NIGERIAN ENAMELWARE PLC
2018 Annual Report & Accounts

Financial Statements
For the year ended 30 April, 2018

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NOTICE OF 58TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 58th ANNUAL GENERAL MEETING of the members of **NIGERIAN ENAMELWARE PLC** will be held at The TRANSCORP HILTON HOTEL, ABUJA on Thursday, 25th October, 2018 at 10.00 a.m. for the following purposes:-

ORDINARY BUSINESS

1. To lay before the meeting, the Audited Financial Statements for the year ended 30th April, 2018 and Report of the Directors, the Auditors and the Audit Committee thereon.
2. To re-elect Directors.
3. To authorize the Directors to fix the remuneration of the Auditors.
4. To elect members of the Audit Committee

SPECIAL BUSINESS

1. To approve the remuneration of the Directors

Proxy

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him/her and such proxy need not be a member of the Company. To be effective, proxy forms should be duly completed and stamped and must be deposited at either the Registered Office of the Company or the office of the Registrar not less than 48 hours before the time for holding the meeting.

A detachable proxy form is at the end of the Annual Report booklet sent to each shareholder.

CLOSURE OF REGISTER OF MEMBERS AND TRANSFER BOOKS

The Register of Members and Transfer Books of the Company will be closed from Monday 17th September, 2018 to Friday 21st September, 2018 both dates inclusive, for the purpose of updating the Register of members.

NOMINATION FOR AUDIT COMMITTEE

Pursuant to Section 359(5) of the Companies and Allied Matters Act, Cap 20, LFN 2004, any member may nominate a shareholder as a member of the Audit Committee by giving notice in writing of such nomination to reach the Company Secretary at least 21 days before the Annual General Meeting.

RIGHTS OF SECURITIES' HOLDERS TO ASK QUESTIONS

Securities' Holders have a right to ask question not only at the meeting, but also in writing prior to the meeting and such questions must be submitted to the company on or before 28th of September 2018.

BY ORDER OF THE BOARD

Ikeja, Lagos
25th July, 2018

BAMOFIN OLATOKUNBO SANNI
COMPANY SECRETARY

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DIRECTORS, PROFESSIONAL ADVISERS, ETC.

DIRECTORS:	Alhaji (Chief) M.A. Ola Yusuf (Chairman) Phillip Tung (Managing) (Australian) K.F. Tung (Chinese) Lewis Tung (Chinese) Paul Tung (Chinese) Hadji (Chief) TokunboAlli
SECRETARY AND REGISTERED OFFICE :	Olatokunbo Sanni & Co., Graceville Chambers, 18, Wempco Road, Ogba, Ikeja.
REGISTRARS AND TRANSFER OFFICE:	Greenwitch Registrars and Data Solutions 274, Murtala Mohammed Way, Alagomeji, Yaba. P.M.B. 12717 Lagos.
AUDITORS:	OOP and Partners (Chartered Accountants) 58, Kudirat Abiola Way, Oregun, Ikeja. Lagos.
SOLICITORS:	Adedoyin Awosanya & Co. Elesho Chambers, Plot 120 Oyadiran Estate Sabo, Yaba, Lagos.
MAIN BANKERS:	Access Bank Plc Citibank Nigeria Ltd. Diamond Bank Plc. First Bank of Nigeria Limited. Guaranty Trust Bank Plc Skye Bank Plc Stanbic IBTC Bank Plc United Bank for Africa Plc Zenith Bank Plc

Company Profile

Nigeria Enamelware Limited was incorporated on 21st May, 1960 as a Private Limited Liability Company. The company went public on 28th December, 1979 in compliance with the Indigenization Decree of 1977 and was granted a listing on the Nigerian Stock Exchange. The company adopted its present name "Nigerian Enamelware Plc" on 6th June, 1991 in compliance with provisions of the Companies and Allied matters Act, Cap C20, LFN 2004.

The Principal activities of the company are the manufacture and marketing of Enamelware products including cooking utensils and culinary materials.

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THE PROFILE OF DIRECTORS

1. **ALHAJI CHIEF M. A. OLA YUSUF, FCA. FCCA – CHAIRMAN**
Alhaji Chief M. A. Ola Yusuf is a Fellow of Institute of Chartered Accountants in England and Wales. He is a Fellow of Certified and Corporate Accountants in UIC. He is also a Fellow of Institute of Chartered Accountants of Nigeria.
Alhaji Chief M. A. Ola Yusuf was former Managing Director of John Holt ventures and Divisional Chief Executive of John Holt Limited Group.
Alhaji M. A. Ola Yusuf was once a director of Maersil Line Shipping Company; Chairman, Presidential Technical Committee on Exports from Nigeria; Chairman of Ogun State Committee on Agriculture and Forestry, etc.
Alhaji Sultan M. A. Ola Yusuf, FCA is the Managing Partner of M. A. Ola Yusuf & Co. (A firm of practical Chartered Accountant) Chairman/Proprietor of Peace Foundation International Group of Schools in Abeokuta- The School with a touch of excellence.
A prominent Muslim leader, Sultan M. Ola Yusuf was Chairman of Ogun State Muslim Pilgrims and Welfare Board and Ekerin of Egba Muslims.

Alhaji Yusuf is the Sarumi of Egba Land; the Olori Parakoyi of Owu Kingdom; the Ekerin Musulumi of Egbaland; the Sultan of Owu muslims and Founder of Peace Foundation.
Alhaji Yusuf has vast experience in accounting and has acted as a counsultant and external auditors to several institutions known to the Nigerian commercial world today. He is a major player in the capital market and his experience consistently comes to bear in his position as the Chairman of Nigerian Enamelware Plc, where he has proven resourceful for over thirty one years.

2. **PHILIP TUNG – Executive Managing Director**
Philip Tung is an Australian who was born on the 22nd of December, 1942. He has cut his teeth in the management of the company with an experience that is not less than forty five years. Philip Tung takes exclusive oversight over technical management of sundry projects taken up by the company. With a background in Electrical Engineering, Philip prides himself as an honourable alumnus of the prestigious University of South Wales.

3. **AARE HADJI TOKUNBO ALLI – Director**
Alhaji Alli was born on the 15th of August 1938. He obtained a Grade II teacher's certificate as well as G.C.E. A-Levels in 1960 and 1962 respectively at the Zamratul Islamiyya School Lagos. Being very keen on education, he went on to obtain a diploma in personnel Management in 1966.
He has served on the Board of Governors of Zamratul Islamiyya Grammar School, Surulere, Lagos as well as Muslim Teachers Training College, Omu respectively. He was also Chairman, Board of Governors, Omu Ajose Comprehensive High School, Oru Ijebu and was the Personnel Manager, Universal Industries Nigeria Company Limited (UNICO) from 1968 through 1972.
He is a bonafide associate member of the Nigerian Institute of Management and has attended several management courses and seminars both within and outside Nigeria. He currently serves as a non Executive Director of Nigerian Enamelware Plc.

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4. **KAY FUNG TUNG – Director**
K F Tung originally hails from Suzhou, China. He grew up in Shanghai and managed the family enamelware business. In the 1950s, he moved the operations to Hong Kong where sales shifted to the international market, with the largest being Nigeria. Seeing the huge business opportunities in Africa, he joined his elder cousin John Tung in Lagos, Nigeria in 1967 and established Nigerian Enamelware Co. Ltd. Since then he has diversified his investments in Nigeria over a variety of industries including metals, plastics, ceramics and timber in Nigeria. He continues to be one of the largest overseas Chinese entrepreneurs in Nigeria.

5. **PAUL SHUI BO TUNG – Director**
Paul Tung was born in 1954. He lived and studied in Nigeria at American International School during his younger years and subsequently attended the University of Hong Kong studying Business Administration. In 1989 he set up Chongqing Luo Bao Enamel Co., with an export volume of 3 million US dollars, with Nigeria being its primary export target. In 1994, he formed a joint venture with Hong Kong Ryan Group to form Tenghui White Cement Co. Ltd., Tenghui Special Cement Co. Ltd., Tenghui Cement Co. Ltd., Tenghui Industrial Development Co., Ltd., Tenghui Packaging Co., Ltd., Tenghui Logistics Co. Ltd. and many other enterprises.
He has maintained close ties with his roots in Nigeria and has made investments in industries such as Enamelware, Plastics and Steel. He is currently the chairman and president of Tenghui International Group and acts as Chongqing Province Consultative Council member and vice chairman of the Chongqing Overseas Friendship Association.

6. **LEWIS TUNG- Director**
Lewis Tung was born on July 17, 1951 in the popular city of Shanghai, China. With a passion for management and administration of business and in a bid to get well enlightened, Lewis Tung travelled from China to Hawaii, United States where he enrolled and consequently graduated from the University of Hawaii, having studied Business Administration and coming out in flying colours. Lewis Tung has well over forty years experience of excellently managing companies within the Nigerian terrain. Lewis Tung is a bona fide member of the Institute of Directors.

PROFILE OF AUDIT COMMITTEE MEMBERS

1. **ALHAJI WAHEED ADEKUNLE ADEGBITE (FCA)**
He was born on the 23rd April, 1950 in the city of Lagos, Nigeria. He studied Accounting at the famous Yaba College of Technology.
He commenced his accounting career at Comsac Nigerian Limited (1971 – 1973). He was the chief Accountant at UP John Nig. Pty. Ltd. (1981 – 1987)
He is a member of several accounting and management professional bodies, including the renowned Chartered Institute of Taxation, Institute of Chartered Accountants of Nigeria, to mention a few.

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He is a chief examiner for ICAN. Accounting Technical Scheme Examination and is also involved in several professional activities. He is a member of Ikoyi Club 1938. He is married with 3 children.

2. PRINCE S. O. OGUNNOWO

Fondly known as Baale, Prince Ogunnowo was born on the November 3, 1940. He attended Imowo United Primary School, Ijebu Ode from 1947 through 1951 and subsequently obtained his School leaving certificate from Ogbogbo Baptist School, Ijebu ode, where he attended from 1952 through 1957.

He has consistently attended several Audit committee seminars and forums including the symposiums organized by the Nigerian Shareholders Solidarity Association (NSSA) in 1990; by PriceWaterHouse Coopers and KPMG on 9th and 8th of February, 2005 respectively.

He also attended the 3rd Corporate Financial reporting summit for current global accounting and reporting issues, impact on nation economic development at Sheraton Hotel, Ikeja in November, 2006.

He acts as a director in Leverage Homes Savings & Loans Ltd. He also serves in the capacity of a member of Audit Committee for a number of Companies including Consolidated Breweries Plc as well as Nigerian Enamelware plc.

3. AKINWANDE AYANKAYODE OBALALARO

He is a graduate of marketing management from the prestigious Obafemi Awolowo University, Ile-Ife, Osun State.

