



VITAFOAM NIGERIA PLC
UNAUDITED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL
STATEMENTS
FOR THE 9 MONTHS ENDED 30 JUNE 2017

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The unaudited consolidated and separate interim financial statements set out on pages 2 to 28, which have been prepared on the going concern basis, were approved by the board on and were signed on its behalf by:

Vitafoam Nigeria Plc

Unaudited Consolidated And Separate Interim Financial Statements for the 9 Months ended 30 June 2017

Statements of profit or loss and other comprehensive income

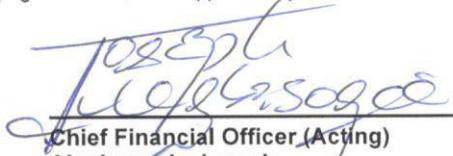
	Notes	Group				Company			
		9 Months to 30-Jun-17 N '000	9 Months to 30-Jun-16 N '000	3 Months to 30-Jun-17 N '000	3 Months to 30-Jun-16 N '000	9 Months to 30-Jun-17 N '000	9 Months to 30-Jun-16 N '000	3 Months to 30-Jun-17 N '000	3 Months to 30-Jun-16 N '000
Revenue	3	14,762,732	10,991,947	3,610,929	2,944,325	12,449,823	9,130,695	3,397,911	2,415,393
Cost of Sales		(10,624,939)	(7,419,598)	(2,404,827)	(1,940,158)	(9,041,876)	(6,178,998)	(2,284,192)	(1,610,920)
Gross profit		4,137,793	3,572,349	1,206,102	1,004,167	3,407,947	2,951,697	1,113,719	804,473
Other income	6	104,179	83,482	23,640	22,644	87,877	69,026	23,899	12,100
Administrative expenses	4	(2,398,050)	(2,433,226)	(649,923)	(667,195)	(1,757,551)	(1,806,075)	(562,024)	(481,702)
Distribution expenses		(586,100)	(543,276)	(208,921)	(150,279)	(550,291)	(464,148)	(193,357)	(126,589)
Operating profit		1,257,822	679,329	370,898	209,337	1,187,982	750,500	382,237	208,282
Finance cost	5	(999,678)	(728,473)	(383,433)	(296,220)	(848,754)	(467,319)	(346,898)	(158,119)
Profit before taxation		258,144	(49,144)	(12,535)	(86,883)	339,228	283,181	35,339	50,164
Taxation		(124,426)	(109,885)	(6,715)	(22,539)	(108,553)	(90,617)	(11,308)	(16,053)
Profit for the 9 Months		133,718	(159,029)	(19,250)	(109,422)	230,675	192,564	24,031	34,111
Exchange differences arising during the year	5	(168,357)	-	(3,021)	12	-	-	-	-
Other comprehensive income		(168,358)	-	(3,021)	12	-	-	-	-
Total comprehensive income for the 9 Months		(34,640)	(159,029)	(22,271)	(109,410)	230,675	192,564	24,031	34,111
Profit attributable to:									
Equity holders of the parent		86,200	(218,360)	(19,250)	(114,262)	230,675	192,564	24,031	34,111
Non-controlling interests		47,518	59,331	-	4,840	-	-	-	-
		133,718	(159,029)	(19,250)	(109,422)	230,675	192,564	24,031	34,111
Earnings per share for profit from total operations attributable to equity holders of parent									
Basic and diluted		16.33 k	(19.42)k	(2.35)k	(13.36)k	28.17 k	23.51 k	2.93 k	4.16 k

Statement of Financial Position as at 30 June 2017

	Note(s)	Group		Company	
		Period to 30-Jun-17 N '000	Year ended 30th September 2016 N '000	Period to 30-Jun-17 N '000	Year ended 30th September 2016 N '000
Assets					
Non-Current Assets					
Property, plant and equipment	7	3,633,635	3,828,622	2,272,663	2,443,814
Intangible assets		50,621	50,763	48,370	50,763
Investment property		342,641	353,168	342,641	353,168
Investments in subsidiaries		-	-	961,877	911,877
Available for sale financial assets	8	17,978	17,768	17,978	17,768
		4,044,875	4,250,321	3,643,529	3,777,390
Current Assets					
Inventories	10	4,869,099	4,491,984	3,616,206	3,254,293
Other assets	17	825,863	798,920	590,734	702,970
Current tax receivable		-	7,395	-	-
Trade and other receivables	11	1,672,332	1,815,473	3,536,803	3,614,806
Cash and bank balances	13	244,662	284,211	236,017	179,053
		7,611,956	7,397,983	7,979,760	7,751,122
Non-current assets held for sale		1,570,043	1,697,065	1,570,043	1,570,043
Total Assets		13,226,874	13,345,369	13,193,332	13,098,555
Equity and Liabilities					
Equity					
Equity Attributable to Equity Holders of Parent					
Share capital	14	521,034	521,035	521,035	521,035
Share premium	14	3	3	3	3
Reserves		265,703	493,640	526,341	526,341
Accumulated profit (loss)		2,496,842	2,565,726	3,433,435	3,327,844
		3,283,582	3,580,404	4,480,814	4,375,223
Non-controlling interest		(24,427)	(71,945)	-	-
		3,259,155	3,508,459	4,480,814	4,375,223
Liabilities					
Non-Current Liabilities					
Borrowings	15	1,097,343	1,096,161	502,388	165,354
Retirement benefit obligation		388,864	364,818	350,671	364,818
Deferred tax	9	400,490	400,491	423,216	423,216
		1,886,697	1,861,470	1,276,275	953,388
Current Liabilities					
Current tax payable		277,995	279,218	299,727	273,889
Trade and other payables	12	3,016,528	2,051,724	2,691,485	1,936,223
Borrowings	15	4,773,180	5,626,624	4,431,697	5,541,958
Deferred income		13,319	17,874	13,319	17,874
		8,081,022	7,975,440	7,436,228	7,769,944
Total Liabilities		9,967,719	9,836,910	8,712,503	8,723,332
Total Equity and Liabilities		13,226,874	13,345,369	13,193,317	13,098,555

