)	19,005,102	20,915,551
Floating rates (bank overdrafts)	943,807	-
	<u>19,948,909</u>	<u>20,915,552</u>

(b) *Credit risk*

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only parties classified as "International Golden Circle" (preferred choice for the Unilever group) are accepted. Exposure limit with the banks is set at a maximum of N6.6 billion. Risk control assesses the credit quality of wholesale customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board or external ratings. The utilisation of credit limits is regularly monitored.

Concentration of credit risk with respect to trade receivables is limited, due to the Company’s customer base being diverse. Credit terms for customers are determined on individual basis. Credit risk relating to trade receivables is managed by reference to the customers’ credit limit, inventory balance, cash position and secondary sales to final consumers.

(c) *Liquidity risk*

Liquidity risk is the risk that Unilever will face difficulty in meeting its obligations associated with its financial liabilities. Unilever’s approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine Unilever's credibility, impair investor confidence and also restrict Unilever’s ability to raise funds.

Where current liabilities exceed current assets, the Company seeks to manage its liquidity requirements by maintaining access to bank lending which are renewable annually.

At the reporting date, Unilever held cash in bank was N15.1 billion (2016: N12.5 billion). Unilever also had No.9 billion overdraft (2015: Nil).

6. Segment reporting

The chief operating decision-maker has been identified as the Leadership Team (LT) of Unilever Nigeria Plc. The Leadership Team reviews Unilever's monthly financial and operational information in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The Leadership Team consider the business from a product category perspective. Unilever is segmented into Food Products (FP), Personal Care (HC) and Home Care (PC) products.

Foods – including sale of tea, savoury and spreads.

Personal Care – including sale of skin care and oral care products.

Home Care – including sales of fabric care, household cleaning and water purification products.

There are no intersegmental sales and Nigeria is the company's primary geographical segment as it comprises 96% of the company's sales.

The Leadership Team assesses the performance based on operating profits for each operating segment that is reviewed. Total financing (including interest income and expense), income taxes and retirement benefit obligations are managed on an entity-wide basis and are not allocated to operating segments.

	Food Products	Personal Care	Home Care	Total
	N'000	N'000	N'000	N'000
3 months ended 30 June 2017				
Revenue	10,234,541	6,089,976	6,608,273	22,932,790
Depreciation and amortisation	319,567	190,156	206,339	716,062
Segmental operating profit	1,634,527	972,612	1,055,387	3,662,526
Finance income				225,314
Finance cost				(1,000,841)
Amortisation of prepaid benefit on employee loan				(22,941)
Profit before taxation				<u>2,864,058</u>
3 months ended 30 June 2016				
Revenue	8,252,660	3,517,963	3,725,031	15,495,654
Depreciation and amortisation	368,893	157,252	166,508	692,653
Segmental operating loss	138,507	59,043	62,519	260,069
Finance income				163,677
Finance cost				(349,214)
Amortisation of prepaid benefit on employee loan				(6,620)
Loss before taxation				<u>67,912</u>
6 months ended 30 June 2017				
Revenue	20,725,348	12,123,852	12,255,904	45,105,104
Depreciation and amortisation	582,943	341,008	344,722	1,268,673
Segmental operating profit	2,943,601	1,721,939	1,740,694	6,406,233
Finance income				374,977
Finance cost				(1,725,220)
Amortisation of prepaid benefit on employee loan				(11,890)
Profit before taxation				<u>5,044,100</u>
6 months ended 30 June 2016				
Revenue	16,864,992	7,915,932	7,496,889	32,277,813
Depreciation and amortisation	664,849	312,061	295,541	1,272,451
Segmental operating profit	1,136,158	533,280	505,050	2,174,488
Finance income				220,856
Finance cost				(894,890)
Amortisation of prepaid benefit on employee loan				(13,240)
Profit before taxation				<u>1,487,214</u>

6. Segment reporting (continued)

Turnover over by geographical location

	Domestic (within Nigeria) N'000	Export (outside Nigeria) N'000	Total N'000
3 months ended 30 June 2017	22,694,479	238,311	22,932,790
3 months ended 30 June 2016	14,825,226	670,428	15,495,654
6 months ended 30 June 2017	44,343,945	761,159	45,105,104
6 months ended 30 June 2016	30,919,568	1,358,245	32,277,813

The company has 97 customers, and no single customer accounted for more than 10% of the company's revenue.

7. Marketing and administrative expenses

	2017 N'000	2016 N'000
Brand and marketing	1,551,168	2,127,661
Overheads	3,419,703	3,829,513
Service Fees	600,199	732,264
	<u>5,571,070</u>	<u>6,689,438</u>

8. Finance income

	2017 N'000	2016 N'000
Interest on call deposits and bank accounts	363,087	49,714
Exchange gain difference on bank accounts	-	157,902
Interest income from employee loans	11,890	13,240
	<u>374,977</u>	<u>220,856</u>

9. Finance cost

	2017 N'000	2016 N'000
Interest on third party bank loans	567,561	729,135
Interest on intercompany loan	681,845	-
Exchange loss difference on bank accounts	314,757	2,079
Interest cost on defined benefit plans	161,057	163,677
	<u>1,725,220</u>	<u>894,891</u>

10. Income Taxes

Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the period. The estimated average tax rate used for the period ended 30 June 2017 is 26% (the estimated tax rate for the six months ended 30 June 2016 was 26%).