He commenced his career at the Ministry of Communication in 1984 and has since worked with various organizations including AG Leventis Plc. (2002 – 2010).

He is presently a business merchant. He is a member of the Nigerian Institute of Purchasing & Supply Management. He has attended several managerial seminars, training and workshops to feed his intellectual urge for knowledge in the field.

He has served as a member of the audit committee of several companies (Daar Communications Plc.), Royal Exchange Plc. as well as Nigerian Enamelware Plc.

He is the National President of Breadfruit Elders Shareholders Association.

His interests include travelling & reading. He is married and blessed with children.

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PROFILE OF COMPANY SECRETARY

BAMOFIN OLATOKUNBO SANNI

Bamofin Olatokunbo Sanni was born on the 23rd March, 1965. He hails from Ogun State. He attended the All Saints Anglican School, Yaba, Lagos and Ilugun Central Academy Ibido-Odosenbora in the present day Ijebu- North East Local Govt. of Ogun State for his primary and secondary education respectively.

He worked briefly with the defunct Nigeria Cocoa Board, Apapa, Lagos. In his quest for higher education, he subsequently enrolled for A Level Studies, at the School of Basic Studies, Ijebu– Ode in 1983 being run at the time by the College of Education (presently Tai Solarin College of Education) where he made good grades and proceeded to the Prestigious University of Ife (Now Obafemi Awolowo University) in 1985 to study Law.

Having passed his law degree in record time, he proceeded to the Nigerian Law School, Victoria Island, Lagos and was called to Bar in December, 1990. Subsequently he worked with B.K. Ashade & Co., Legal Practitioners at Abeokuta, Ogun State and subsequently joined the Ogun State Property and Investment Corporation (OPIC), Abeokuta and rose to the position of the Company Secretary/Legal Adviser. In October 2007, he eventually retired from public service at the Ogun State Ministry of Justice where he pioneered the portfolio of Director, Commercial Services.

Bamofin Olatokunbo Sanni had since had a thriving private practice through which he acts as Company Secretary to Nigerian Enamelware Company and sundry other companies under the wempco group and has only proven himself very resourceful.

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CHAIRMAN'S STATEMENT

Fellow Shareholders, my Colleagues on the Board, Regulatory Bodies here present, Ladies and Gentlemen.

It is a great pleasure for me to welcome you all to the 58th Annual General Meeting of our Company and Ihave the honour to present our company performance in the last Financial Statement of Accounts for the year ended 30th April 2018. The year was again marked by a spate of challenges in the operating environment, but I am optimistic of improved economic environment in future. The Federal and State Governments are taking measures to improve economic performance after the recession.

CBN GUIDELINE - MAXIMUM CREDIT FACILITY TO AGRIC, MANUFACTURING

The Central Bank of Nigeria has released the guidelines for accessing the Real Sector Support Facility aimed at channeling funds to the manufacturing and agricultural sector.

The CBN stated that maximum facility would be N10bn per project and facilities were to be administered at an interest rate of 9% per annum. According to the CBN, the guidelines are part of measures aimed at increasing the flow of credit to the real sector of the economy. This is expected to consolidate and sustain the nation's economic recovery.

The apex bank said that the Deposit Money Banks would henceforth be incentivized to direct affordable, long term credit facility to the manufacturing and agriculture sectors. Apart from the manufacturing and agriculture sectors, other sectors considered by the CBN as employment and growth stimulating would also benefit from the long-term credit to be given at single digit interest rate. If properly implemented these measures shall help to reduce the present high interest rate by Banks, thereby reducing the cost of doing business in Nigeria.

REVENUE OF $8BN FROM NON-OIL EXPORT

The Federal Government through the Nigerian Export Promotion Council plans to grow the non-oil export revenue from $1.2bn in 2016 to $8bn next year. The NEPC boss said the Federal Government was committed to the development of the non-oil export sector as the last defence of the economy.

FUEL DISTRIBUTION – FG TO BUY N17bn EQUIPMENT

The Federal Executive Council had approved the sum of N17bn for the installation of mechanism under the Petroleum Equalisation Fund to monitor fuel distribution and eliminate subsidy fraud. The project was for three years, it would start yielding results by the time the 2020 budget would be prepared next year.

According to the Minister of State for Petroleum Resources, the essence of what PEF is doing is to enable them to track refined petroleum products' movement from the point of the LC (Letter of Credit) opening, from the vessels that come into Nigeria, up until the point where they are discharged into tanks; and from the tanks into trucks in Nigeria. The Council also approved over N12bn for the execution of ecological projects across the country.

EMPLOYMENT OPPORTUNITIES -$88bn

The Federal Government has a target of generating $88bn and creating three million jobs through the nation's digital economy within a period of 10 years. It stated that it had embarked on activities to effectively grow the digital space in order to actualise the target.

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AGRICUTURE – NIGERIAN INCENTIVE BASED RISK SHARING SYSTEM FOR AGRICULTURAL LENDING (NIRSAL) FACILITATES $375M BANK LOANS

Since incorporated in 2013 by the Central Bank of Nigeria, a total of $375m has been facilitated by the Nigerian Incentive Based Risk Sharing System for Agricultural Lending from Deposit Money Banks for the agricultural sector.

NIRSAL was created by the CBN to stimulate the flow of affordable finance and investments into the agricultural sector by de-risking the agribusiness finance value chain, fixing agricultural value chains, building long-term capacity and institutionalizing incentives for agricultural lending. NIRSAL had trained over 700,000 farmers in good agronomic practices and financial education, and provided high quality agricultural inputs and affordable finance to more than 500,000 smallholder farmers under three farming seasons.

The NIRSAL reported disbursing $373million to farmers in the past year to help boost production of export crops. The revenue from the exports was expected to reach N1.6tn ($4.4bn) by the end of this year.

TAX

In a bid to get more people into the tax net through the Federal Government's Voluntary Asset and Income Declaration Scheme, an initiative has been launched with the aim of making about 180 operators in the Micro, Small and Medium Enterprise sector of the economy tax-compliant.

AMCON - DEBT RECOVERY

The Asset Management Corporation of Nigeria recovered N731bn from bank debtors since its inception in 2010 to December 2017. Out of this amount, properties accounted for approximately 35%.

The corporation has restructured its processes from within in anticipation of better outcomes in a bid to rejig its asset sales strategy and facilitate speedy disposal.

FINANCIAL PERFORMANCE OF OUR COMPANY

Financial results showed a Loss of ₦3,338,000.00 against the previous year ended 30th April 2017 profit of ₦45,058,000.00

Because of the challenging economic and financial situation in the year under review (2017/2018), our company made a loss and factors responsible for this loss can be summarized as follows:

I. Reduction in Revenue by 53%: This was due to liquidity problem in the economy, resulting in the reduction in the purchasing power of the people.
II. Increase in cost of finance from 14% to 24% by banks: This was not envisaged in our planning, though there was continuous demand for our product.

III. Increase in the cost of materials used for the production which could not be passed to customers, because of reduction in purchasing power.

IV Security situation in the North – East of the country affected the sales of our goods

V Auditors Conservative approach which led to the excessive provision of Doubtful Debts, which has been subsequently adjusted after the Balance Sheet date. This excessive provision shall be written back in the year 2018/2019 since the debts have been paid.

DIVIDEND

I am sorry to declare that because of the loss we have made in this financial year 2017/2018, no dividend shall be declared and paid. We hope and pray that the economy shall improve in the coming year to enable us make profit.

OUTLOOK/FUTURE PROSPECTS

In spite of the present economic challenges, I believe our company is well placed and structured to face the future with confidence.

I would like to thank our esteemed customers, shareholders and other stakeholders for their continued support and understanding, whilst appreciating all staffs and Management for their demonstrated professionalism, commitment and zeal towards building an enduring institution. And to the entire Board, I want to say a big thank you for the confidence reposed in the business. I would implore you all to lend your support as we look forward to consolidating on both our achievements and our foothold in the market place in this financial year.

Long Live Federal Republic of Nigeria

Long Live Lagos State

Long Live our company Nigerian Enamelware Plc.

Thank you for your happy listening. May Allah bless you and your family.

ALHAJI M.A.OLA YUSUF,FCA
Chairman

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RESULT AT A GLANCE

	2018	2017	Inc/(Dec)
	N'000	N'000	%
Revenue	**1,650,999**	2,528,319	(35)
(Loss) / Profit before taxation	**(8,482)**	67,849	(113)
(Loss) / Profit after taxation	**(3,333)**	45,058	(107)
Issued share capital	**38,016**	31,680	20
Shareholders' funds	**1,423,779**	1,427,112	(0)

Per Share Data

Based on 76,032,000 Ord. shares of 50k each
(2017 - 63,360,000 Ord. shares of 50k each)

Earnings per share (kobo)	**(4)**	71	(106)
Dividend paid during the year (kobo)	**-**	45	(100)
Dividend cover (times)	**-**	1.59	(100)
Bonus issue of ordinary shares	**1:5**	-	
Net assets per share (kobo)	**1,873**	2,252	(17)
Number of shareholders	**3,268**	3,268	-
Number of employees	**264**	309	(15)

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REPORT OF THE DIRECTORS

The directors are pleased to submit to the members of the company their annual report together with the audited accounts for the year ended 30th April, 2018.

RESULTS

The profit of the company for the year after taxation was

		30 April 2018 N'000	30 April 2017 N'000
1	Revenue	**1,650,999**	2,528,319
	(Loss)/Profit before taxation	**(8,481)**	67,849
	Tax benefit (expense)	5,149	(22,791)
	(Loss)/Profit for the year	**(3,333)**	45,058

2 **LEGAL FORM**

The Company was incorporated in Nigeria on 21 May, 1960 as a private limited liability company.

It went public on 28 December, 1979 in compliance with the Indigenization Decree of 1977 and was granted a listing on the Nigerian Stock Exchange. It adopted its present name of Nigerian Enamelware Plc on 6, June, 1991 in compliance with the provisions of the Companies and Allied Matters Act, CAP C20, LFN 2004.

3 **PRINCIPAL ACTIVITIES**

The principal activities of the company are the manufacture and marketing of enamelware products.

4 **DIRECTORS**

1. The names of directors who served during the year are as listed on page 2.

2. In accordance with the Company's articles of Association,
   Messrs Lewis Tung and Paul Tung retire by rotation, and being eligible, offer themselves for re-election.