The unaudited consolidated and separate interim financial statements and the notes on pages 2 to 28, were approved by the board on the and were signed on its behalf by:


 Group Managing Director/CEO
 Adeniyi A. Taiwo
 FRC/2015/IOND/00000010639


 Chief Financial Officer (Acting)
 Alegbesogie Joseph
 FRC/2013/ICAN/00000003728

The accounting policies on pages 8 to 19 and the notes on pages 20 to 28 form an integral part of the unaudited consolidated and separate interim financial statements.

Consolidated and Separate statement of changes in equity

	Share capital	Share premium	Foreign currency translation reserve	Hedging reserve	Fair value adjustment assets- available-for- sale reserve	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	N '000	N '000	N '000	N '000	N '000	N '000	N '000	N '000	N '000
Group									
Balance at 01 October 2015	491,400	3	229,316	-	(37,048)	3,092,017	3,775,688	(462,297)	3,313,391
Loss for the year	-	-	-	-	-	(39,272)	(39,272)	7,240	(32,032)
Other comprehensive income	-	-	-	187,754	-	-	187,754	-	187,754
Balance at June 30, 2016	491,400	3	229,316	187,754	(37,048)	3,052,745	3,924,170	(455,057)	3,469,113
Balance at 01 October 2016	521,035	3	61,699	468,989	(37,048)	2,565,726	3,580,404	(71,945)	3,508,459
Profit for the 9 Months	-	-	-	-	-	86,200	86,200	47,518	133,718
Other comprehensive income	-	-	(168,358)	-	-	-	(168,358)	-	(168,358)
Dividends	-	-	-	-	-	(155,084)	(155,084)	-	(155,084)
Balance at 30 June 2017	521,035	3	(166,239)	468,989	(37,048)	2,496,842	3,283,582	(24,427)	3,259,155

Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended 30 June 2017

Consolidated and Separate statement of changes in equity

	Share capital	Share premium	Foreign currency translation reserve	Business Combination	Fair value adjustment assets-available-for-sale reserve	Retained income	Total equity
	N '000	N '000	N '000	N '000	N '000	N '000	N '000
Company							
Balance at 01 October 2015	491,400	3	-	-	(37,048)	3,348,477	3,802,832
Profit for the year	-	-	-	-	-	412,386	412,386
Other comprehensive income	-	-	187,754	-	-	(186,560)	1,194
Issue of bonus shares	29,785	-	-	-	-	-	29,785
Repurchase of shares	(150)	-	-	-	-	-	(150)
Business combination	-	-	375,635	-	-	-	375,635
Share premium adjustment	-	-	-	-	-	(759)	(759)
Dividends	-	-	-	-	-	(245,700)	(245,700)
Total contributions by and distributions to owners of company recognised directly in equity	29,635	-	375,635	-	-	(246,459)	158,811
Balance at June 30, 2016	521,035	3	563,389	-	(37,048)	3,327,844	4,375,223
Balance at 01 October 2016	521,035	3	563,389	-	(37,048)	3,327,844	4,375,223
Profit for the 9 Months	-	-	-	-	-	230,675	230,675
Other comprehensive income	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(125,084)	(125,084)
Balance at 30 June 2017	521,035	3	563,389	-	(37,048)	3,433,435	4,480,814

The accounting policies on pages 8 to 19 and the notes on pages 20 to 28 form an integral part of the unaudited consolidated and separate interim financial statements.

Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended 30 June 2017

Statement of Cash Flows

	Group		Company	
	9 Months to June 30, 2017 30-Jun-17 Note(s)	9 Months to June 30, 2016 30-Jun-16 N '000	9 Months to June 30, 2017 30-Jun-17 N '000	9 Months to June 30, 2016 30-Jun-16 N '000
Cash flows from operating activities				
Profit (loss) before taxation	258,144	61,198	339,228	522,757
Adjustments for:				
Depreciation and amortisation	270,481	349,018	212,601	275,161
Adjustment on property, plant equipment	129,808	632,881	-	32,097
Loss(profit) on sale of assets	-	11,497	-	11,608
Gain/Loss on exchange difference	(168,357)	(167,617)	-	-
Interest received	(16,903)	(68,257)	(16,903)	(68,257)
Finance cost	999,678	895,059	848,754	774,418
Fair value adjustments	-	(2,654)	(210)	(2,654)
Vono tax liability assumed	-	28,749	-	28,749
Movements in retirement benefit assets and liabilities	24,046	(13,136)	(14,147)	8,661
Movement in non current asset held for sale	127,022	(1,696,146)	-	(1,570,044)
Share issued to Vono shareholders	-	29,635	-	29,635
Changes in working capital:				
Inventories	(377,116)	(27,371)	(361,913)	(220,825)
Trade and other receivables	33,728	1,011,144	78,003	1,081,800
Prepayments	82,471	(630,438)	112,236	(562,325)
Trade and other payables	964,805	(2,075,530)	755,262	(1,699,072)
Deferred income	(4,555)	(57,263)	(4,555)	17,874
Current tax payable	(1,223)	-	25,838	-
	2,322,029	(1,719,231)	1,974,194	(1,340,417)
Tax (paid) received	(104,833)	(206,195)	(63,360)	(185,730)
Net cash from operating activities	2,217,196	(1,925,426)	1,910,834	(1,526,147)
Cash flows from investing activities				
Purchase of property, plant and equipment	7	(225,611)	(290,650)	(23,834)
Sale of property, plant and equipment	7	6,505	12,242	5,211
Purchase of other intangible assets		-	(19,672)	(9,894)
Proceeds of other intangible assets		-	2,394	-
Purchase of investment in subsidiary		-	-	(50,000)
Sale of financial assets		-	-	210
Interest Income		16,903	68,257	16,903
Net cash from investing activities		(202,203)	(227,429)	(61,404)
Cash flows from financing activities				
Proceeds from borrowings		7,385,365	7,329,927	7,340,973
Repayment of borrowings		(8,197,264)	(5,365,024)	(8,064,090)
Transfer to non controlling interest		(47,518)	383,112	-
Reserve arising from business combination		-	468,989	-
Share premium adjustment		-	(759)	-
Dividends paid		(155,084)	(299,700)	(125,084)
Finance costs		(999,678)	(895,059)	(848,754)
Net cash from financing activities		(2,014,179)	1,621,486	(1,696,955)
			1,471,132	

Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended 30 June 2017

Statement of Cash Flows

	Group			Company			
	9 Months June 30, 2017	9 months June 30, 2016	30-Jun-16	9 Months June 30, 2017	9 months June 30, 2016	30-Jun-16	
	Note(s)	30-Jun-16 N '000	30-Jun-17 N '000	30-Jun-16 N '000	30-Jun-16 N '000	30-Jun-17 N '000	30-Jun-16 N '000
Net cash and cash equivalent for the 9 Months				814	(531,369)	152,475	(421,094)
Cash at the beginning of the 9 Months				(1,614,158)	(1,082,789)	(1,709,650)	(1,288,556)
Cash and cash equivalent at the end of the 9 Months			13	(1,613,344)	(1,614,158)	(1,557,175)	(1,709,650)

The accounting policies on pages 8 to 19 and the notes on pages 20 to 28 form an integral part of the unaudited consolidated and separate interim financial statements.

Significant Accounting Policies

1.1 General Information

The consolidated and separate interim financial statements incorporate the financial statements of Vitafoam Nigeria Plc. and entities controlled by Vitafoam Nigeria Plc. (its subsidiaries), collectively called "the Group" made up to the end of each quarter of the year. The ultimate controlling party of the Group is the parent , Vitafoam Nigeria Plc.

Stand alone financial statements for Vitafoam Nigeria (the Company) have also been presented. The same accounting policies are used by both the Group and Company.

The consolidated and separate interim financial statements were authorised for issue by the Board of Directors on

1.2 Basis of Preparation and Adoption of IFRS

The consolidated and separate interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) effective for the period ended 30 June 2017.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The Directors believe that the underlying assumptions are appropriate and that these interim consolidated and separate financial statements present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate interim financial statements are disclosed in the note .

The consolidated and separate interim financial statements have been prepared under the going concern assumption and historical cost convention as modified by the valuation of available-for-sale financial assets. The consolidated and separate interim financial statements are presented in Nigeria Naira and all values are rounded to the nearest thousand Naira (NGN'000), except where otherwise indicated.

The consolidated and separate interim financial statements were authorised for issue by the board of directors on .

1.3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate interim consolidated and separate interim financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.4 Consolidation

The interim financial statements of the subsidiaries used to prepare the interim consolidated and separate financial statements were prepared as of the parent Company's reporting date.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group.

They are deconsolidated from the date that control ceases.

The Company's subsidiaries' are listed below:

- Vitafoam Ghana Limited
- Vitafoam Sierra Leone Limited
- Vitapur Nigeria Limited
- Vitablom Nigeria Limited
- Vitavisco Nigeria Limited

Significant Accounting Policies

- Vono Furniture Products Limited
- Vitagreen Nigeria Limited
- Vitaparts Nigeria Limited

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition- by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity. Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed.

If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss. Inter-Company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-Company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Changes in ownership interests in subsidiaries without change in control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in the carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for retained interest in an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity, are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are re-classified to profit or loss.

1.5 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The interim consolidated and separate financial statements are presented in 'Naira', which is the Group's presentation currency.

Significant Accounting Policies

1.5 Foreign currency translation (continued)

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other income or expenses'.

Foreign operations

Assets and liabilities for each period presented are translated at the closing rate at the date of that period. Income and expenses for each income statement are translated at average exchange rates. Where Group companies have a functional currency different from the Group's presentation currency, the exchange differences arising on translation of these operations are recognized in other comprehensive income, otherwise, in the profit or loss.

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a) assets and liabilities for each period presented are translated at the closing rate as at the end of that period;
- b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- c) all resulting exchange differences are recognised in other comprehensive income and accumulated in a currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

1.6 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods supplied in the normal course of business, stated net of trade discounts, change to returns, volume rebates, and value added tax.

The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities, as described below.

The Group bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

1.7 Trade receivables

Trade receivables are amounts due from customers for sale of foam products or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. "

1.8 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, cash balances with banks, other short term highly liquid investments with original maturity of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

Significant Accounting Policies

1.9 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method (product & packaging materials, work-in-progress,) and the weighted average cost basis. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less any applicable selling expenses. Allowance is made for defective and slow moving items as appropriate. If carrying value exceeds net realizable amount, a write down is recognized. The write-down may be reversed in a subsequent period if the circumstances which caused it no longer exist.

