



**CONSOLIDATED UNAUDITED FINANCIAL
STATEMENTS FOR THE SECOND QUARTER
ENDED 30 JUNE, 2020**

Julius Berger Nigeria Plc
10 Shettima A. Munguno Crescent
Utako 900 108 | Abuja FCT
RC No. 6852

Julius Berger Nigeria Plc • RC No. 6852 • TIN 1002185880

Registered Office: 10 Shettima A. Munguno Crescent | Utako 900 108 | FCT Abuja | Nigeria
Website: www.julius-berger.com • Email: info@julius-berger.com • Phone: +234 803 906 7000

Directors: Mr. M. Sunmonu, CON, Chairman • Mr. G. Marks, Vice Chairman (German) • Engr. Dr. L. Richter, Managing Director (German) • Mr. M. Brack, Financial Director (German)
Aih. Z. I. Bayi, Director Administration • Mr. T. Meletschus, Director Corporate Development (German) • Dr. E. N. Azudalu-Obijesiri • Engr. J. Damulak • Mrs. B. A. Disu
Mr. E. C. Ebi, MFR, FCIB • Mr. K. Hensel (German) • Engr. G. M. Sheikh • Mrs. G. O. Taiabo



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SUMMARY

	2nd Quarter	Year to date
	N'000	N'000
Turnover	<u>46,142,365</u>	<u>102,055,435</u>
Profit before tax	(2,601,931)	(1,547,663)
Taxation	<u>258,406</u>	<u>(383,412)</u>
Profit/(loss) after tax	<u>(2,343,525)</u>	<u>(1,931,075)</u>

BY ORDER OF THE BOARD

MRS. CECILIA MADUEKE
COMPANY SECRETARY
FRC/2017/NBA/00000017540
July 24, 2020

For more information please visit www.julius-berger.com

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**CONSOLIDATED UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED JUNE 30, 2020**

					AUDITED
					31/12/2019
		2020		2019	
		3 months Apr - Jun	6 months Jan - Jun	3 months Apr - Jun	6 months Jan - Jun
Note		N'000	N'000	N'000	N'000
	Revenue	46,142,365	102,055,435	68,858,640	131,783,020
	Cost of sales	(38,185,859)	(83,421,589)	(52,957,274)	(101,933,433)
	Gross profit	7,956,506	18,633,846	15,901,367	29,849,586
	Other gains and losses	(2,697,952)	(3,102,008)	345,337	98,833
	Marketing expenses	5,258,554	15,531,838	16,246,703	29,948,419
	Administrative expenses	143,624	(107,141)	(28,273)	(81,768)
	Impairment loss on trade and tax receivables	(6,911,144)	(15,743,864)	(10,848,447)	(22,446,357)
		(142,969)	-	(177,088)	243,411
	<i>Operating profit/(loss)</i>	<i>(1,651,936)</i>	<i>(319,167)</i>	<i>5,192,895</i>	<i>7,663,705</i>
	Investment Income	86,259	192,226	317,007	808,409
	Foreign exchange acquisition loss	(509,831)	(509,831)	-	-
	Finance costs	(526,423)	(910,890)	(2,188,244)	(3,910,726)
	Profit/(loss) before tax	(2,601,931)	(1,547,663)	3,321,659	4,561,388
	Income tax expenses	258,406	(383,412)	(972,778)	(1,726,513)
	Profit/(loss) after taxation	(2,343,525)	(1,931,075)	2,348,881	2,834,876
	Profit/(loss) for the year	(2,343,525)	(1,931,075)	2,348,881	2,834,876
	Other comprehensive Income for the year:				
	Actuarial gains on retirement benefits	(44,772)	(134,315)	53,892	107,784
	Related tax	14,327	42,981	(16,168)	(32,335)
		(30,445)	(91,334)	37,724	75,448
	Exchange difference on translation of foreign operations	1,435,424	2,031,611	438,518	697,115
	Total comprehensive income	(938,545)	9,202	2,825,123	3,607,439
	Attributable to:				
	Owners of the Company	(924,111)	23,522	2,829,500	3,604,360
	Non-controlling interests	(14,434)	(14,321)	(4,377)	3,080
		(938,545)	9,202	2,825,123	3,607,439
	Earnings per share (Naira)	(0.58)	0.01	2.14	2.73
	Diluted earnings per share	(0.58)	0.01	1.79	2.28

The tax rate applied above is assumed based on the corporate tax rate of 30% payable by corporate entities in Nigeria on taxable profits under the Companies Income Tax Act, and 2% education tax based on the assessable profit of companies.