3. Directors' Shareholdings

		Number of shares of 50kobo each held as at 30 April, 2018	30 April, 2017
Alhaji (Chief) M.A. Ola Yusuf	Direct	**738,936**	615,780
	Indirect		
Mr. Philip Tung		-	-
Hadji (Chief) TokunboAlli		-	-
Mr. K.F. Tung		-	-
Mr. Lewis Tung		-	-
Mr. Paul Tung		-	-

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REPORT OF THE DIRECTORS

5. **Directors' other Interests**

No director has notified the company of any involvement or interest in any business contract with the company during the year.
As at 30th April, 2018, the unit price of the Company's share on the floor of the Nigerian Stock Exchange was N29.33k

6. **SHAREHOLDINGS**

1. The shares of the company were beneficially held as follows:-

	Number of 50 kobo shares		
	30 April 2018	30 April 2017	%
I-Feng Company Ltd	**45,619,200**	38,016,000	60
Nigerian citizens and associations	**30,412,800**	25,344,000	40
	76,032,000	63,360,000	100

2. The range of shareholders at 30 April, 2018 was as follows:

Range	No.of shareholders	No. of units held
1-10,000	3101	14,091,975
10,001 -50,000	133	7,061,978
50,001-100,000	20	3,379,715
100,001-500,000	13	5,879,132
Over 1,000,000	1	45,619,200

No individual shareholders, except as noted above, held more than 5% of the issued share capital of the company at 30 April, 2018.

7.1 **BONUS ISSUE**

At the last Annual General Meeting held on 5th October, 2017, a bonus share issue of one (1) ordinary share of 50k each for every five (5) shares held at the close of business on 15 th Sept. 2017 amounting to 12,672,000 shares ranking pari-passu with existing shares was approved by the shareholders to be paid for out of retained earnings for distribution to shareholders. This translated to N6,336,000 in value.

7.2 **DIVIDEND**

The Directors recommend no cash dividend for the year.

8. **COMPANY'S SUPPLIERS**

Local supplies are from Universal Nigeria Industries Company Limited, a related company.

9. **EMPLOYMENT AND EMPLOYEES**

Employment of disabled persons

1 It is the policy of the company that there should be no discrimination in considering applications for employment including those from disabled persons. All employees, whether or not disabled, are given equal opportunities to widen their experience and knowledge and to qualify for promotion in furtherance of their careers. As at 30 April, 2018 six disabled persons were employed by the company.

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10. CORPORATE GOVERNANCE

The Company is committed to the best practice and procedures in corporate governance. Its business is conducted in a fair, honest and transparent manner which conforms to high ethical standards. This enables the Board of Directors and Management to accomplish strategic objectives of the Company and to ensure corporate stability and growth for the benefit of all stakeholders.

The Board is responsible for corporate governance of the Company. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at anytime, the financial status of the company and ensures that the accounts comply with the Companies & Allied Matters Act, CAP C20, LFN 2004.

They are also responsible for safeguarding the assets of the company by taking reasonable steps for the prevention and detection of fraud and other irregularities. The Board of Directors ensured that the Company's objectives were implemented during the year.

During the year under review, the Company was managed by a Board of six Directors consisting of three Non-Executive Directors and three Executive Directors who function as a full board or through any of the two under-listed committees constituted as follows:-

COMMITTEE	MEMBERSHIP	STATUS
Finance & General Purpose Committee	Alhaji (Chief) M A Ola Yusuf	Chairman
	Mr. Phillip Tung	Managing Director
	Mr. Lewis Tung	Executive Director
	Aare Hadji Tokunbo Alli	Executive Director
Audit Committee	Alhaji Waheed Adegbite FCA -	Chairman
	Baale Sunday O. Ogunnowo -	Member
	Mr. Ayanwamide O. Obalalaro -	Member
	Mr. Phillip Tung -	Member
	Aare Hadji Tokunbo Alli -	Member
	Mr. Lewis Tung -	Member

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REPORT OF THE DIRECTORS

2 **Health, safety at work and welfare of employees.**

Health and safety regulations are in force within the premises of the company. The company maintains a well-equipped clinic which is run by a qualified Nurse. In addition, the company has entered into agreement with private hospitals run by qualified Medical Doctors to whom serious cases of illness are referred for treatment.

3 **Employees involvement and training**

The Company is committed to keeping employees fully informed as much as possible regarding its performance and progress and seeking their views wherever practicable on matters which particularly affect them as employees.

Management, professional and technical expertise are the company's major assets and investment in developing such skills continues.
The company's expanding skill base has extended the range of training provided and has broadened opportunities for career development within the organization.

Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate.

10. **CHARITABLE GIFTS AND DONATIONS**

No donation was made by the Company during the year under review.

11. **AUDIT COMMITTEE**

In accordance with Section 359 (3) of the Companies and Allied Matters Act, an audit committee of the Company was re-elected at the Annual General Meeting held in Abuja on 5th October, 2017, comprising of Alhaji Waheed Adegbite, Mr. Phillip Tung, Baale Sunday A. Ogunmowo, Mr. Ayanwamide Obalalaro, Aare Hadji Tokunbo Alli and Mr. Lewis Tung.

12. **AUDITORS**

Messrs OOP and Partners (Chartered Accountants) have expressed their willingness to continue in office as the Company's Auditors in accordance with Section 357 (2) of the Companies and Allied Matters Act CAP C20, LFN 2004.
A resolution will be proposed authorising the Directors to fix their remuneration.

BY ORDER OF THE BOARD

BAMOFIN OLATOKUNBO SANNI
FRC/2013/NBA/00000001153
COMPANY SECRETARY

IKEJA
LAGOS, NIGERIA
25th July, 2018.

INSIDER TRADING AND PRICE SENSITIVITY INFORMATION

The Company is clear in its prohibition of insider trading by its Board, Management, Officers and related persons who are privy to confidential price sensitive information. Such persons are further prohibited from trading in the Company's securities where such transactions would amount to insider trading. Directors, insiders and related parties are prohibited from disposing, selling, buying or transferring their shares in the Company for a period commencing from the date of receipt of such insider information until such a period when the information is released to the public or any other period as defined by the Company from time to time.

COMPLAINTS AND MANAGEMENT POLICY

The company has in place a functional Complaints Management Policy Framework in compliance with the Securities & Exchange Commission rule, which became effective in 2015. The Complaints Management Policy Framework is assessable to all shareholders, employees and customers on www.wempco@wempco.com

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BOARD MEETING

Attendance at meetings during the year ended 30th April, 2018.

DIRECTOR	29/9/17	10/2/18	10/4/18	23/4/18
Alhaji (Chief) M A Ola Yusuf	√	√	√	√
Mr. Phillip Tung	√	√	√	√
Mr. K F Tung	√	√	√	√
Mr. Lewis Tung	√	√	√	√
Mr. Paul Tung	√	√	√	√
Aare Hadji Tokunbo Alii	√	√	√	√

FINANCE & GENERAL PURPOSE COMMITTEE

Attendance at meetings during the year ended 30th April, 2017.

	26/9/17	09/2/18	06/4/18	30/4/18
Alhaji (Chief) M A Ola Yusuf	√	√	√	√
Mr. Phillip Tung	√	√	√	√
Mr. Lewis Tung	√	√	√	√
Aare Hadji Tokunbo Alii	√	√	√	√

AUDIT COMMITTEE MEETING

Attendance at meetings during the year ended 30th April 2017.

	27/9/17	07/2/18	04/4/18	20/4/18
Alhaji Waheed Adegbite FCA -	√	√	√	√
Baale Sunday O. Ogunnowo -	√	√	√	√
Mr. Ayanwamide O. Obalalaro -	√	√	√	√
Mr. Phillip Tung -	√	√	√	√
Aare Hadji Tokunbo Alli -	√	√	√	√
Mr. Lewis Tung -	√	√	√	√

11. CHARITABLE GIFTS AND DONATIONS

No donation was made by the Company during the year under review.

12. AUDIT COMMITTEE

In accordance with Section 359 (3) of the Companies and Allied Matters Act, an Audit Committee of the Company was elected at the Annual General Meeting held in Abuja on 5th October, 2017 comprising of Alhaji Waheed Adegbite FCA, Mr. Phillip Tung, Baale Sunday O. Ogunnowo Mr. Ayanwamide O. Obalalaro Aare Hadji Tokunbo Alli and Mr. Lewis Tung.

13. AUDITORS

Messrs OOP & Partners having indicated their willingness, will continue in office in accordance with S. 357 of the Companies and Allied Matters Act, CAP C20 LFN 2004, A resolution will be proposed at the Annual General Meeting authorising the Directors to determine their remuneration.

BY ORDER OF THE BOARD

Ikeja, Lagos
27th August, 2018

BAMOFIN OLATOKUNBO SANNI
3COMPANY SECRETARY

Financial Statements
For the year ended 30 April, 2018

REPORT OF AUDIT COMMITEE TO THE MEMBERS OF NIGERIAN ENAMELWARE PLC

In accordance with the provisions of Section 359(6) of the Companies and Allied Matters Act, Cap. C20, LFN 2004, we confirm that the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices.

In our opinion, the scope and planning of the audit for the year ended 30th April 2018 together with the audited accounts were adequate. We also reviewed the Auditors' finding and were satisfied with Management responses thereto.

The Auditors, OOP & Partners have given an unqualified opinion in there report on the financial Statements.

ALHAJI WAHEED ADEGBITE (FCA)
CHAIMAN
FRC NO: FRC/2013/ICAN/00000002532

Members of the Audit Committee

ALHAJI WAHEED ADEGBITE	-	Chairman
BAALE SUNDAY A. OGUNMOWO	-	Member
MR. AYANWAMIDE OBALALARO	-	Member
AARE HADJI TOKUNBO ALLI	-	Director
MR. PHILLIP TUNG	-	Director
MR. LEWIS TUNG	-	Director

The Company Secretary
BAMOFIN OLATOKUNBO SANNI acted as
SECRETARY to the Committee

IKEJA,
LAGOS NIGERIA
25 July, 2018.

Financial Statements
For the year ended 30 April, 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE FINANCIAL STATEMENTS

The Directors of Nigerian Enamelware Plc. are responsible for the preparation of the financial statements that present fairly the financial position of the Company as at 30 April, 2018 and the results of its operations, cash flows and changes in equity for the year ended, in compliance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act CAP C20 LFN 2004 and the Financial Reporting Council of Nigeria Act No.6, 2011.

In preparing the financial statements, the Directors are responsible for

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

The Directors are responsible for:

- designing, implementing and maintaining an effective and sound system of internal Controls throughout the Company;
- maintaining adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the Financial position of the Company, and which enable them to ensure that the Financial statements of the Company comply with IFRS,
- maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS;
- taking such steps as are reasonably available to them to safeguard the assets of the Company; and preventing and detecting fraud and other irregularities.

The financial statements of the Company for the year ended 30 April, 2018 were approved by the Directors on 25th July, 2018.