1.11 Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

1.12 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. Repairs and maintenance costs are charged to the profit or loss in the period they are incurred.

The Group allocates the amount initially recognized in respect of an item of property, plant and equipment to its significant parts and depreciates separately each such part. The carrying amount of a replaced part is derecognized when replaced. Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted if appropriate. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other income' in the profit or loss.

The major categories of property, plant and equipment are depreciated on a straight-line basis as follows:

Significant Accounting Policies

1.12 Property, plant and equipment (continued)

Asset category	Useful lives (years)
Buildings	33
Plant and machinery	5
Motor vehicle	4
Furniture, fittings and equipment	5

Land is not depreciated. The Company currently does not have property, plant and equipment in work in progress. In the case where an asset's carrying amount is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference (impairment loss) is recorded as expense in profit or loss.

1.13 Impairment of assets

1.13.1 Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

1.13.2 Impairment of financial assets

a. Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the Company, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
 1. Adverse changes in the payment status of borrowers in the portfolio; and
 2. National or local economic conditions that correlate with defaults on the assets in the portfolio.

The Group first assesses whether objective evidence of impairment exists.

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

Significant Accounting Policies

1.13 Impairment of assets (continued)

The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

b. Assets carried as available for sale

The Group assesses at the end of each reporting period whether there is an objective evidence that a financial asset is impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below cost is also evidence that the asset is impaired.

If such evidence exists for available for sale financial assets, the cumulative loss -measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss is removed from equity and recognized in profit or loss. Impairment losses recognized in the consolidated income statement on equity instruments are not reversed through the consolidated profit or loss.

1.14 Financial instruments

Classification

The Company classifies its financial assets in the following categories:

Loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

1.14.1 Financial assets

The Group's financial assets are classified into available for sale (AFS) and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Management determines the classification of financial assets at initial recognition.

i Available-for-sale financial assets (AFS financial assets)

Available-for-sale investments are non-derivatives that are either designated in this category or not classified in any of the other categories. The Group's available-for sale assets comprise investments in equity securities. Available-for-sale investments are recognized initially at fair value plus transaction costs and are subsequently carried at fair value. Gains or losses arising from remeasurement are recognized in other comprehensive income.

When an available-for-sale investment is sold or impaired, the accumulated gains or losses are moved from accumulated other comprehensive income to the statement of comprehensive income and are included in "other gains and losses (net)". Available-for-sale investments are classified as non-current, unless an investment matures within twelve months, or management expects to dispose of it within twelve months. Dividends on available-for-sale equity instruments are recognized in the statement of income as dividend income when the Company's right to receive payment is established.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair values cannot be reasonably estimated are carried at cost.

ii Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Group's loans and receivables comprise trade receivables, staff debtors, intercompany receivables and cash and cash equivalents, and are included in current assets due to their short-term nature. Loans and receivables are initially recognized at the amount expected to be received, less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are carried at amortised cost less any impairment.

Significant Accounting Policies

1.14 Financial instruments (continued)

1.14.2 Financial liabilities

Financial liabilities are classified as financial liabilities at amortised cost. There are no financial liabilities at fair value through profit or loss (FVTPL). Financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, inclusive of directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification as follows:

(a) Financial liabilities at amortised cost

These include trade payables and bank borrowings. Trade payables are initially recognized at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, trade payables are measured at amortised cost using the effective interest method. Bank borrowings are recognised initially at fair value, net of any transaction costs incurred, and subsequently at amortised cost using the effective interest method. These are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

Offsetting financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Derecognition

All financial instruments are initially measured at fair value. Financial assets and liabilities are derecognised when the rights to receive cash flows from the investments or settle obligations have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

1.15 Taxation

Current Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted as at each reporting period end in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at each report period end and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes 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.

Significant Accounting Policies

1.16 Employee benefits

The Group has both defined benefit and defined contributory schemes.

a) Defined Contributory scheme

The Company operates a pension scheme which is generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Company operates a defined contribution plan. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

In Nigeria, the Group, in line with the provisions of the Pension Reform Act 2014, operates a defined contribution pension scheme under which the Group contributes 10% and its employees each contribute 8% of the employees' monthly basic salary, housing and transport allowances to the fund. In Sierra Leone and Ghana.

The Group also operates defined contribution schemes in accordance with the relevant local laws. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

The staff contributions to the scheme are funded through payroll deductions while the Group's contributions are accrued and charged fully to the profit or loss account. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

b) Defined Benefits scheme

A defined benefit plan is a retirement benefit plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates on government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. Actuarial gains and losses are recognized in full in the period in which they occurred, in other comprehensive income and cumulated in other reserves without recycling to profit or loss in subsequent periods.

The current service cost of the defined benefit plan, recognised in the income statement in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements. Past-service costs are recognised immediately in income.

Other Long term benefits

Other long term benefits - Long Service awards are paid to qualifying staff when earned. The Group's liability to staff is measured annually by independent actuaries using the projected credit unit method.

Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Significant Accounting Policies

1.17 Share capital

The Company has only one class of shares, ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded as share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve.

1.18 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's consolidated and separate interim financial statements in the period in which the dividends are approved by the Company's shareholders.

Unclaimed dividends which remain unclaimed for a period exceeding twelve (12) years from the date of declaration and which are no longer actionable by shareholders in accordance with section 385 of the Companies and Allied Matters Acts of Nigeria are written back to retained earnings.