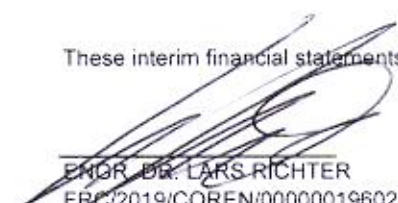
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**CONSOLIDATED UNAUDITED STATEMENT OF FINANCIAL POSITION
FOR THE SECOND QUARTER ENDED JUNE 30, 2020**

		2020	2019	AUDITED
		6 months	6 months	2019
		Jan - Jun	Jan - Jun	2019
		N'000	N'000	N'000
NON- CURRENT ASSETS				
Property, plant and equipment	Notes 7	46,963,361	36,385,134	42,769,660
Right of use assets		13,145,239	14,129,383	13,457,535
Goodwill		9,795,816	9,292,455	9,268,642
Other intangible assets		2,161,640	-	2,262,821
Investment property		1,792,432	2,210,650	1,792,431
Other financial assets		2,048,547	2,045,681	2,048,547
Trade and other receivables		55,941,197	67,102,642	52,908,763
Tax receivable	9	24,800,619	23,405,854	24,400,384
Deferred tax assets		3,850,229	2,627,315	3,786,902
Total noncurrent assets		160,499,079	157,199,114	152,707,685
CURRENT ASSETS				
Inventories		21,588,670	18,744,170	19,520,759
Trade and other receivables		108,120,512	139,525,545	102,257,374
Current tax receivable	9	3,889,436	854,163	3,478,209
Contract asset		-	-	1,539,910
Non- current assets classified as held for sale		71,730	218,029	23,252
Cash and bank balances		19,920,308	13,236,789	34,133,479
Total current assets		153,590,655	172,578,696	160,952,983
CURRENT LIABILITIES				
Contract liabilities		(266,548)	(353,518)	(191,166)
Lease liabilities		(1,256,781)	(667,526)	(1,370,703)
Trade and other payables	8	(56,543,188)	(56,331,322)	(47,026,280)
Bank overdraft		(7,139,736)	(45,834,645)	(6,211,311)
Borrowings		(1,818,494)	-	(1,818,494)
Current tax payable		(3,886,342)	(1,169,871)	(3,927,454)
Retirement benefit liabilities	13	(192,869)	(173,063)	(148,450)
Total current liabilities		(71,103,958)	(104,529,946)	(60,693,858)
Net current assets/(liabilities)		82,486,697	68,048,750	100,259,125
TOTAL ASSETS LESS CURRENT LIABILITIES		242,985,777	225,247,864	252,966,810
NON- CURRENT LIABILITIES				
Borrowings		(5,927,476)	-	(7,273,975)
Retirement benefit liabilities	13	(4,714,252)	(4,270,228)	(3,334,920)
Deferred tax liabilities		(8,847,925)	(7,552,776)	(8,730,298)
Contract Liabilities		(158,422,951)	(151,229,589)	(169,930,198)
Lease liabilities		(13,400,639)	(13,062,140)	(13,468,417)
Trade and other payables	8	(10,597,002)	(11,245,487)	(9,027,064)
Provisions		(3,380,338)	(1,507,234)	(873,946)
NET ASSETS		37,695,194	36,380,409	40,327,992
EQUITY				
Share capital		792,000	660,000	660,000
Share premium		425,440	425,440	425,440
Foreign currency translation reserve		11,334,663	10,958,042	9,303,052
Retained earnings		25,102,055	24,280,238	29,882,143
Attributable to owners of the company		37,654,157	36,323,720	40,270,635
Non-controlling interest		41,036	56,689	57,357
		37,695,194	36,380,409	40,327,992

These interim financial statements were approved by the Board on July 24, 2020 and signed on its behalf by:



ENGR. DR. LARS RICHTER
FRC/2019/COREN/00000019602
MANAGING DIRECTOR



MARTIN BRACK
FRC/2014/ANAN/00000006481
FINANCIAL DIRECTOR

**STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED JUNE 30, 2020**

	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Attributable to owners of the Company	Attributable to non-controlling interest	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2020	660,000	425,440	9,303,052	29,882,143	40,270,635	57,357	40,327,992
Impact of change in accounting policy	-	-	-	-	-	-	-
Adjusted balance at 1 January 2020	660,000	425,440	9,303,052	29,882,143	40,270,635	57,357	40,327,992
Script issue	132,000	-	-	(132,000)	-	-	-
Profit for the year	-	-	-	(1,916,754)	(1,916,754)	(14,321)	(1,931,075)
Other comprehensive income(net of tax)	-	-	2,031,611	(91,334)	1,940,276	-	1,940,276
Total comprehensive income for the year	132,000	-	2,031,611	(2,140,088)	23,522	(14,321)	9,202
Dividends to shareholders	-	-	-	(2,640,000)	(2,640,000)	(2,000)	(2,642,000)
Balance at 30 June 2020	792,000	425,440	11,334,663	25,102,055	37,654,157	41,036	37,695,194
Balance at 1 January 2019	660,000	425,440	10,260,927	24,009,914	35,356,281	61,609	35,417,890
Impact of change in accounting policy	-	-	-	-	-	-	-
Adjusted balance at 1 January 2019	660,000	425,440	10,260,927	24,009,914	35,356,281	61,609	35,417,890
Profit for the year	-	-	-	2,834,876	2,834,876	3,080	2,837,956
Other comprehensive income(net of tax)	-	-	697,115	75,448	772,564	-	772,564
Total comprehensive income for the year	-	-	697,115	2,910,324	3,607,439	3,080	3,610,519
Dividends to shareholders	-	-	-	(2,640,000)	(2,640,000)	(8,000)	(2,648,000)
Balance at 30 June 2019	660,000	425,440	10,958,042	24,280,238	36,323,720	56,689	36,380,409

**CONSOLIDATED UNAUDITED STATEMENT OF CASHFLOWS
FOR THE SECOND QUARTER ENDED JUNE 30, 2020**

Cashflows from operating activities

Cash receipts from customers
Cash paid to suppliers and employees

Cash flows (used in)/provided by operating activities

Interest paid
Purchase of FOREX loss
Tax paid

Net cash used in operating activities

Cashflows from investing activities:

Interest received
Proceeds from sale of fixed assets
Purchase of fixed assets

Net cash provided by investing activities:

Cashflows from financing activities:

Loan received
Payment of Lease Liabilities
Dividend paid

Net cash used in financing activities:

Net increase in cash and cash equivalents
Cash and cash equivalent at 1st January 2020

Cash and cash equivalent at 30th June 2020

Cash and bank balances
Bank overdrafts

	2020	2019
	6 months Jan - Jun	6 months Jan - Jun
	N'000	N'000
Cash receipts from customers	99,462,056	98,462,988
Cash paid to suppliers and employees	(104,202,112)	(117,189,929)
Cash flows (used in)/provided by operating activities	(4,740,055)	(18,726,941)
Interest paid	(809,493)	(3,910,726)
Purchase of FOREX loss	(509,831)	-
Tax paid	(455,762)	-
Net cash used in operating activities	(6,515,142)	(22,637,666)
Cashflows from investing activities:		
Interest received	192,226	808,547
Proceeds from sale of fixed assets	410,683	242,655
Purchase of fixed assets	(5,808,597)	(6,047,845)
Net cash provided by investing activities:	(5,205,688)	(4,996,643)
Cashflows from financing activities:		
Loan received	-	-
Payment of Lease Liabilities	(778,966)	(849,421)
Dividend paid	(2,641,800)	(2,648,000)
Net cash used in financing activities:	(3,420,766)	(3,497,421)
Net increase in cash and cash equivalents	(15,141,596)	(31,131,731)
Cash and cash equivalent at 1st January 2020	27,922,168	(1,466,126)
Cash and cash equivalent at 30th June 2020	12,780,572	(32,597,857)
Cash and bank balances	19,920,308	13,236,789
Bank overdrafts	(7,139,736)	(45,834,645)
	12,780,572	(32,597,857)