Alh. M.A. Ola Yusuf	Phillip Tung	Lawrence I.Iseh
Chairman	Managing Director/CEO	Finance Manager
FRC/2013/ICAN/00000004999	FRC/2013/IODN/00000005035	FRC/2018/ICAN/00000018191

Financial Statements
For the year ended 30 April, 2018

OOP & Partners
(Chartered Accountants)

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Lagos State, Nigeria
Tel: + 234 (0) 802 346 0774
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Email: iomogoroye@yahoo.com

Postal Address:
P. O. Box 6252
Ikeja, Lagos State
Nigeria

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NIGERIAN ENAMELWARE PLC

We have audited the financial statements of **Nigerian Enamelware Plc** which comprise the Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 April, 2018, the Statement of Financial Position as at 30 April, 2018, the Statement of Changes In Equity and Statement of Cash Flows for the year then ended and a Summary of Significant Accounting Policies and Explanatory Notes.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company as at April 30, 2018 and of its loss and cash flows for the year then ended, and have been prepared in accordance with the requirements of the Companies and Allied Matters Act, CAP C20 LFN 2004 and the relevant statements of accounting standards issued by the Financial Reporting Council of Nigeria.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing issued by the International Federation of Accountants. Those standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance as to whether the Financial Statements are free from material misstatement.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give a reasonable assurance that the financial statements are free from material misstatement. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements. The financial statements are in agreement with the financial records which have been properly kept and we obtained the information and explanations we required.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Partners: Chief I. Omogoroye (Managing), Mr. G. W. Okin

Financial Statements
For the year ended 30 April, 2018

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council of Nigeria Act, 2011 and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Financial Statements
For the year ended 30 April, 2018

- conclude on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 6 of the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004

In our opinion, proper books of accounts have been kept by the Company, and so far as appears from our examination of those books, the Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the Books of accounts.

Igbekele Omogoroye. FCA
FRC/2013/ICAN/00000001191
For: OOP & Partners.
Chartered Accountants
Lagos, Nigeria.
25th July, 2018.

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Financial Statements
For the year ended 30 April, 2018

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	**30 April 2018 N'000**	**30 April 2017 N'000**
Revenue	4	**1,650,999**	2,528,319
Cost of sales	6a	**(1,215,023)**	(1,957,343)
Gross profit		**435,976**	570,976
Administrative expenses	6b	**(155,703)**	(140,692)
Operating profit		**280,273**	430,284
Other gains and (losses)	7	**32,527**	(143)
Interest income	8	**81,492**	201,779
Finance cost	9	**(402,774)**	(564,071)
(Loss) / Profit before tax		**(8,482)**	67,849
Tax benefit / (expense)	10	**5,149**	(22,791)
(Loss) / Profit for the year	11	**(3,333)**	45,058
Other comprehensive income		**-**	-
Total comprehensive (loss) / income		**(3,333)**	45,058
Earnings per share (kobo)			
Basic and diluted earnings per share	12	**(4)**	71

The accompanying notes on pages 28 to 67 and other national disclosure statements on pages 68 and 69 form an integral part of these financial statements.

Financial Statements
For the year ended 30 April, 2018

STATEMENT OF FINANCIAL POSITION

	Notes	30 April 2018 N'000	30 April 2017 N'000
Non-current assets			
Property, plant and equipment	13	**949,855**	998,134
Total non-current assets		**949,855**	998,134
Current assets			
Inventories	14	**868,748**	1,013,192
Trade and other receivables	15	**2,706,132**	3,799,676
Bank balances	16	**51,372**	15,560
Total current assets		**3,626,252**	4,828,428
Total assets		**4,576,107**	5,826,562
Equity			
Share capital	18	**38,016**	31,680
Other reserves	19	**18,177**	18,177
Retained earnings	20	**1,367,586**	1,377,255
Total equity		**1,423,779**	1,427,112
Non-current liabilities			
Deferred tax liability	10.4	**247,295**	285,558
Total non-current liabilities		**247,295**	285,558
Current liabilities			
Borrowings	21	**880,067**	3,220,795
Trade and other payables	22	**1,921,470**	801,579
Current tax liabilities	10.3	**103,496**	91,518
Total current liabilities		**2,905,033**	4,113,892
Total liabilities		**3,152,328**	4,399,450
Total equity and liabilities		**4,576,107**	5,826,562

The financial statements were approved by the Board of Directors on 25th July, 2018 and signed by:-

Alh. M.A. Ola Yusuf	Phillip Tung	Lawrence I. Iseh
Chairman	Managing Director/CEO	Finance Manager
FRC/2013/ICAN/00000004999	FRC/2013/IODN/00000005035	FRC/2018/ICAN/00000018191

The accompanying notes on pages 28 to 67 and other national disclosure statements on pages 68 and 69 form an integral part of these financial statements.

Financial Statements
For the year ended 30 April, 2018

STATEMENT OF CHANGES IN EQUITY

	AT 30 APRIL, 2018			
	Share Capital N'000	Other Reserves N'000	Retained earnings N'000	Total N'000
Balance at 1 May, 2017	**31,680**	**18,177**	**1,377,255**	**1,427,112**
Bonus Share Issue	6,336	-	(6,336)	-
	38,016	18,177	1,370,919	1,427,112
Loss for the year	-	-	(3,333)	(3,333)
Balance at 30 April, 2018	**38,016**	**18,177**	**1,367,586**	**1,423,779**

	AT 30 APRIL, 2017			
	Share Capital N'000	Other Reserves N'000	Retained earnings N'000	Total N'000
Balance at 1 May, 2016	**31,680**	18,177	**1,360,709**	**1,410,566**
Profit for the year	-	-	45,058	45,058
	31,680	18,177	**1,405,767**	**1,455,624**
Dividend paid	**-**	-	(28,512)	(28,512)
Balance at 30 April, 2017	**31,680**	**18,177**	**1,377,255**	**1,427,112**

The accompanying notes on pages 28 to 67 and other national disclosure statements on pages 68 and 69 form an integral part of these financial statements.

Financial Statements
For the year ended 30 April, 2018

STATEMENT OF CASH FLOWS

	Notes	30 April 2018 N'000	30 April 2017 N'000
Cash flow from operating activities			
Cash receipt from customers and related parties		**3,983,467**	2,644,630
Cash paid to suppliers and employees		**(1,263,139)**	(3,670,550)
Net value added tax paid		**(1,370)**	(5,085)
Income taxes paid		**(21,136)**	(23,606)
Net cash generated by operating activities	26	**2,697,822**	(1,054,611)
Cash flow from investing activities			
Acquisition of plant and machinery	13	**-**	(36,823)
Interest receivable and similar income	8	**81,492**	201,779
Net cash generated by investing activities		**81,492**	164,956
Cash flow from financing activities			
Interest paid	9	**(402,774)**	(564,071)
Dividend paid	20.1	**-**	(28,512)
Net cash generated by financing activities		**(402,774)**	(592,583)
Net increase/(decrease) in cash and cash equivalents		**2,376,540**	(1,482,238)
Cash and cash equivalents at beginning of year		**(3,205,235)**	(1,722,997)
Cash and cash equivalents at end of year	17	**(828,695)**	(3,205,235)

Financial Statements
For the year ended 30 April, 2018

NOTES TO THE FINANCIAL STATEMENTS

1 Description of business

Nigerian Enamelware Plc was incorporated in Nigeria on 21st of May 1960 as a limited liability company. It went public on 28 December 1979 in compliance with the Indigenisation Decree of 1977 and was granted a listing on the Nigerian Stock Exchange. It adopted its present name of Nigerian Enamelware Plc on 6 June 1991 in compliance with Companies and Allied Matters Acts, CAP C20, LFN 2004. The holding Company is I. Feng Limited incorporated in Hong Kong and holds 60% of the Company's equity.

Nigerian Enamelware Plc is engaged in the manufacturing and marketing of enamelware, plastic products and galvanised bucket. Raw materials consisting of steel coils, enamel and moulds are obtained from local and overseas suppliers.

The Company's registered business address is 18 Wempco Road, Ikeja Industrial Estate.

1.1 Composition of financial statements

The financial statements are drawn up in Naira, the functional currency of Nigerian Enamelware Plc, in accordance with International Financial Reporting Standards (IFRS). The financial statements comprise

* Statement of profit or loss and other comprehensive Income
* Statement of financial position
* Statement of changes in equity
* Statement of cash flows
* Notes to the financial statements
* Other non-IFRS Statements

1.2 Financial period

These financial statements cover the financial year ended 30 April, 2018, with comparative amounts for the financial year ended 30 April, 2017.

NOTES TO THE FINANCIAL STATEMENTS

2 Significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs)

2.2 Basis of preparation

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies adopted are set out below.

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment are discussed in note 3.

2.3 Revenue Recognition

Revenue is generated from the sale of enamelware, plastic products and galvanised buckets. Revenue is measured at the fair value of the consideration received or receivable and represents amount received or receivable for goods and services provided in the normal course of business.

2.3.1 Revenue from sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

* The Company has transferred to the buyer the significant risks and rewards of ownership of the goods,
* The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
* The amount of revenue can be measured reliably;
* It is probable that the economic benefits associated with the transaction can be measured reliably.

2.3.2 Interest Income

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

2.3.3 Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established provided that it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably.

2.4 Segment reporting

An operating segment is a component of the Company 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 Company) 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 for which discrete financial information is available. All operating segments are reviewed periodically by the Companies Board of Directors (BOD) to make decisions and assess its performance. The Company's primary format for segment reporting is based on business segments. The Company has three major business segments: Sale of Enamelware, sale of plastic and sale of Galvanised bucket. Revenue and cost represent operating revenues and expenses respectively that are directly attributable to each business segment, The Company's business segments are presented by line of business that are subject to similar risks and returns. All Company's revenue is derived from Nigeria.

2.5 Foreign currency transactions

The financial statements of Nigerian Enamelware are presented in Naira, which is the Company's functional currency. In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions.

Monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at each reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Any resulting exchange differences are included in administration expenses in the statement of profit or loss, except from differences on available-for-sale non-monetary financial assets, which are included in the available-for-sale reserve in other comprehensive income. Non-monetary items of historic cost, that are denominated in foreign currency, are translated at the date of original transaction, and are not re-translated.

Exchange differences arising on the settlement of monetary items are included in profit or loss for the year.

Financial Statements
For the year ended 30 April, 2018

NOTES TO THE FINANCIAL STATEMENTS

2.6 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.6.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

2.6.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset.

Financial Statements
For the year ended 30 April, 2018

NOTES TO THE FINANCIAL STATEMENTS

2.7 **Earnings per share (EPS)**

Earnings per share are based on the profit after taxation and weighted average number of ordinary shares outstanding at the end of each financial year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effect of all dilutive potential ordinary shares which comprises convertible notes and share options granted to employees.