11. Property, plant and equipment (PPE)

	Capital work-in- progress N'000	Lease hold land N'000	Buildings N'000	Plant and machinery N'000	Furniture and equipment N'000	Motor vehicles N'000	Total N'000
Cost							
At 1 January 2016	1,293,407	1,733,593	7,128,492	24,147,641	1,368,682	721,760	36,393,575
Additions	4,228,146	-	-	-	-	-	4,228,146
Transfers	(1,763,662)	80,549	121,503	1,076,401	199,042	286,167	-
Disposals	-	-	-	(2,595)	(203)	(85,560)	(88,358)
Write off	(2,656)	-	-	-	-	-	(2,656)
At 31 December 2016	3,755,235	1,814,142	7,249,995	25,221,447	1,567,521	922,367	40,530,707
Additions	1,938,990	-	-	-	-	-	1,938,990
Transfers	(1,840,355)	114,504	172,627	1,270,226	217,232	65,766	-
Disposals	-	-	-	-	(300)	(9,976)	(10,276)
Reclassification between PPE heads	-	(1,514,563)	1,514,563	(8,370)	8,370	-	-
At 30 June 2017	3,853,870	414,083	8,937,185	26,483,303	1,792,823	978,157	42,459,421
Depreciation / impairment							
At 1 January 2016	-	27,777	803,936	7,328,489	368,396	496,058	9,024,656
Depreciation charge for the year	-	-	208,314	1,831,950	145,797	127,383	2,313,444
Impairment charge	-	-	-	-	-	-	-
Reclassification of impairment	-	-	-	-	-	-	-
Impairment reversal	-	-	-	-	-	-	-
Disposals	-	-	-	-	(303)	(79,276)	(79,579)
At 31 December 2016	-	27,777	1,012,250	9,160,439	513,890	544,165	11,258,521
Depreciation charge for the period	-	(17,466)	138,406	877,396	79,641	73,579	1,151,556
Reclassification between PPE heads	-	-	-	4,544	(4,544)	-	-
At 30 June 2017	-	10,311	1,150,656	10,042,379	588,987	617,744	12,410,077
Net book value:							
At 1 January 2016	1,293,407	1,705,816	6,324,556	16,819,152	1,000,286	225,702	27,368,919
At 31 December 2016	3,755,235	1,786,365	6,237,745	16,061,008	1,053,631	378,202	29,272,187
At 30 June 2017	3,853,870	403,772	7,786,529	16,440,924	1,203,836	360,413	30,049,344

(i) *Leasehold land on finance lease*

The Company has non - cancellable finance lease agreements with the Federal Government of Nigeria which was paid once and in advance. There are no finance lease liabilities and no future finance charges to the income statement.

The lease terms are between 50 and 99 years. The following amounts represents owned land where the Company is a lessee under a finance lease:

	2017 N'000	2016 N'000
Cost – capitalised finance leases	414,083	1,814,142
Accumulated depreciation	(10,311)	(27,777)
Net book value	403,772	1,786,365

12. Inventories

	2017 N'000	2016 N'000
Raw and packaging materials	5,884,586	6,008,148
Work in progress	387,853	563,706
Finished goods	1,594,055	1,397,021
Engineering spares and other inventories	965,996	744,396
Goods in transit	993,001	1,165,228
	<u>9,825,491</u>	<u>9,878,499</u>

13. Trade and other receivables

	2017 N'000	2016 N'000
Trade receivables: gross	7,067,088	4,336,828
Less impairment	<u>(276,081)</u>	<u>(307,723)</u>
Trade receivables: net	6,791,007	4,029,105
Advances and prepayments	8,690,280	3,152,550
Unclaimed dividend held with registrar	212,236	212,236
Interest receivable	-	79,628
Other receivables	2,007,753	1,921,107
Due from related parties (Note 19(iii))	11,574,068	9,077,172
Deposit for imports	<u>4,632,499</u>	<u>473,780</u>
	<u>33,907,843</u>	<u>18,945,578</u>

Advances and prepayments include insurance premium and advances to vendors.

14. Cash and cash equivalents

	2017 N'000	2016 N'000
Cash at bank and in hand	11,328,934	5,702,282
Fixed deposit	<u>3,788,435</u>	<u>6,771,859</u>
Cash and bank balances	15,117,369	12,474,141
Short term bank loan	-	(5,000,000)
Bank overdrafts	<u>(943,807)</u>	<u>-</u>
Cash and cash equivalents	<u>14,173,562</u>	<u>7,474,141</u>

For the purposes of the statement of cash flows, cash and cash equivalents include bank overdrafts and short term bank loan.