1. GENERAL INFORMATION

Julius Berger Nigeria Plc (the Company) was incorporated as a private limited liability company in 1970 and was converted to a public liability company in 1979 and the company's shares are quoted on the Nigerian Stock Exchange. The principal activities of the Company cover planning, design and construction of civil engineering and building works. The subsidiaries, Abumel (Nigeria) Limited in which the Company owns 90%, is involved in the manufacturing and installation of building aluminium components while Julius Berger Services Nigeria Limited a wholly owned subsidiary, is involved in port management services. Other subsidiaries include Julius Berger Medical Services Nigeria limited which is wholly owned and is into the provision of medical services while Primetech Engineering and Design Nigeria limited also wholly owned is into architectural and engineering design. Julius Berger Investments Limited is a wholly owned subsidiary and was incorporated in June 2012 as an investment company to acquire securities and act as investment managers, while Julius Berger International GmbH Wiesbaden - Germany was acquired in May 2012 as Procurement and Supporting Unit of the JB Group. JBI is now a 100% owned subsidiary of Julius Berger Nigeria Plc. Julius Berger Free Zone Enterprise is a 100% owned subsidiary of the Company and has been granted licence to operate in various free trade zones in Nigeria.

2. Basis of preparation of financial statements

These financial statements are the unaudited interim results (hereafter "the Interim Financial Statements") of Julius Berger Nigeria Plc for the Second Quarter ended June 30, 2020 (hereafter "the interim period"). They are prepared in accordance with International Accounting Standard 34 (IAS 34), Interim Financial Reporting. These Interim Financial Statements should be read in conjunction with the audited Financial Statements for the year ended December 31, 2019 prepared under IFRS (hereafter "the Annual Financial Statements"), as they provide an update of previously reported information. The Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Annual Financial Statements. The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, comparative information has been reclassified or expanded from the previously reported Interim Financial Statements to take into account any presentational changes made in the Annual Financial Statements or in these Interim Financial Statements.

2.1 New standards, interpretations and amendments effective 1st January 2019

The effect of the initial application of an IFRS on the entity's accounting policies

The following new standards, amendments and interpretations are effective for the first time for periods beginning on or after 1 January 2019:

IFRS 16 on Leases mandatorily effective for periods beginning on or after 1 January 2019.

IFRS 16 Leases

The group has identified that the adoption IFRS 16, which replaces IAS 17 Leases from 1 January 2019, will impact its consolidated financial statements in three key areas as follows:

- 2.1.1 The group will need to recognise rightofuse assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments;
- 2.1.2 The group have to recognise depreciation of rightofuse assets and interest on lease liabilities in the statement of profit or loss;
- 2.1.3 The group will have to separate the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the cash flow statement.

General impact of application of IFRS 16 Leases

The group has chosen the cumulative catch-up (measuring assets at an amount equal to liability) application of IFRS 16. Consequently, the group will not opt for the restatement of the comparative information. In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. The entity will make use of the practical expedient available on transition to IFRS 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with IAS 17 and IFRIC 4 will continue to apply to those leases entered or modified before 1 January 2019.

The group will apply the definition of a lease and related guidance set out in IFRS 16 to all lease contracts entered into or modified on or after 1 January 2019, (whether it is a lessor or a lessee in the lease contract). In preparation for the firsttime application of IFRS 16, the group has carried out an implementation project. The project has shown that the new definition in IFRS 16 will not change significantly the scope of contracts that meet the definition of a lease for the group.

3. Segmental Analysis of Continuing operations

Julius Berger Nigeria Plc has three segment which offer construction, civil engineering, building and facility management services to third parties across Nigeria. Julius Berger Nigeria Plc is organised by segments, each of which is managed separately and considered to be a reportable segment. The Managing Director together with senior executive management constitute the chief operating decision maker and they regularly review the performance of these segments. Details of the services offered by these segments are provided in the business and financial review in the Annual financial statement.