2.8 Employee benefits

2.8.1 **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in future payment is available. The Company make provisions for retirement benefits in accordance with the Pension Reform Act 2004 as amended. Employer and employees contribute 10% and 8% respectively of basic salary, transport and housing allowances for each employee.

Employees' contributions are deducted from payroll while employer's contributions are charged to profit or loss.

2.8.2 **Defined benefit scheme**

For defined retirement benefit plans, the Company also makes provision for gratuity which is payable yearly based on the practice in the aluminium industry. Obligation on gratuity to employees is accrued from beginning of every year with payments made yearly to employees. Gratuity is carried as a current liability as it is paid yearly.

2.8.3 **Other employee benefits**

Other short and long term employee benefits, are recognised as an expense over the period in which they accrue.

Financial Statements
For the year ended 30 April, 2018

NOTES TO THE FINANCIAL STATEMENTS

2.9 Inventories

Inventories comprise goods held in the ordinary course of business; materials held in the process of production for such sale and in the form of materials or supplies to be consumed in the production process or in the rendering of services. These are valued at the lower of cost and net realisable value. Costs include purchase cost, conversion cost (materials, labour and overheads) and other costs incurred in bringing the inventories to their present location and condition. lnventories are valued using the weighted average method. The amount of any written down value of inventory to net realisable value and all losses of inventory is recognised as an expense in the period the write down or loss occurs.

2.10 Property plant and equipment

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and any impairment losses. The cost of self-constructed assets includes the costs of materials and direct labour. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated. Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

The estimated useful lives for the current and comparative periods are as follows:

	Useful Life (years)
Leasehold land and buildings	Over the term of the lease
Plant and machinery	20 years
Furniture and equipment	10 years
Motor vehicles	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2.11 lntangible assets

2.11.1 lntangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. lntangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets - Research and development expenditure

* Research expenditure
  Expenditure on research activities is recognised as an expense in the period in which it is incurred.

* Development expenditure
  An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised when all of the following have been demonstrated:

a. the technical feasibility of completing the intangible asset so that it will be available for use or sale;

b. the intention to complete the intangible asset and use or sell it;

c. the ability to use or sell the intangible asset;

d. how the intangible asset will generate probable future economic benefits;

e. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

Financial Statements
For the year ended 30 April, 2018

NOTES TO THE FINANCIAL STATEMENTS

f. the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generate intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.11.3 **De-recognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.12 **Impairment of tangible and intangible assets exclusing goodwill**

At each balance sheet date, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate independent cash flows from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

lf the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset or cash generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

Financial Statements
For the year ended 30 April, 2018

NOTES TO THE FINANCIAL STATEMENTS

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as provisions is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.14 Non-current assets held for sale and discontinued operations

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

2.15 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition, except for transaction costs relating to financial assets or financial liabilities at fair value through profit or loss, which are recognised immediately in profit or loss.

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2.16 **Financial assets**

Financial assets are classified into: (a) loans and receivables (b) held-to-maturity investments (c) Available-for-sale and (d) financial assets at fair value through profit or loss. Financial assets are subsequently measured based on their nature and purpose as determined at initial recognition. The company does not have financial assets classified as held-to-maturity, available-for-sale and at fair value through profit or loss.

- **Loans and receivables**

  Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables including [trade and other receivables and cash and bank balances are subsequently measured at amortised cost using the effective interest method, less any impairment.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the ElR. The EIR amortisation is included in finance income in the income statement. The losses arising from impairment are recognised in the income statement in finance costs. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

- **Cash and cash equivalents**

  Cash and cash equivalents are comprised of cash in hand and highly liquid short-term investments that are easily convertible into known amounts of cash and are subject to insignificant risks of changes in value.

2.16.1 **Impairment of financial assets**

Financial assets, other than those at Fair value through Profit or Loss (FVTPL) are assed for indicators of impairment at the end of each reporting period.
Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Available for sale assets

For available-for-sale investments, a significant or prolonged decline in the fair value below its cost is considered to be objective evidence of impairment. lmpairment losses are recognised in the profit or loss for equity investments and are not subsequently reversed through the profit or loss. Cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve.

For available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

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Loans and receivables
For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying value and the present value of estimated future cash flows, discounted at the financial asset's original effective rate. If, in a subsequent period, the amount of the impairment loss decreases as a result of an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

For financial assets carried at cost, the amount of the irnpairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset, such impairment loss will not be reversed in subsequent periods.

Trade and other receivables
Trade receivables do not carry any interest and are stated at their nominal values as reduced by appropriate allowance for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience individual trade receivables are written off when management deems them not to be collectible.

2.16.2 **De-recognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. lf the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. lf the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

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On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.17 **Financial liabilities**

The Company does not have financial liabilities classified at fair value through profit or loss.

Other financial liabilities (including borrowings and trade and other payables) are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial liability and subsequently measured at amortised cost using the effective interest method.

Using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost using effective interest method.

Borrowings

Financial liabilities, such as bond loans and other loans from credit institutions are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, they are stated at amortised cost with any difference between cost and redemption value being recognised in the profit or loss over the period of the borrowings on an effective interest basis.

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NOTES TO THE FINANCIAL STATEMENTS

2.17.1 De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.18 Dividends

Final dividends are recognized as a liability in the year in which they are approved by the Company in the general meeting. Interim dividends are recognized when they are paid.

2.19 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight— line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight— line basis over the lease term.

The Company as lessee

Assets held under finance leases are recognised as assets of the Company at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.
Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see note 4.2 below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

3.1.1 **Revenue recognition**

Revenue is generated from the sale of enamelware, plastic products and galvanised bucket. Revenue is measured at the fair value of the consideration received or receivable and represents amount received or receivable for goods and services provided in the normal course of business.

3.1.2 **Write down of inventories to net realisable value**

There was no write down of inventories to net realisable value during the year.

3.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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NOTES TO THE FINANCIAL STATEMENTS

3.2.1 **Useful life of property, plant and equipment**

Leasehold land and Buildings	Over the term of the lease
Plant and Machinery	20 years
Furniture and Fittings	10 years
Motor Vehicles	3 years

3.2.2 **Allowance for doubtful debts/receivables**
Impairment assessment of receivables is done continuously in order to reduce the Company's financial exposure to any losses on bad debts an allowance is established to reduce Company's net accounts receivable and profit is descreased by the amount of losses expected to occur.

3.2.3 **Impairment of finance assets**
There was no impairment of financial assets during the year.

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4 Revenue

Revenue for goods supplied and services rendered is arrived at after deducting trade discounts.

	30 April 2018 N'000	30 April 2017 N'000
Revenue within Nigeria	1,650,999	2,528,319
	1,650,999	**2,528,319**

5 Segment Reporting

5.1 Products and services from which reportable segments derive their revenues

Information reported to the Company's Board of Directors for the purposes of resources allocation and assessment of segment performance is focused on the category of products for each type of activity. The principal categories are Enamelware, Plastic and Galvanised buckets. The entity's reportable segments under IFRS 8 are therefore as follows:

Enamelware
Plastic
Galvanised bucket

5.2 Segment Revenue and Results

	30 April 2018		
	Segment Revenue N'000	**Cost of sales N'000**	**Gross Profit N'000**
Enamelware	1,586,539	(1,166,423)	420,116
Plastic	64,460	(48,600)	15,860
Galvanised bucket	-	-	-
	1,650,999	**(1,215,023)**	**435,976**
Operating expenses			(155,703)
Operating profit			280,273
Other gains and losses			32,527
Interest income			81,492
Finance costs			(402,774)
(Loss) before tax			**(8,482)**

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NOTES TO THE FINANCIAL STATEMENTS

5.2 **Segment Revenue and Results**

	30 April 2017		
	Segment Revenue N'000	**Cost of sales N'000**	**Gross Profit N'000**
Enamelware	2,401,059	(1,858,822)	542,237
Plastic	108,361	(83,890)	24,471
Galvanised bucket	18,899	(14,631)	4,268
	2,528,319	**(1,957,343)**	**570,976**
Operating expenses			(140,692)
Operating profit			430,284
Other gains and losses			(143)
Interest income			201,779
Finance costs			(564,071)
Profit before tax			**67,849**

The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 3. Segment profit represents the gross profit earned by each segment without allocation of general operating expenses, other gains and losses recognised on investment income, other gains and losses as well as finance costs.

This is the measure reported to the Board of Directors for the purpose of resource allocation and assessment of segment performance.

5.3 Geographical information
The company operates in one geographical area - Nigeria.

5.4 Segment assets and liabilities
All assets and liabilities are jointly used by the reportable segments.

5.5 Information about major customers
Included in total revenue of N1.65billion (30/4/2017 N2.53billion) are revenues of approximately N254.3 million (30/04/2017: N526.5 million) which arose from sales to the Company's largest customer. This sale represents 16% of the total revenue. Others are N199.8million and N179.8million which represents 13% and 11% respectively of the Company's total revenue.

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		30 April 2018 N'000	30 April 2017 N'000
6a	**Cost of sales**		
	Material consumed	**579,384**	1,034,173
	Direct wages	**352,256**	474,960
	Depreciation	**48,212**	48,212
	Other product overheads	**235,171**	399,998
		1,215,023	1,957,343
6b	**Administrative expenses**		
	Directors' fees	**1,065**	1,065
	Staff cost (Note 6b.1)	**27,095**	42,176
	Transport & travelling expenses	**2,925**	3,977
	Medical expenses	**1,142**	1,797
	Stationery and office supplies	**1,476**	332
	Rent and rates	**3,621**	7,586
	Postages, telegrams and telephone	**78**	66
	Security expenses	**1,286**	4,827
	Motor running expenses	**536**	1,177
	Subscriptions	**115**	300
	Legal and professional fees	**11,158**	10,953
	Bank commission and charges	**7,636**	18,440
	General expenses	**18,178**	33,919
	Provision for doubtful debts	**74,325**	5,510
	Audit fee	**5,000**	8,500
	Depreciation	**67**	67
		155,703	**140,692**
6b.1	**Staff cost**		
	Salaries	**19,204**	28,999
	Welfare	**6,436**	11,384
	Pension	**1,455**	1,793
		27,095	**42,176**

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		30 April 2018 N'000	30 April 2017 N'000
7	**Other gains and (losses)**		
	Provision for impairment loss on obsolete stocks	**(4,257)**	(143)
	Prior year provisions for expenses no longer required	**36,784**	-
		32,527	(143)
8	**Interest Income**		
	On advances to related company - (Note 8.1)	**81,492**	201,779

8.1 Amount represents interest accrued on loans advanced to Universal Nigeria Industries Co. Ltd, and other related companies at an average rate of 14% per annum (2017: 14%)

		30 April 2018 N'000	30 April 2017 N'000
9	**Finance cost**		
9.1	Interest on bank overdrafts and loans (other than those from related parties)	**402,774**	543,016
9.2	Interest on related parties advance	**-**	21,055
		402,774	564,071

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NOTES TO THE FINANCIAL STATEMENTS

		30 April 2018 N'000	30 April 2017 N'000
10	**Taxation**		
10.1	**Income tax recognised in profit or loss**		
	Current tax expense in respect of the current year:		
	Income tax	**30,746**	30,582
	Education tax	**2,368**	2,436
		33,114	33,018
	Deferred tax written back	**(38,263)**	(10,227)
	Tax expense per profit or loss statement	**(5,149)**	22,791

Corporation tax is calculated at 30 per cent (2017: 30 per cent) of the estimated taxable profit for the year. The charge for taxation in these financial statements is based on the provisions of the Companies Income Tax Act, CAP C21, LFN 2004 as amended.
The charge for education tax of 2 per cent (2017: 2 per cent) is based on the provisions of the Education Tax Act, CAP E4, LFN 2004.