1.19 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

The Group leases certain land and buildings. Leases of land and buildings where the Group has substantially all the risks and rewards of ownership are classified as finance leases otherwise, they are operating leases.

Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. For finance leases, each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in other longterm payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Property, plant & equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease term.

1.20 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to property, plant and equipment are deferred and credited to the profit or loss on a straight- line basis over the expected useful lives of the related assets.

1.21 Segment Reporting

An Operating segment is a component of an entity

- a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
- c) for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Managing director of Vitafoam Nigeria Plc.

1.22 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

Significant Accounting Policies

1.23 Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.24 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property. Land held under operating leases is classified and accounted for by the Company as investment property when the definition of investment property would otherwise be met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs and (where applicable) borrowing costs. After initial recognition, investment property is carried at cost. Recognition of investment properties takes place only when it is probable that the future economic benefits that are associated with the investment property will flow to the Group and the cost can be reliably measured.

This is usually when all risks are transferred. Rental income represents income received from letting of properties. Income is recognised on an accrual basis and credited to the profit or loss.

1.25 Intangible assets

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of five years." Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

1.26 Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information.

Where IAS 8 applies, comparative figures have been adjusted to conform to changes in presentation in the current year.

Significant Accounting Policies

1.27 Interests in subsidiaries

Company unaudited consolidated and separate interim financial statements

In the company's separate unaudited consolidated and separate interim financial statements, investments in subsidiaries are carried at cost less any accumulated impairment.

The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company; plus
- any costs directly attributable to the purchase of the subsidiary.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

2 Critical accounting estimates and judgements

The preparation of consolidated and separate interim financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate interim financial statements are disclosed herein.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

2.1.1 Pension obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for these benefits include the discount rate. Any changes in these assumptions will impact the carrying amount of employee benefit obligations.

The Group's actuaries determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations.

In determining the appropriate discount rate, the actuaries considers the interest rates of high-quality corporate bonds (except where there is no deep market in such bonds, in which case the discount rate should be based on market yields on Government bonds) that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related employee benefit obligation. Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in note .

2.1.2 Income Taxes

Taxes are paid by Companies under a number of different regulations and laws, which are subject to varying interpretations. In this environment, it is possible for the tax authorities to review transactions and activities that have not been reviewed in the past and scrutinize these in greater detail, with additional taxes being assessed based on new interpretations of the applicable tax law and regulations.

Accordingly, management's interpretation of the applicable tax law and regulations as applied to the transactions and activities of the Companies within the Group may be challenged by the relevant taxation authorities. The Group's management believes that its interpretation of the relevant tax law and regulations is appropriate and that the tax position included in these interim consolidated and separate financial statements will be sustained.

Significant Accounting Policies

2.1.3 Impairment of available-for-sale equity investments

The Group follows the guidance of IAS 39 to determine when an available-for-sale equity investment is impaired. This determination requires significant judgement. In making this judgement, the group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

2.1.4 Useful lives and residual values

Useful lives and residual values are reviewed annually in line with IAS 16 requirements. In performing this review, management considers the present conditions of the assets and the scrap values realizable on these assets at the time of disposal. No revisions were made to useful lives and residual values in current period as management deems these estimates appropriate.

2.2 Critical judgements in applying the entity's accounting policy

Key judgements applied to the Group's accounting policies during the periods included in these consolidated and separate interim financial statements.

2.2.1 Impairment of Non-financial assets

IAS 36 requires an assessment of indicators of impairment at least at each period end. Where no indicators exist as at review date, the standard precludes the need for any further impairment testing's. The Directors reviewed all indicators as at each period and conclude that no non-financial assets (e.g. property plant and equipment) were impaired.

2.2.2 Consolidation of Vono Products Plc.

Under IFRS 10, entities are required to re-assess the control of an entity when facts and circumstances change. Vitafoam Nigeria Plc. carried out a control re-assessment and concluded that it has control of Vono Products Plc. even though Vitafoam holds only 47% of equity shares in Vono Products Plc.

In line with IFRS 10, Vono products has been consolidated during the period.

2.2.3 Investment in subsidiary - Vitapur Nigeria Limited

Even though Vitafoam holds only 40% of equity shares in Vitapur Nigeria Limited, the Directors believe that Vitafoam has "more than" significant influence and controls the financial and operating policies of Vitapur Nigeria Limited. This key judgement forms the basis for the consolidation of the Vitapur's financial statements.

2.2.4 Functional currency of Vitafoam Sierra Leone

IAS 21 requires that the functional currency of an entity should reflect the underlying transactions, events and conditions that are relevant to the entity. Prior to June 2014, the functional currency of Vitafoam Sierra Leone was the Nigerian Naira.

From July 2014, there was a change in the underlying events and conditions that was relevant to the subsidiary. Following this event, the functional currency changed to the Sierra Leonean 'Leone'. The effect of this change has been reflected prospectively from the date of change in these financial statements in line with IAS 21.

2.2.5 Impairment of financial assets

The Group reviews its impairment of financial assets for possible impairment if there are events or changes in circumstances that indicate that the carrying values of the assets may not be recoverable, or at least at the reporting date, when there is an indication that the asset might be impaired.

Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended 30 June 2017

Notes to the Unaudited Consolidated And Separate Interim Financial Statements

	Group				Company			
	9 Months to 30-Jun-17 NN '000	9 Months to 30-Jun-16 N '000	3 Months to 30-Jun-17 N '000	3 Months to 30-Jun-16 N '000	9 Months to 30-Jun-17 '000	9 Months to 30-Jun-16 N '000	3 Months to 30-Jun-17 N '000	3 Months to 30-Jun-16 N '000
	3. Revenue							
Local	14,762,732	10,991,947	3,610,929	2,944,325	12,449,823	9,130,695	3,397,911	2,415,393
Export	-	-	-	-	-	-	-	-
	14,762,732	10,991,947	3,610,929	2,944,325	12,449,823	9,130,695	3,397,911	2,415,393

The company's primary geographical segment is Nigeria. Over 99.9% of the sales of the company are made in Nigeria. Also, the Company's products have identical risks and returns. No further business or geographical segment information is therefore reported.

4. Administrative expenses

Administration and management fees	31,061	12,966	9,588	3,555	28,875	9,624	9,068	-
Advertising	76,562	93,825	14,506	25,727	58,408	89,357	15,300	1,510
Auditors remuneration	16,523	5,516	1,608	1,512	11,164	3,997	-	-
Cleaning	6,165	12,105	(1,187)	3,319	-	8,985	-	3,195
Consulting and professional fees	51,899	56,412	11,626	15,468	35,530	40,878	10,584	-
Amortisation	13,665	23,898	5,088	6,553	12,287	13,351	4,626	7,445
Depreciation	256,816	363,025	77,441	99,542	200,314	202,807	60,657	68,695
Donations	5,437	6,936	537	1,902	4,329	5,148	859	1,354
Employee costs	1,112,654	1,163,815	307,033	319,120	846,335	922,407	276,994	256,146
Entertainment	14,411	8,927	3,830	2,447	11,823	6,626	3,295	1,502
Other expenses	115,707	86,006	29,124	23,583	61,414	69,204	14,205	15,861
Exchange Loss	100,491	-	9,789	-	41,788	-	4,452	-
Fines and penalties	18,865	36,165	3,193	9,917	17,581	31,448	2,423	7,008
Insurance	27,437	25,213	10,101	6,913	20,591	19,853	8,338	7,259
Rent & rates	64,387	85,742	13,161	23,511	24,023	32,113	8,489	7,157
Newspapers and periodicals	1,925	2,171	403	595	1,533	1,611	540	-
Printing and stationery	12,534	25,037	2,270	6,865	9,259	14,709	2,854	2,149
Loss on sale of assets	-	-	-	-	-	-	-	-
Protective clothing	1,384	2,167	813	594	1,365	1,693	816	196
Repairs and maintenance	189,365	190,651	57,391	52,277	155,969	143,347	51,618	42,955
Research and development costs	5,182	1,041	80	288	-	773	-	-
Security	10,535	18,900	1,432	5,183	-	-	-	-
Subscriptions	11,103	3,396	7,604	931	10,299	2,520	7,334	245
Transport and freight	4,000	15,966	1,494	4,378	-	-	-	-
Travel - local	73,745	79,968	26,739	21,927	53,370	60,117	23,364	8,532
Utilities expenses	176,196	113,378	56,259	31,088	151,294	125,507	56,209	50,492
	2,398,049	2,433,226	649,923	667,195	1,757,551	1,806,075	562,025	481,702

5. Finance cost

Loans	999,678	728,473	383,433	296,220	848,754	467,319	346,898	170,692
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Notes to the Unaudited Consolidated And Separate Interim Financial Statements

	Group				Company			
	9 Months to 30-Jun-17 NN '000	9 Months to 30-Jun-16 N '000	3 Months to 30-Jun-17 N '000	3 Months to 30-Jun-16 N '000	9 Months to 30-Jun-17 '000	9 Months to 30-Jun-16 N '000	3 Months to 30-Jun-17 N '000	3 Months to 30-Jun-16 N '000
6. Other income								
Investment income	16,903	23,632	3,367	9,551	16,903	23,632	3,367	1,250
Sale of scrap items	51,193	42,106	10,590	12,808	39,294	30,894	10,849	10,850
Rental income	31,681	17,744	9,683	-	31,681	14,500	9,683	-
Other income from subsidiary	4,402	-	-	285	-	-	-	-
	104,179	83,482	23,640	22,644	87,878	69,026	23,899	12,100

Exchange difference arising during the year was from foreign subsidiaries; Vitafoam Ghana Limited and Vitafoam Sierra Leone Limited. .

Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended 30 June 2017

Notes to the Unaudited Consolidated And Separate Interim Financial Statements

7. Property, plant and equipment

Group

	Freehold Land	Building	Plant and machinery	Furniture and Fixtures	Motor Vehicle	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Cost						
Balance at 01 October 2015	319,072	3,668,163	2,270,060	341,986	577,439	7,176,720
Additions	9,580	32,714	123,799	39,294	85,263	290,650
Adjustments	(32,097)	-	-	-	-	(32,097)
Reclassification	(8,444)	8,444	3,072	(3,072)	-	-
reclassifications to held for sale	-	(566,091)	(128,379)	(27,066)	(62,308)	(783,844)
Disposal	-	-	(7,501)	(350)	(84,421)	(92,272)
Effect of foreign currency exchange differences	-	36,855	6,244	1,215	2,559	46,873
Transfer	-	-	(113,585)	-	(580)	(114,165)
Balance at 30 September, 2016	288,111	3,180,085	2,153,710	352,007	517,952	6,492,445
Balance at 01 October 2016	288,111	3,180,085	2,153,710	352,007	518,532	6,492,445
Addition	19,758	579	179,686	7,277	18,312	225,612
Disposal	-	-	-	(1,251)	(17,776)	(19,027)
Effects of foreign currency	-	(251,247)	(40,224)	(7,652)	(7,163)	(306,286)
Reclassification	-	(19,032)	150,730	2,953	-	134,651
Adjustment	(17,886)	17,886	(39,452)	2,262	(3,945)	(41,135)
Balance at 30 June 2017	425,448	3,025,224	2,303,280	356,306	513,048	6,623,306

Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended 30 June 2017

Notes to the Unaudited Consolidated And Separate Interim Financial Statements

	Freehold Land N'000	Building N'000	Plant and machinery N'000	Furniture and Fixtures N'000	Motor Vehicle N'000	Total N'000
Accumulated depreciation						
Balance at 01 October 2015	-	452,104	1,575,264	230,204	406,665	2,664,237
Charge for the year	-	65,693	167,046	30,293	54,860	317,892
Reclassification	-	-	1,773	(1,773)	-	-
Reclassification to held for sale	-	(120,149)	(52,000)	(17,282)	(29,530)	(218,961)
Disposal	-	-	(7,500)	(344)	(60,689)	(68,533)
Effect of foreign currency exchange differences	-	987	1,230	521	1,621	4,359
Transfer	-	-	(27,634)	274	(274)	(27,634)
Adjustments	-	-	(7,537)	-	-	(7,537)
Balance at 30 September, 2016	-	398,635	1,650,642	241,893	372,653	2,665,090
Balance at 01 October 2016	-	398,635	1,650,642	241,893	372,653	2,663,823
Charge for the year	-	45,190	100,374	18,662	33,735	197,961
Disposal	-	-	-	(695)	(11,826)	(12,521)
Transfer	-	-	95,778	-	-	95,778
Reclassification	-	-	52,756	-	-	52,756
Adjustment	-	-	(4,120)	4,281	3	-
Effect of foreign currency exchange diff	-	14,083	(15,462)	(2,834)	(4,077)	(36,457)
Balance at 30 June 2017	-	457,908	1,879,968	261,307	390,488	2,989,671
Carrying amount						
Balance as at 30 June 2017	425,448	2,567,316	423,312	94,999	122,560	3,633,635
Balance at 30 September, 2016	288,111	2,781,450	503,068	110,114	145,299	3,828,622

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Company

	Freehold Land	Building	Plant and machinery	Furniture and fixutres	Motor Vehicle	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Cost						
Balance at 01 October 2015	299,822	2,147,122	1,621,759	266,293	444,616	4,779,612
Addition	2,500	4,056	15,836	4,382	50,190	76,964
Disposal	-	-	(7,501)	-	(80,531)	(88,032)
Transfer	-	-	-	293	(293)	-
Adjustment	(32,097)	-	-	-	-	(32,097)
Balance at 30 September 2016	270,225	2,151,178	1,630,094	270,968	413,982	4,736,447
Balance at 01 October 2016	270,225	2,151,178	1,630,094	270,968	413,982	4,736,447
Addition	19,758	579	783	2,715	-	23,835
Disposal	-	-	-	-	(14,618)	(14,618)
Balance at 30 June 2017	289,983	2,151,757	1,630,877	273,683	399,363	4,745,663
Accumulated depreciation						
Balance at 01 October 2015	-	281,311	1,305,902	188,550	337,571	2,113,334
Charge for the period	-	57,433	123,763	24,451	38,387	244,034
Disposal	-	-	(7,500)	-	(57,235)	(64,735)
Transfer	-	-	-	274	(274)	-
Balance at 31st March, 2016	-	338,744	1,422,165	213,275	318,449	2,292,633
Balance at 01 October 2016	-	338,744	1,422,165	213,275	318,449	2,292,633
Charge for the period	-	48,891	89,650	18,783	32,450	189,774
Disposal	-	-	-	-	(9,408)	(9,408)
Balance at 30 June 2017	-	387,635	1,511,815	232,058	341,491	2,472,999
Carrying amount						
Balance as at 30 June 2017	289,983	1,764,122	119,062	41,625	57,872	2,272,664
Balance as at 30 September 2016	270,225	1,812,434	207,929	57,693	95,533	2,443,814

7.1 Impairment losses recognised in the year

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Notes to the Unaudited Consolidated And Separate Interim Financial Statements

There are no indicators of impairment at the end of the reporting period. Thus the directors are of the opinion that allowance for impairment is not required.

8. Available-for-sale financial assets

Available-for-sale

Quoted Security	7,978	7,768	7,978	7,768
Unquoted securities	10,000	10,000	10,000	10,000
	17,978	17,768	17,978	17,768

Non-current assets

Available-for-sale	17,978	-	17,978	-
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The Group has not reclassified any financial assets from cost or amortised cost to fair value, or from fair value to cost or amortised cost during the current or prior 9 months.

9. Deferred tax

Deferred tax liability

Property plant and equipment	400,490	400,491	423,216	423,216
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Deferred tax asset

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Deferred tax liability	400,490	400,491	423,216	423,216
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Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended 30 June 2017

Notes to the Unaudited Consolidated And Separate Interim Financial Statements

	Group		Company	
	Period to 30-Jun-17 N '000	Year ended 30th September 2016 N '000	Period to 30-Jun-17 N '000	Year ended 30th September 2016 N '000
10. Inventories				
Finished goods - cost	1,253,580	972,315	922,109	688,512
Raw materials - cost	2,633,275	2,715,422	1,987,453	2,050,300
Work in progress - cost	582,655	366,928	336,932	198,157
Spare parts and consumables - cost	439,075	385,972	383,421	331,033
Goods in transit	(22,777)	68,056	-	-
	4,885,808	3,536,378	3,629,915	2,579,490
Inventories (write-downs)	(16,709)	(16,709)	(13,709)	(13,709)
	4,869,099	4,491,984	3,616,206	3,254,293