Disaggregation of revenue

	Government		Private		Total Reportable Segments			
	2020	2019	2020	2019	2020		2019	
	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	6 months Jan - Jun	3 months Apr - Jun	6 months Jan - Jun
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Primary geographical markets								
Nigeria	36,334,047	52,729,297	8,813,286	13,219,835	44,147,333	96,628,126	65,949,131	127,228,882
Europe & Asia	-	-	1,995,032	2,909,509	1,995,032	3,427,308	2,909,509	4,554,137
	36,334,047	52,729,297	10,808,318	16,129,344	46,142,365	102,055,435	68,858,640	131,783,020
Major product/services lines								
Civil works	20,140,407	30,055,699	6,160,741	9,193,726	26,301,148	58,171,598	39,249,425	75,116,321
Building works	12,013,576	17,927,961	3,674,828	5,483,977	15,688,404	34,698,848	23,411,938	44,806,227
Services	3,180,064	4,745,637	972,749	1,451,641	4,152,813	3,184,989	6,197,279	11,860,472
	36,334,047	52,729,297	10,808,318	16,129,344	46,142,365	102,055,435	68,858,640	131,783,020
Timing of revenue recognition								
At a point in time	127,564	680,824	2,848,852	3,147,681	2,976,416	3,678,597	3,828,505	4,141,050
Over time	35,206,483	52,048,473	7,959,466	12,981,663	43,165,949	98,376,839	65,030,136	127,641,970
	36,334,047	52,729,297	10,808,318	16,129,344	46,142,365	102,055,435	68,858,640	131,783,020

Disaggregation of Profit/(Loss)

	Government		Private		Total Reportable Segments			
	2020	2019	2020	2019	2020		2019	
	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	6 months Jan - Jun	3 months Apr - Jun	6 months Jan - Jun
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Major product/services lines								
Civil works	(721,044)	2,266,616	(220,560)	693,334	(941,603)	(181,925)	2,959,950	4,368,312
Building works	(430,096)	1,352,017	(131,562)	413,588	(581,658)	(108,517)	1,785,584	2,605,660
Services	(113,849)	357,887	(34,825)	109,474	(148,674)	(28,725)	467,361	689,733
	(1,264,989)	3,976,519	(386,947)	1,216,376	(1,651,936)	(319,167)	5,192,895	7,663,705
Foreign exchange acquisition loss	(390,409)	-	(119,422)	-	(509,831)	(509,831)	-	-
Investment income	-	-	86,259	808,409	86,259	192,226	317,007	808,409
Net financing (costs)/income	(403,115)	(1,675,673)	(123,309)	(512,571)	(526,423)	(910,890)	(2,188,244)	(3,910,726)
Profit before income tax	(2,058,513)	2,300,846	(543,418)	1,512,214	(2,601,931)	(1,547,683)	3,321,659	4,561,388

4. Other gains and losses

Profit from sales of PPE
Foreign exchange gains/(losses)

	2020		2019	
	3 months Apr - Jun	6 months Jan - Jun	3 months Apr - Jun	6 months Jan - Jun
	N'000	N'000	N'000	N'000
Profit from sales of PPE	84,966	368,196	439,654	450,431
Foreign exchange gains/(losses)	(2,782,918)	(3,470,205)	(94,317)	(361,588)
	(2,697,952)	(3,102,009)	345,337	98,843

5. Investment income

Other interest income

	2020		2019	
	3 months Apr - Jun	6 months Jan - Jun	3 months Apr - Jun	6 months Jan - Jun
	N'000	N'000	N'000	N'000
Other interest income	86,259	192,226	317,007	808,409
	86,259	192,226	317,007	808,409

6. Finance costs

Bank Commission
Guaranty and Financing Cost
Interest on overdraft
Interest on loan
Other finance charges

	2020		2019	
	3 months Apr - Jun	6 months Jan - Jun	3 months Apr - Jun	6 months Jan - Jun
	N'000	N'000	N'000	N'000
Bank Commission	(14,565)	(29,310)	(22,979)	(35,575)
Guaranty and Financing Cost	(717)	(2,090)	(1,698)	(4,245)
Interest on overdraft	(406,829)	(771,829)	(1,511,979)	(2,884,351)
Interest on loan	(32,242)	(35,491)	(618,178)	(1,110,877)
Other finance charges	(72,070)	(72,070)	(33,410)	(75,678)
	(526,423)	(910,890)	(2,188,244)	(3,910,726)