15. Trade and other payables

	2017 N'000	2016 N'000
Trade payables	13,162,389	8,173,171
Amount due to related companies (Note 19(iii))	25,495,409	15,998,593
Dividend payable (Note 16(i))	2,983,259	2,990,997
Accrued liabilities	554,592	732,608
Accrued brand and marketing expenses	653,533	367,784
Accrued shipping and freight charges	503,760	581,851
Non trade payables	<u>4,327,144</u>	<u>3,631,498</u>
	<u>47,680,086</u>	<u>32,476,502</u>

16. Trade and other payables (continued)

	2017 N'000	2016 N'000
(i) Dividend payable		
As at 1 January	2,990,997	3,351,652
Dividend declared	378,330	189,165
Dividend paid to Registrar	(378,330)	(186,388)
Payment made from cash with Registrar	(3,869)	(184,429)
Statute barred dividend	-	(61,231)
Payment made from unclaimed dividend investment	-	(117,772)
As at 30 June/31 December	<u>2,987,128</u>	<u>2,990,997</u>

17. Retirement benefit obligations

The amounts recognised in the statement of financial position are determined as follows:

	2017 N'000	2016 N'000
Present value of funded retirement benefit obligations	(1,417,990)	(1,237,335)
Fair value of plan assets	<u>1,949,263</u>	<u>1,721,956</u>
Retirement benefit surplus	531,273	484,621
Present value of unfunded retirement benefit obligations	(2,500,059)	(2,613,268)
Long service award obligations	<u>(206,867)</u>	<u>(181,166)</u>
Net liability in the statement of financial position	<u>(2,175,653)</u>	<u>(2,309,813)</u>

The amounts recognised within the income statement were as follows:

	Current Service Cost N'000	Net Interest Cost N'000	Total N'000
3 Months Ended 30 June 2017	73,378	80,521	153,898
3 Months Ended 30 June 2016	<u>98,247</u>	<u>88,343</u>	<u>186,590</u>
6 Months Ended 30 June 2017	<u>146,755</u>	<u>161,041</u>	<u>307,795</u>
6 Months Ended 30 June 2015	<u>184,038</u>	<u>206,731</u>	<u>390,769</u>

18. Cash flows from operating activities

	2017 N'000	2016 N'000
Profit before tax	5,044,100	1,487,214
Adjustment for non-cash items:		
- Depreciation of fixed assets	1,151,556	1,155,527
- Impairment charge	-	320,677
- Assets write off	-	4,072
- Amortisation of intangible assets	117,117	116,924
- Loss on disposals on fixed assets	2,738	-
- Finance income	(374,977)	(220,856)
- Finance expense	1,725,220	894,891
- Net charge in retirement benefit obligations	(159,861)	325,864
- Change in employee loan receivable	13,118	26,234
- Long service award obligations	25,701	34,297
- Other employee benefits	1,894	6,571
- Deferred Income	(16,378)	(16,377)
Changes in working capital:		
- Increase in trade and other receivables	(14,783,696)	(4,048,930)
- Increase/(decrease) in inventory	53,008	(242,390)
- Increase in trade and other payables	15,203,584	8,742,248
- Decrease in other non-current assets	<u>43,502</u>	<u>92,122</u>
Cash flows generated from operating activities	<u>8,046,626</u>	<u>8,678,088</u>

19. Related party transactions

(i) Sale of finished goods to related parties

	2017 N'000	2016 N'000
Unilever Ghana Limited	218,680	364,974
Unilever Cote D'Ivoire	542,479	339,724
	<u>761,159</u>	<u>704,698</u>

(ii) Purchases of finished goods for resale from related parties

	2017 N'000	2016 N'000
Unilever Ghana Limited	779,940	1,394,881
Unilever South Africa (Pty) Limited	159,003	-
	<u>938,943</u>	<u>1,394,881</u>

(iii) Outstanding related party balances as at 30 June were:

	2017 N'000	2016 N'000
<i>Receivables from related parties:</i>		
Unilever Cote D'Ivoire	6,518,544	3,446,340
Unilever Ghana Limited	3,061,803	2,136,456
Unilever UK Plc	1,903,460	293,918
Other related parties	90,261	141,812
	<u>11,574,068</u>	<u>6,018,526</u>

	2017 N'000	2016 N'000
<i>Payables to related parties:</i>		
Unilever UK Plc	3,859,929	1,291,290
Unilever Cote D'Ivoire	127,511	82,974
Unilever Ghana Limited	8,708,660	6,945,210
Unilever Asia Private	8,561,279	4,837,178
Unilever Finance International AG	736,080	114,138
Unilever NV	1,620,039	1,106,103
Other related parties (settlement on behalf of the Company)	1,881,911	1,621,700
	<u>25,495,409</u>	<u>15,998,593</u>

20. Share capital and share premium

	Number of ordinary shares (thousands)	Ordinary shares N'000	Share premium N'000
Balance as at 31 December 2016 and 30 June 2017	<u>3,783,296</u>	<u>1,891,649</u>	<u>45,717</u>

The authorised number of ordinary shares is 6,053,274,000 with a par value of 50kobo per share. Of these, 3,783,296,250 ordinary shares have been issued and fully paid.