		30 April 2018 N'000	30 April 2017 N'000
10.2	**Taxation**		
	Reconciliation of income tax expense for the year to the accounting profit as per profit or loss:		
	(Loss) / Profit before tax	**(8,482)**	67,849
	Tax at the statutory corporation tax rate of 30%	**(2,545)**	20,355
	Education tax at 2% of assessable profit	**2,368**	2,436
	Effect of income that is exempt from taxation	**1,278**	44
	Effect of expenses that are not deductible in determining tax table profit	**36,781**	16,137
	Effect of concessions (research and development and other allowances)	**-**	-
	Effect of unused tax losses and tax offsets not recognised as deferred tax assets	**(4,768)**	(5,952)
	Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	**(38,263)**	(10,227)
	Adjustments recognised in the current year for current tax of prior years		
	Effect on deferred tax balances due to the change in income tax rate		
	Other (describe)		
		(5,149)	22,791
	Adjustments in the current year for current tax of prior years	**-**	-
	Income tax (benefit) / expense recognised in profit or loss for continuing operations.	**(5,149)**	22,791
10.3	**Current tax liabilities**		
	At beginning	**91,518**	82,106
	Charged for the year	**33,114**	33,018
	Payments during the year	**(21,136)**	(23,606)
		103,496	91,518
	(Over)/Under provision in prior year	**-**	-
	At end	**103,496**	**91,518**

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10.4 **Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the Company and movements thereon during the current and prior reporting periods.

	Property, plant and equipment N'000	Foreign exchange difference N'000	Losses N'000	Provisions N'000	Total N'000
	AT 30 APRIL 2018				
At 1 May 2017	**285,558**	**-**	**-**	**-**	**285,558**
Charged to profit or loss	(38,263)	-	-	-	(38,263)
Charged to other comprehensive income	-	-	-	-	-
Charged directly to equity	-	-	-	-	-
Reclassification	-			-	-
Other(describe)	-	-	-	-	-
At 30 April 2018	**247,295**	**-**	**-**	**-**	**247,295**
	AT 30 APRIL 2017				
At 1 May 2016	**295,785**	**-**	**-**	**-**	**295,785**
Charged to profit or loss	(10,227)	-	-	-	(10,227)
Charged to other comprehensive income	-	-	-	-	-
Charged directly to equity	-	-	-	-	-
Reclassification from equity to	-			-	-
profit or loss	-	-	-	-	-
Other (describe)					
At 30 April 2017	**285,558**	**-**	**-**	**-**	**285,558**

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax assets (liabilities) after offset presented in the statement of financial position:

	30 April 2018 N'000	30 April 2017 N'000
Deferred tax liabilities	247,295	285,558
Deferred tax assets	-	-
	247,295	**285,558**

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NOTES TO THE FINANCIAL STATEMENTS

		30 April 2018 N'000	30 April 2017 N'000
11	**Profit for the year**		
	Profit for the year has been arrived at after charging:		
	Depreciation of property, plant and equipment	**48,278**	48,278
	Employee benefits expense	**386,738**	484,592
	Audit fees	**5,000**	8,500
	Directors' emoluments	**5,677**	5,677
	Impairment loss recognised on trade receivables	**74,325**	5,510

12 Earnings per share

Earnings per share are calculated on the basis of profit after taxation and the number of issued and fully paid ordinary shares of each financial year.

	2018	2017
Basic/diluted earnings per share (kobo)	**(4)**	71

12.1 **Basic/diluted earnings per share**

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are:

	2018	2017
Earnings from continuing operations		
Profit for the year attributable to owners of the Company	**(3,333)**	45,058
Number of shares		
Number of ordinary shares for the purposes of basic and diluted earnings per share	**76,032**	63,360
Earnings per share(kobo)-basic and diluted	**(4)**	71

The denominators for the purposes of calculating both basic and diluted earnings per share is based on issued and paid ordinary shares of 50 kobo each.

12.2 **Impact of changes in accounting policies**

There were no changes in the Company's accounting policies during the year that impacted earnings per share.

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NOTES TO THE FINANCIAL STATEMENTS

13 Property, plant and equipment

	Leasehold land and building N'000	Plant and machinery N'000	Furniture and equipment N'000	Motor vehicles N'000	Total N'000
Cost/Valuation					
At 1 May, 2017	536,433	749,661	667	1,169	1,287,930
Additions during the year	-	-	-	-	-
At 30 April, 2018	536,433	749,661	667	1,169	1,287,930
Accumulated depreciation					
At 1 May, 2017	64,828	223,363	436	1,169	289,796
Charge for the year	10,729	37,483	67	-	48,279
At 30 April, 2018	75,557	260,846	503	1,169	338,075
Carrying amount					
At 30 April, 2018	**460,876**	**488,815**	**164**	**-**	**949,855**
At 30 April, 2017	471,605	526,298	231	-	998,134

13.1 **Impairment losses recognised in the year**
There were no impairment losses recognized during the year (30/4/2017: Nil)

13.2 **Contractual commitments**
At 30 April, 2018 the Company has no contractual commitments for the acquisition of property, plant and equipment (30/4/2017: Nil)

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NOTES TO THE FINANCIAL STATEMENTS

		30 April 2018 N'000	30 April 2017 N'000
14	**Inventories**		
	Raw materials (Note 14.1)	**261,411**	433,596
	Work in progress	**48,182**	61,804
	Finished goods	**568,287**	522,668
		877,880	1,018,068
	Less: Allowance for obsolete inventories	**(9,132)**	(4,876)
		868,748	1,013,192

14.1 The cost of inventories recognised as an expense during the year in respect of continuing operations was N4.26 million (2017: N4.87million)

14.2 No inventory was pledged as security for liabilities

		30 April 2018 N'000	30 April 2017 N'000
15	**Trade and other receivables**		
15.1	***Trade receivables:***		
	Trade receivables from third parties	**248,732**	262,204
	Trade receivables from related parties (Note 23.3)	**2,541,083**	3,544,029
		2,789,815	3,806,233
	Less: Allowance for doubtful debts		
	- on third parties	**(90,942)**	(16,617)
	- on related parties (Note 23.3)	**(1,526)**	(1,526)
		2,697,347	3,788,090
15.2	**Other receivables:**		
	Prepayments	**8,761**	11,098
	Staff debtors	**24**	488
		8,785	11,586
	Trade and other receivables	**2,706,132**	3,799,676

Prepayments represent unutilised proportion of expense items.

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

NOTES TO THE FINANCIAL STATEMENTS

15 **Trade and other receivables (continued)**

15.3 Movement in the allowance for doubtful debts	30 April 2018 N'000	30 April 2017 N'000
Balance at the beginning of the period	18,143	12,633
Impairment losses in the year	74,325	5,510
Balance at the end of the year	**92,468**	18,143

In determining the recoverability of a trade receivable the Company considers any change in the credit quality of the trade receivable from the date credit was granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated.

15.4 Trade receivables

Trade receivables disclosed above are financial instruments classified as loans and receivables and are therefore measured at amortised cost.

The average credit period taken on sales of goods is 30 days. No interest is charged on the overdue receivables. The company has recognised an allowance for doubtful debts of 100% against all receivables over 365 days because historical experience has been that receivables that are past due beyond 365 days are not likely recoverable.
Allowances against doubtful debts are recognised against trade receivables outstanding for more than 365 days based on estimated irrecoverable amount determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Before accepting any new customer, the Company uses an internal credit process to assess the potential customer's credit quality and defines credit limits by customer.

Trade receivables disclosed above include amounts (see below for aged analysis) which are past due at the reporting date and against which the Company has recognised an allowance for doubtful receivables.

The Company does not hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Company to the counterparty. The average age of these receivables is 180 days (2017: 180 days)

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15.5 Age of receivables past due but not impaired

	30 April 2018			
	0-180 days N'000	181-365days N'000	365 and above N'000	**Total** N'000
Trade receivables from third parties	44,469	113,321	90,942	248,732
Trade receivables from related parties	1,633,106	906,451	1,526	2,541,083
	1,677,575	**1,019,772**	**92,468**	**2,789,815**

	30 April 2017			
	0-180 days N'000	181-365days N'000	365 and above N'000	**Total** N'000
Trade receivables from third parties	195,177	50,410	16,617	262,204
Trade receivables from related parties	923,532	2,618,971	1,526	3,544,029
	1,118,709	**2,669,999**	**18,143**	**3,806,233**

Age of receivables past due and impaired	**30 April 2018 N'000**	**30 April 2017 N'000**
Trade receivables from third parties	90,942	16,617
Trade receivables from related parties	1,526	1,526
	92,468	**18,143**

16 Bank balances	**51,372**	15,560
	51,372	**15,560**

17 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, short term investments with an original maturity of three months or less, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

Cash and bank balances	51,372	15,560
Less: Bank overdraft	(480,067)	(2,179,436)
Commercial Paper	(400,000)	(1,041,359)
Cash and cash equivalents	**(828,695)**	(3,205,235)

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		30 April 2018 N'000	30 April 2017 N'000
18	**Share capital**		
	Authorised, Issued and fully paid:		
	240,000,000 ordinary shares of 50k each	**120,000**	120,000
	Issued and fully paid:		
	At Beginning	**31,680**	31,680
	Bonus share issue (Note 20.2)	**6,336**	-
	At End	**38,016**	31,680
	Representing 76,032,000 (2017-63,360,000) ordinary shares of 50k each		

19	**Other Reserves**		
	Unclaimed Dividends	**18,177**	18,177
		18,177	18,177

Other reserves represent 90% of total unclaimed dividends over 12 years old refunded by the Registrars to be invested in interest yielding securities in accordance with SEC regulations.