7. Property Plant and Equipment

Property, plant and equipment comprise owned and leased assets that do not meet the definition of investment property

Property, plant and equipment owned
Right-of-use assets, except for investment property
Balance at 30 June

	2020	2019
	N'000	N'000
Property, plant and equipment owned	46,863,301	36,385,134
Right-of-use assets, except for investment property	13,145,239	14,129,383
Balance at 30 June	60,108,600	50,514,518

The Group leases many assets including buildings, vehicles, machinery and equipment. Information about leases for which the Group is a lessee is

7.1 Right-of-use assets

Cost

Balance at 1 January 2019
Additions
Balance at 1 January 2020
Additions
Balance at 30 June 2020

Accumulated amortisation:

Balance at 1 January 2019
Charge for the period
Balance at 1 January 2020
Charge for the year
Balance at 30 June 2020

Carrying Value at 30 June 2019
Carrying Value at 30 June 2020

	Plant & machinery		
	Buildings		Total
	N'000	N'000	N'000
Balance at 1 January 2019	14,236,921	523,615	14,760,536
Additions	-	-	-
Balance at 1 January 2020	14,236,921	523,615	14,760,536
Additions	-	-	-
Balance at 30 June 2020	14,236,921	523,615	14,760,536
Balance at 1 January 2019	-	-	-
Charge for the period	(583,185)	(47,869)	(631,053)
Balance at 1 January 2020	(1,279,017)	(23,984)	(1,303,001)
Charge for the year	(312,296)	-	(312,296)
Balance at 30 June 2020	(1,591,312)	(23,984)	(1,615,297)
Carrying Value at 30 June 2019	13,653,737	475,646	14,129,383
Carrying Value at 30 June 2020	12,645,609	499,630	13,145,239

7.2 Lease liabilities

Maturity analysis - contractual undiscounted cash flows:

Less than one year
One to five years
More than Five Years

Total undiscounted lease liabilities at 30 June

	2020	2019
	N'000	N'000
Less than one year	1,427,921	1,253,076
One to five years	7,519,322	7,344,477
More than Five Years	12,555,385	12,555,385
Total undiscounted lease liabilities at 30 June	21,502,628	21,152,938

Julius Berger Nigeria Plc • RC No: 8852 • TIN 1002185880

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Directors: Mr. M. Sunmonu, CON, Chairman • Mr. G. Marks, Vice Chairman (German) • Engr. Dr. I. Richter, Managing Director (German) • Mr. M. Brack, Financial Director (German)
Ahl. Z. I. Bay, Director Administration • Mr. T. Meletschus, Director Corporate Development (German) • Dr. E. N. Azudialu-Obijesie • Engr. J. Damulak • Mrs. B. A. Disu
Mr. E. C. Ebi, MFR, FCIB • Mr. K. Hensel (German) • Engr. G. M. Sheikh • Mrs. G. O. Talabi

7.2 Lease liabilities (Continued)

Lease liabilities included in the statement of financial position at 30 June 2020

Lease Liabilities as at January 1
Amortisation to June 30Current
Non-current**Total Lease liabilities recognised in the statement of financial position at June 30**

2020	2019
N'000	N'000
15,436,387	14,118,677
(778,966)	(389,011)
14,657,421	13,729,666
1,256,781	667,526
13,400,639	13,062,140
14,657,421	13,729,666

Amounts recognised in profit or lossExpense on discounting of lease liabilities
Amortisation of right-of-use assets
Variable lease payments not included in the measurement of lease liabilities**Amounts recognised in the statement of cash flows**

Total cash outflow for leases

2020	2019
N'000	N'000
718,004	460,410
312,296	631,153
-	-
778,966	849,421

8. Trade and other payables**8.1 Current**Trade Payable
Lease liabilities**Total current trade and other payables recognised in the statement of financial position****8.1 Non-Current**Trade Payable
Lease liabilities**Total non-current trade and other payables recognised in the statement of financial position**

2020	2019
N'000	N'000
56,543,188	56,331,322
1,256,781	667,526
57,799,969	56,998,848
2020	2019
N'000	N'000
10,597,002	11,245,487
13,400,639	13,062,140
23,997,642	24,307,627

9. Tax receivableAmounts expected to be recovered within one year
Amounts expected to be recovered after more than one year

2020	2019
N'000	N'000
3,889,436	854,163
24,800,619	23,405,854
28,690,055	24,260,018

This represents withholding and value added taxes recoverable from clients and the Federal Inland Revenue Service.