11. Trade and other receivables

Trade receivables	1,734,961	1,807,780	1,218,798	1,366,075
Other receivables	266,981	230,011	146,761	130,631
Staff Debtors	17,093	19,206	7,641	12,851
Receivables from related parties Note 11b	-	-	2,377,770	2,278,585
Allowance for doubtful debts	(346,703)	(241,523)	(214,167)	(173,336)
	1,672,332	1,815,474	3,536,803	3,614,806

11b

Amount due from related parties

Vitapur Nig. Ltd	-	-	810,846	810,103
Vitablom Nig. Ltd	-	-	295,154	261,940
Vitavisco Nig. Ltd	-	-	71,896	90,588
Vitagreen Nig.Ltd	-	-	256,593	248,070
Vitafoam Ghana Ltd	-	-	413,083	405,498
Vitafoam Sierra Leone Ltd	-	-	453,956	424,949
Vitaparts Nig. Ltd	-	-	2,133	25
Vono Furniture Products Ltd.	-	-	74,110	37,412
	-	-	2,377,771	2,278,585

The creation and release of allowance for impaired receivables have been included in operating expenses in profit or loss . Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The other classes within the trade and other receivables do not contain impaired assets.

12. Trade and other payables

Trade payables	1,026,574	605,936	1,154,247	732,365
Dealers Securities' Deposit	210,249	92,696	209,665	92,002
Dividends Unclaimed	316,171	271,339	316,171	271,339
Other credit balances	314,394	31,253	170,171	61,852
Value added tax payable	696,489	740,993	559,117	577,920
Accrued expenses	316,486	193,126	143,776	95,513
Due to related parties	-	-	-	-
Withholding tax payable	25,015	27,648	31,698	31,294
Employee benefits payable	104,771	88,733	100,261	73,938
Accrued expense 5	6,379	-	6,379	-
	3,016,528	2,051,724	2,691,485	1,936,223

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Notes to the Unaudited Consolidated And Separate Interim Financial Statements

	Group		Company	
	Period to 30-Jun-17 N '000	Year ended 30th September 2016 N '000	Period to 30-Jun-17 N '000	Year ended 30th September 2016 N '000
12. Revenue (continued)				
All trade payables are due within twelve (12) months.				
13. Cash and bank balances				
Cash and cash equivalents consist of:				
Cash	35,768	25,860	26,994	15,016
Bank Balances	154,415	211,907	154,545	117,593
Fixed deposits	54,479	46,444	54,479	46,444
Bank overdraft	(1,858,006)	(1,898,369)	(1,793,193)	(1,888,703)
	(1,613,344)	(1,614,158)	(1,557,175)	(1,709,650)
Current assets	244,662	284,211	236,017	179,053
Current liabilities	(1,858,006)	(1,898,369)	(1,793,193)	(1,888,703)
	(1,613,344)	(1,614,158)	(1,557,176)	(1,709,650)
14. Share capital				
Authorised				
2,400,000,000 Ordinary shares of 50 kobo each	-	1,200,000	-	1,200,000
Issued				
Ordinary shares (50 kobo)	521,035	521,035	521,035	521,035
Share premium	3	3	3	3
	521,038	521,038	521,038	521,038

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Unaudited Consolidated and separate interim financial statements for the 9 Months ended 30 June 2017

Notes to the Unaudited Consolidated And Separate Interim Financial Statements

	Group		Company	
	Period to 30-Jun-17 N '000	Year ended 30th September 2016 N '000	Period to 30-Jun-17 N '000	Year ended 30th September 2016 N '000

15. Borrowings

Non Current

Finance lease Obligation	-	-	-	-
Government Grant	-	-	-	-
Bank borrowings	1,097,343	1,096,161	502,388	165,354
Total	1,097,343	1,096,161	502,388	165,354

Current

Bank overdraft	1,858,006	1,898,369	1,793,193	1,888,703
Commercial papers	2,318,485	3,127,816	2,318,485	3,127,816
Bank borrowings	596,689	600,439	320,018	525,439
	4,773,180	5,626,624	4,431,696	5,541,958
	5,870,523	6,722,785	4,934,084	5,707,312

16. Interests in subsidiaries including consolidated structured entities

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

Investment in subsidiaries

Vitafoam Sierra Leone Ltd	-	-	639,824	639,824
Vitafoam Ghana Ltd	-	-	38,243	38,243
Vitablom Nigeria Ltd	-	-	41,823	41,823
Vitavisco Nigeria Ltd	-	-	8,000	8,000
Vitapur Nigeria Ltd	-	-	40,000	40,000
Vono Furniture Products Ltd	-	-	210,834	210,834
Vitagreen Nigeria Ltd	-	-	6,000	6,000
Vitaparts Nigeria Ltd	-	-	50,000	-
Non controlling interest (minority holding) in subsidiary	-	-	-	-
Allowance for diminution in value of investment	-	-	(72,747)	(72,747)
	-	-	961,977	911,977

17. Other assets

Prepaid rent	122,679	118,986	46,620	50,679
Prepaid insurance	20,313	11,071	20,223	8,543
Prepaid advertisement	46,188	6,374	20,702	6,000
Prepaid subscription	6,598	872	6,598	872
Advance payment for foreign exchange	313,945	243,410	243,410	243,410
Other prepayments	316,140	418,207	253,181	393,466
	825,863	798,920	590,734	702,970