20	**Retained earnings**		
	At beginning	**1,377,255**	1,360,709
	Bonus Share issue (Note 20.2)	**(6,336)**	-
		1,370,919	1,360,709
	(Loss)/Profit attributable to owners of the Company	**(3,333)**	45,058
	Dividend paid	**-**	(28,512)
	At end	**1,367,586**	1,377,255
20.1	The following dividend was declared and paid during the year:		
	Final dividend	**-**	28,512

20.2 At the last Annual General Meeting held on 5th October, 2017, a bonus share issue of one (1) ordinary share of 50k each for every five (5) shares held at the close of business on 15th Sept. 2017 amounting to 12,672,000 shares ranking pari-passu with existing shares was approved by the shareholders to be paid for out of retained earnings for distribution to shareholders.

21	**Borrowings**		
	Amortised cost		
	Bank overdraft (Note 21.1)	**480,067**	2,179,436
	Commercial Paper	**400,000**	1,041,359
		880,067	3,220,795
	Current	**880,067**	3,220,795
	Non-current	**-**	-
		880,067	3,220,795

21.1 Bank borrowings are secured by a negative pledge ranking pari passu on the assets of the Company.

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22	Trade and other payables	30 April 2018 N'000	30 April 2017 N'000
	Trade payable to third parties	**48,381**	7,350
	Other payables:		
	Amount due to related companies (Note 23.3)	**1,523,425**	515,752
	VAT payable	**238,304**	179,997
	Accrued expenses	**29,529**	33,857
	Accrued co-operative contribution	**41,769**	16,767
	Accrued employee benefits	**22,860**	19,508
	Accrued staff pension deductions	**12,549**	2,775
	Withholding tax payable	**4,518**	4,518
	Accrued interest on related party balances	**-**	21,055
	Other Creditor	**135**	-
		1,921,470	801,579
22.1	**Movement in Dividend Payable**		
	At beginning of the year	**-**	-
	Prior year dividend declared	**-**	28,512
	Payments during the year	**-**	(11,405)
	Dividend due to I-Feng reclassified to intercompany (Note 22.1.1)	**-**	(17,107)
	At end of the year	**-**	-

Trade creditors and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days. The Company has financial risk management policies in place as well as efficient and effective treasury management policies to ensure that all payables are paid within the pre-agreed credit terms.

The directors consider that the carrying amount of trade and other payables approximate to their fair value.

22.1.1 Dividend due to I-Feng Company Limited parent company with ownership of 60% of share capital was reclassified to intercompany payable account in the current year.

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NOTES TO THE FINANCIAL STATEMENTS

23 Related party information

The following details of relationship, details of transactions and outstanding balances between the Company and its related parties during the year are disclosed below:

23.1 Related parties to the Company

Entities	Relationship	Nature of transactions
I. Feng Company Limited	Parent Company with Ownership of 60% of share capital	None
General Metalware Co. Ltd	Fellow subsidiary	None
Gloria Investment Ltd	Fellow subsidiary	None
Ken-Feraro Nigeria Ltd	Fellow subsidiary	None
Lagos Oriental Hotel Ltd	Fellow subsidiary	Sales
Omo Wood Products Co. Ltd	Fellow subsidiary	Sales
Porcelainware Industries Ltd	Fellow subsidiary	Sales
Prime Nigeria Tiles Co. Ltd	Fellow subsidiary	Sales
Standard Industrial Development co. Ltd	Fellow subsidiary	Sales
Superior Metal Manufacturing Co. Ltd	Fellow subsidiary	Sales
Universal Nigeria Industries Co. Ltd	Fellow subsidiary	Sales and purchases
Wempco Steel Mills Co. Ltd	Fellow subsidiary	Sales and purchases
Western Metal Products Co. Ltd	Fellow subsidiary	Sales and purchases
Wiseway Agro Products Co. Ltd	Fellow subsidiary	None

The ultimate controlling party of the entity is I-Feng Company Limited.

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23.2 **Trade transactions**

The company entered into transactions with its related parties during the year and transactions conducted resulted to the balances analysed below:

	Sales of goods and services		Purchase of goods and services	
	30/4/2018	30/4/2017	30/4/2018	30/4/2017
	N'000	N'000	N'000	N'000
Western Metal Products Co. Ltd	**20,055**	28,698	**-**	-
Wempco Steel Mills Co. Ltd	**-**	54	**-**	40,436
Prime Nigeria Tiles Co Ltd	**50,757**	90,262	**-**	115
Procelainware Industries Ltd	**1,223**	2,138	**-**	-
Universal Nigeria Industries Co. Ltd	**-**	-	**386,875**	1,275,268
Mordern Steel Mills Industries Ltd.	**-**	-	**-**	175,878
Standard Industrial Development Co. Ltd	**-**	-	**-**	-
Knight Metal Manufacturing Co. Ltd	**-**	-	**-**	200
Lagos Oriental Hotel Ltd.	**-**	-	**-**	-
Omo Wood Products Co. Ltd	**691**	-	**-**	-
Advance Steel Structure Co. Ltd	**-**	-	**4,623**	3,490
Prime Nigeria Wood Products Co. Ltd	-	-	**-**	581

23.3 **Analysis of the ouststanding balances at the reporting date:**

	Due from related parties		Due to related parties	
	30/4/2018	30/4/2017	30/4/2018	30/4/2017
	N'000	N'000	N'000	N'000
Universal Nigeria Industries Co. Ltd - Advance	425,180	1,392,192	-	-
Universal Nigeria Industries Co. Ltd - Current A/C	1,006,880	796,313	-	-
Superior Metal Manufacturing Limited	-	-	39,179	14,920
Western Metal Products Company Limited	165,428	295,534	-	-
Standard Industrial Development Co. Ltd	79,675	147,665	81,066	30,180
Prime Nigeria Tiles Co. Ltd	-	35,737	550,743	-
Omo Wood Products Co. Ltd	35,489	28,554	-	-
Ken Feraro Limited	27,123	27,123	-	-
Western Steel Mills Co. Limited	15,262	23,833	46,709	64,509
NFE Industries Limited	333,731	399,469	-	-
Procelainware Industries Ltd	-	74,057	554,405	181,718
Knight Metal Manufacturing Co. Ltd	-	36,492	8,353	-
United Rolling Mills Limited	188,065	188,065	-	-
Prime Nigeria Woods Products Co. Ltd.	63,108	75,806	-	-
I.Feng Company Limited	-	-	214,761	214,760
Modern Steel Mills Co. Ltd	30,211	11,086	-	-
Advance Steel Structure Co. Ltd	-	-	28,208	9,665
Wiseway Agro Products Co. Ltd	85,849			
Others	85,081	12,103	-	-
	2,541,083	**3,544,029**	**1,523,425**	**515,752**
Less: Allowance for doubtful receivables	(1,526)	(1,526)	-	-
	2,539,557	**3,542,503**	**1,523,425**	**515,752**

The amount due to I. Feng Company Limited is in respect of dividend payable.

Sales of goods to related parties are made at the company's usual price list which is the fair value of goods sold. Purchases are made at market price.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

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23.4 Remuneration of key management personnel

The remuneration of the directors, who are the key management personnel of the Company, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

	30 April 2018 N'000	30 April 2017 N'000
Directors's Emoluments	5,677	5,677
Post-employment benefit	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	5,677	5,677

There are no post-employment, termination, share based payments and other long term benefits for key management personnel during the period (2017: Nil)

24 Financial Instruments

24.1 Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of equity. The Company's overall strategy remains unchanged.

The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings.

The Company is not subject to any externally imposed capital requirements.
The Company does not have long term debts in its books, all borrowings are current in nature and are principally for working capital management.

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24 Financial Instruments (contd).

24.2 **Gearing ratio**

The gearing ratio at the year-end is as follows:

	30 April 2018 N'000	30 April 2017 N'000
Borrowing (i)	880,067	3,220,795
Cash and bank balances	(51,372)	(15,560)
Net debt	**828,694**	3,205,235
Equity (ii)	1,423,779	1,427,112
Debt equity ratio	**58.20%**	224.60%

Debt is defined as both current and non-current borrowings.

Equity includes all capital and reserves of the Company that are managed as capital.

24.3 **Significant accounting policies**

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in note 2.

24.4 **Categories of financial instruments**

The Company's financial assets and financial liabilities as at the reporting date is tabulated below:

	30 April 2018 N'000	30 April 2017 N'000
Financial assets		
Loans and receivables:		
Trade and other receivables	2,706,133	3,799,676
Cash and bank balances	51,372	15,560
	2,757,505	3,815,236
Financial liabilities		
At amortised cost:		
Borrowings	880,067	3,220,795
Trade and other payables	1,921,470	801,579
	2,801,536	4,022,374

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The Company's senior management oversees the management of risks to ensure that financial risks are identified, measured and managed in accordance with Company's policies for risk.

Risk management policies and systems are reviewed regularly to reflect the changes in market conditions and the Company's activities.
Value-at-Risk and sensitivity analysis provide the appropriate information to monitor the net underlying financial risks.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

The Company does not trade in financial instruments, nor does it take on speculative or open positions through the use of derivatives.

24.5 **Market risk**
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.
Market risk affecting the entity are interest rate risk and foreign exchange currency risk. The financial instruments held by the Company that are affected by market risk are principally the non-derivative financial instruments which include investment in equity, trade and other receivables, cash and cash equivalents and trade and other payables.

24.6 **Interest rate risk management**
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates is not significant as it has minimal floating and fixed interest bearing financial liabilities outstanding at the reporting date. The exposure arises from interest on third party loans. Bank borrowings are principally overdraft facilities used in managing the cash flow situation of the Company on daily basis. Interest on overdraft are secured at competitive rates from banks and averages 16% annum.

24.7 **Interest rate sensitivity analysis**
The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 200 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

NOTES TO THE FINANCIAL STATEMENTS

If interest rates had been 200 basis points higher/lower and all other variables were held constant, the Company's loss for the year ended 30th April 2018 would decrease/increase by N17.60million (2017 decrease/increase by N27.82million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings. The Company's sensitivity to interest rates has decreased during the current year mainly due to the repayments in variable rate debt instruments.

24.8 **Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit evaluations are performed on all customers requiring credit although majority of the sales contracts are on cash basis. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

The Company does not have any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. The company defines counterparties as having similar characteristics if they are related entities.