10. Risk Management

The Group is exposed through its operations to the following financial risks:

- Ø Credit risk
- Ø Fair value or cash flow interest rate risk
- Ø Foreign exchange risk
- Ø Market price risk, and
- Ø Liquidity risk.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

11. Transaction Price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

	2020 N'000	2021 N'000	Total N'000
Civil Works	118,000,000	157,000,000	275,000,000
Building Works	61,300,000	88,000,000	149,300,000
Services	26,700,000	35,000,000	61,700,000
Total	206,000,000	280,000,000	486,000,000

All contracts with customers has been considered in the amounts presented above.

The Group applied the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

Management expect that incremental fees to intermediaries as a result of obtaining contracts with customers are receivables. There were no incremental fees recognised in the period to 30 June 2020.

12. Changes in accounting policies.

Except for the change below, the Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements.

The Group has adopted IFRS 16 on Leases with a date of initial application of 1 January 2019. As a result, the Group has changed its accounting policy by recognising right-of-use assets and lease liabilities in the statement of financial position as detailed below.

The Group has assessed whether a contract is or contains a lease, at inception of the contract. The group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

12.1 Lease Liability Measurement

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the entity uses its incremental borrowing rate.

12.2 Right-of-Use Asset Measurement

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. The right-of-use assets are presented as a separate line in the statement of financial position. The entity applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, plant and equipment' policy.

13. Retirement benefit liabilities

Obligations under defined benefit plans are calculated separately for each plan by estimating the benefit amount that employees have earned in return for their service in the current and prior periods which represent employees' terminal gratuities based on qualifying years of service and applicable emoluments as per operating collective agreement. Management has decided to settle the obligations and it is probable that the amounts due will be paid. Consequently this had been incorporated in the preparation of these interim financial statements.

14. Related party transactions

The Company entered into various transactions with related parties ranging from purchase of goods or services, to expenses incurred by the related party on behalf of the Company. Related parties to the Company are as listed:

- Abumel (Nigeria) Limited: Subsidiary Company in which Julius Berger Nigeria PLC owns 90% stake.
- Julius Berger Services Nigeria Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC
- Julius Berger Medical Services Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger International GmbH: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Investments: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Primatech Design and Engineering Nigeria Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Free Zone Enterprise: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company have been completed at arms length.

In accordance with the requirement of IAS 24 on related parties, Key management includes Executive Directors and members of Management Committees and the following directors serves on the Board of the Company as at 30 June 2020.

- | | |
|--|--|
| - Mr. Mutiu Summonu (CON) | - Chairman |
| - Mr. George Marks (German) | - Vice Chairman |
| - Engr. Dr. Lars Richter (German) | - Managing Director (Executive) |
| - Martin Brack (German) | - Financial Director (Executive) |
| - Alhaji Zubaru Ibrahim Bai | - Director Administration (Executive) |
| - Mr. Tobias Meletschus (German) | - Director Corporate Development (Executive) |
| - Engr. Jafaru Damulak | - Director |
| - Dr. Ernest Nnaemeka Azudialu-Obijesi | - Director |
| - Mrs. Belinda Ajoke Disu | - Director |
| - Mrs. Gladys Olubusola Talabi | - Director |
| - Engr. Goni Musa Sheikh | - Director |
| - Mr. Ernest C. Ebi, MFR, FCIB | - Independent Director |
| - Mr. Karsten Hensel (German) | - Director |

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Alh. Z. I. Bai, Director Administration • Mr. T. Meletschus, Director Corporate Development (German) • Dr. E. N. Azudialu-Obijesi • Engr. J. Damulak • Mrs. B. A. Disu
Mr. E. C. Ebi, MFR, FCIB • Mr. K. Hensel (German) • Engr. G. M. Sheikh • Mrs. G. O. Taabi

15. Significant events

The whole world and therefore the whole Group is affected by the COVID-19 pandemic which started to impact on its operations as from middle March 2020. Due to Governmental regulations on COVID-19, the shutdown of business activities and the still persisting pandemic, the Group's business activities have been affected in Q2 2020. The Company's turnover has been maintained on a high level driven by received engineer's certificates for achieved progress in previous periods which were delayed due to the shutdown of some Federal Ministries and Agencies. Costs for demobilization and remobilization of construction sites are included in the Cost of Sales Q2 2020. In addition to the changed business outlook for the Financial Year 2020, disclosed in Note 11, and due to the uncertainty of the COVID-19 impacts in subsequent quarters, we have considered expected future impacts on the basis of the following accounting standards:

1. Expected credit losses under IFRS 9 'Financial instruments'

COVID-19 can affect the ability of the Group to receive payments as and when due which is an indication of a significant increase in credit risk. For this, the Group reviewed its impairment assessment of trade receivables.

2. Impairment of tangible and intangible assets under IAS 36 'Impairment of non-financial assets'

As a result of the impact of COVID-19, the Group performed an impairment assessment of assets (in addition to the requirement to perform an impairment test at least annually of goodwill and intangible assets with an indefinite useful life).

3. The net realisable value of inventory under IAS 2 'Inventories'

Since the company's construction level is reduced (temporary shutdown of construction sites), the Group has reviewed the costing of inventories to ensure that unallocated fixed overheads are recognised in profit or loss in the period in which they are incurred in accordance with IAS 2.

4. Deferred tax assets in accordance with IAS 12 'Income taxes'

Tax considerations, e.g. the impact of a reduced flow of goods and services on transfer pricing agreements; recoverability of deferred tax assets, emergency economic stimulus by tax authorities in the form of special tax rebate has been assessed by the Group.

As a result of the assessments mentioned above, Company has included into the Statement of Comprehensive Income a provision for COVID-19 related future impacts amounting to Naira 2,500 Billion.

The Board of Directors is taking all necessary steps to ensure business continuity for the Group and to protect its turnover, results and cash-flow as much as possible against the impacts from the COVID-19 pandemic and its impact on the Nigerian economy.

16. Comparative figures

Certain prior year balances have been reclassified to conform with current year's presentation for a more meaningful comparison.

17. Events after the reporting period

Except as disclosed above, there were no other material events after the reporting period which could have had material effect on the state of affairs of the Company as at June 30, 2020 and the result for the period that has not been adequately provided for or recognised in the Financial Statements.

18. Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of The Exchange 2015 (Issuers' Rule), Julius Berger Nigeria Plc maintains a Security Trading Policy (Policy) which guides Directors, Audit Committee members, employees and all individuals categorized as insiders in relation to their dealings in the Company's shares. The Policy undergoes periodic review by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the Policy during the period.

19. Scrip Issue

Resolved and declared at the 50th Annual General Meeting, the capitalisation of the sum of N132,000,000 (one hundred and thirty-two million Naira) from the retained earnings has been distributed as fully paid-up ordinary shares to existing shareholders, whose names appeared in the Register of Members as at the close of business on May 29, 2020 in the proportion of one new ordinary share for every five existing ordinary share held by them.

20. Matters relating to shares and shareholding

The authorised share capital of the Company is ₦800 million made up of 1.6 billion ordinary shares of 50 Kobo each. The issued and paid-up share capital of the Company currently is ₦792 million made up of 1.584 billion ordinary shares of 50 Kobo each.

20.1. Shareholding Pattern as at 30 June, 2020

Shareholder	Shareholding	% shareholding
Goldstone Estates Ltd.	314,714,495	19.87
NeptuneHill Company Limited	261,360,000	16.50
Watertown Energy Ltd	158,400,000	10.00
Ibile Holdings Ltd.	87,120,000	5.50
Benue Investment and Property Company Ltd.	79,565,730	5.02
Other Shareholders	682,839,775	43.11
Total	1,584,000,000	100

20.2. Compliance with Free Float

Julius Berger as at 30 June, 2020 is compliant with the Free float requirement for the Main Board of the Nigerian Stock Exchange