The carrying amount of financial assets represents the company's maximum exposure, which at the reporting date, was as follows:

	30 April 2018 N'000	**30 April 2017 N'000**
Cash and cash equivalents	51,372	15,560
Trade and other receivables	2,706,133	3,799,676
	2,757,505	3,815,236

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24.9 **Collateral held as security and other credit enhancements**

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the company's maximum exposure to credit risk as no collateral or other credit enhancements are held.

24.10 **Liquidity risk management**

Liquidity risk is the risk that the Company is unable to meet its current and future cash flow obligations as and when they fall due, or can only do so at excessive cost. This includes the risk that the Company is unable to meet settlement obligations to the acquiring banks due to failure of an issuing bank to pay.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements.

To mitigate this risk, the Company maintains adequate reserve, banking facilities and other borrowings and the monitoring of forecast and actual cash flows.

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24.10.1 Maturity risk

The Company monitors its risk to a shortage of funds by maintaining a balance between continuity of funding and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. To manage liquidity risk, bills of collection are used for trade purchases and most of the purchases are from related entities who can allow extended credit period if necessary. The following tables show the company's contractual maturities of financial liabilities:

	30 April, 2018		
	Carrying amount N'000	Contractual cashflows N'000	Less than one year N'000
Financial assets			
Loans and receivables:			
Trade and other receivables	2,706,133	2,706,133	2,706,133
Cash and bank balances	51,372	51,372	51,372
	2,757,505	**2,757,505**	**2,757,505**
Financial liabilities at amortised cost			
Trade and other payables	1,921,470	1,921,470	1,921,470
Borrowings	880,067	880,067	880,067
	2,801,537	**2,801,537**	**2,801,537**

	30 April, 2017		
	Carrying amount N'000	Contractual cashflows N'000	Less than one year N'000
Financial assets			
Loans and receivables:			
Trade and other receivables	3,799,676	3,799,676	3,799,676
Cash and bank balances	15,560	15,560	15,560
	3,815,236	**3,815,236**	**3,815,236**
Financial liabilities at amortised cost			
Trade and other payables	801,579	801,579	801,579
Borrowings	3,220,795	3,220,795	3,220,795
	4,022,374	**4,022,374**	**4,022,374**

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Financial liabilities that can be repaid at any time have been assigned to the earliest possible time period. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

24.11 **Fair value of financial instruments**

The directors consider that the carrying amounts of financial assets and financial liabilities recorded in the financial statements appropriate their fair values.
statements approximate their fair values.

	Carrying amount		**Fair value**	
	'30/4/2018	**'30/4/2017**	**30/4/2018**	**30/4/2017**
	N'000	**N'000**	**N'000**	**N'000**
Financial assets				
Loans and receivables:				
Trade and other receivables	2,706,133	3,799,676	2,706,133	3,799,676
Cash and bank balances	51,372	15,560	51,372	15,560
	2,757,505	**3,815,236**	**2,757,505**	**3,815,236**
Financial liabilities				
Financial liabilities held at amortised cost:				
Borrowings	880,067	3,220,795	880,067	3,220,795
Trade and other payables	1,921,470	801,579	1,921,470	801,579
	2,801,537	**4,022,374**	**2,801,537**	**4,022,374**

25 Directors and Employees

25.1 **Directors**

Emoluments		
Fees:		
Chairman	615	615
Other Directors	450	450
	1,065	1,065
Other remuneration	4,612	4,612
	5,677	**5,677**

The number of Directors whose gross emoluments were within the following ranges are:

Range (N)	**30 April 2018 Number**	**30 April 2017 Number**
Up to N10,000	-	-
N10,001-N620,000	5	5
N620,000-N630,000	-	-
	5	5

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		30 April 2018 N'000	30 April 2017 N'000
26	**Reconciliation of net profit to cash provided by operating activities**		
	(Loss)/Profit after taxation	**(3,333)**	45,058
	Adjustment for non cash and operating items		
	Depreciation	**48,279**	48,278
	Interest received	**(81,492)**	(201,779)
	Borrowing Interest paid	**402,774**	564,071
	Working capital changes		
	(Increase)/Decrease in stocks	**144,444**	(573,854)
	Increase in trade and other receivables	**1,093,544**	(716,707)
	Increase in trade creditors and other payables	**1,119,891**	(218,863)
	Increase/(Decrease) in current tax liabilities	**11,979**	9,411
	Increase in deferred tax	**(38,264)**	(10,226)
	Total adjustments	**2,701,155**	(1,099,669)
	Net cash provided by operating activities.	**2,697,822**	(1,054,611)

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		30 April 2018 N'000	30 April 2017 N'000
25.2	**Employees**		
	Short term benefits:		
	Wages, salaries and staff welfare	**371,477**	450,613
	Post employment benefits:		
	Defined contribution plan	**15,261**	33,979
		386,738	484,592

Employees remunerated at higher rates
Number of employees in receipt of emolument within the following ranges are:

	Number	Number
0-150000	**-**	-
150001-180000	**-**	-
180001-200000	**-**	-
200001-240000	**-**	-
240001-260000	**-**	-
260000 and above	**264**	309

The average number of people employed in the reporting year were as follows:

Range (N)	**30 April 2018 Number**	**30 April 2017 Number**
Management staff	**2**	2
Senior staff	**2**	4
Junior staff	**260**	303
	264	309

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27 **Retirement benefit plan**

27.1 **Defined contribution plan**

The Company operates a contributory pension scheme and makes provision for retirement benefits in accordance with the Pension Reform Act 2004. Employer and employees contribute 10% and 8% respectively of basic salary, transport and housing allowances of each employee.
Employees' contributions are deducted from payroll while employer's contributions are charged to profit or loss.

The total expense recognised in the statement of profit or loss N15.3m (2017: N35m) represents contributions payable to these plans by the company at rates specified in the rules of the plans. As at 30 April 2018, contributions of N25.01m (2017: N2.8m) due in respect of the 2018 (2017) reporting period has not been paid over to the plans. The amounts have not been paid subsequent to the end of the reporting period.

28 Capital commitments

There were no capital commitments as at 30 April 2018 (30/4/2017: Nil)

29 Contingent liabilities and contingent assets

There were no contingent liabilities and contingent assets as at 30 April 2018 (30/4/2017: Nil).

30 Events after the reporting date.

There were no events after the reporting date which could have had material effects on the affairs of the company as at 30 April 2018 and the loss for the year ended on that date which have not been provided for or recognised in these financial statements.

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31 **OTHER NATIONAL DISCLOSURES**

31.1 **STATEMENT OF VALUE ADDED**

	2018 N'000	%	2017 N'000	%
Sales	**1,650,999**		2,528,319	
Other Income	**114,019**		201,636	
	1,765,018		2,729,955	
Bought-in materials and services				
- Local	**(935,709)**		(1,565,165)	
VALUE ADDED	**829,309**	100	1,164,790	100
APPLIED AS FOLLOWS:				
To pay employees:				
Salaries, wages and social benefits	**386,738**	47	484,592	41
To pay providers of capital:				
Interest expense	**402,774**	49	564,071	48
To pay government:				
Taxation	**33,114**	4	33,018	3
To provide for replacement of assets and growth				
Deferred Tax	**(38,263)**	(5)	(10,227)	0
Depreciation	**48,279**	6	48,278	4
Profit and loss account	**(3,333)**	(1)	45,058	4
	829,309	100	1,164,790	100

Value added represents the additional wealth which the Company has been able to create by its own and its employees efforts. The statement shows the allocation of that wealth between employees, providers of capital, government and that retained for the future creation of more wealth.

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31.2 FIVE YEARS FINANCIAL SUMMARY

	2018 'N'000	2017 'N'000	2016 'N'000	2015 'N'000	2014 'N'000
FINANCIAL POSITION					
ASSETS					
Fixed assets	**949,855**	**998,134**	1,009,589	1,056,027	1,102,465
Net current assets	**721,219**	**714,536**	696,762	560,654	460,831
Deferred taxation	**(247,295)**	**(285,558)**	(295,785)	(311,078)	(321,715)
	1,423,779	**1,427,112**	**1,410,566**	**1,305,603**	**1,241,581**
CAPITAL AND RESERVES					
Share capital	**38,016**	31,680	31,680	31,680	31,680
Other reserve	**18,177**	18,177	18,177	18,177	-
Revenue reserve	**1,367,586**	1,377,255	1,360,709	1,255,746	1,209,901
Shareholder's fund	**1,423,779**	**1,427,112**	**1,410,566**	**1,305,603**	**1,241,581**
PROFIT OR LOSS ACCOUNT					
Turnover	**1,650,999**	2,528,319	2,795,190	2,608,286	2,569,751
Profit before taxation	**(8,482)**	67,849	176,961	122,141.45	111,658
Taxation	**5,149**	(22,791)	(43,486)	(47,784)	(25,503)
Profit after taxation	**(3,333)**	45,058	133,475	74,357	86,155
PER SHARE DATA: (Naira)					
Earnings (basic) kobo	**(4)**	71	211	117	136
Earnings (diluted) kobo	**(4)**	71	211	117	136
Dividend paid during year (kobo)	**-**	45	45	45	45
Bonus issue of ordinary shares	**1:5**	-	-	-	-
Net assets (kobo)	**1,873**	2,252	2,226	2,061	1,960

NOTE:

Basic earnings per share are based on profit after tax and fully paid ordinary share capital at the end of each financial year.

Diluted earnings per share are based on profit after tax and fully paid ordinary share capital at the end of each financial year.

Dividend per share are based on dividend declared and number of issued and fully paid ordinary share capital at the end of each financial year.

Net assets per share are based on net assets and number of issued and fully paid ordinary share capital at the end of each financial year.

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UNCLAIMED DIVIDEND WARRANTS

Since 1979 when Nigerian Enamelware Plc became quoted on the Nigerian Stock Exchange, the Company has declared dividends as follows:

Dividend	Date	Unclaimed Dividends ₦
23	2003	165,743.58
24	2004	712,770.00
25	2005	887,785.38
26	2006	1,132,247.50
27	2007	1,022,988.10
28	2008	2,094,059.14
29	2009	6,413,768.68
30	2010	4,498,953.76
31	2011	7,611,174.72
32	2012	7,149,758.55
33	2013	6,880,104,96
34	2014	7,602,409.31
35	2015	32,081,081.68
36	2016	7,209,522.85
37	2017	6,917,844.24
38	2018	53,085,623.85

The records passed to us and those with our Company Registrars have respectively revealed:

A: That some dividend warrants previously mailed to the shareholders have not been presented for payments.

B: That some share certificates also previously mailed to the shareholders have been returned unclaimed.

This, therefore, serves as notice to the affected shareholders, in their own interest to contact us at the under-mentioned address for offer of assistance or advice for obtaining replacement for lost warrants and share certificates returned unclaimed.

Nigerian Enamelware Plc,

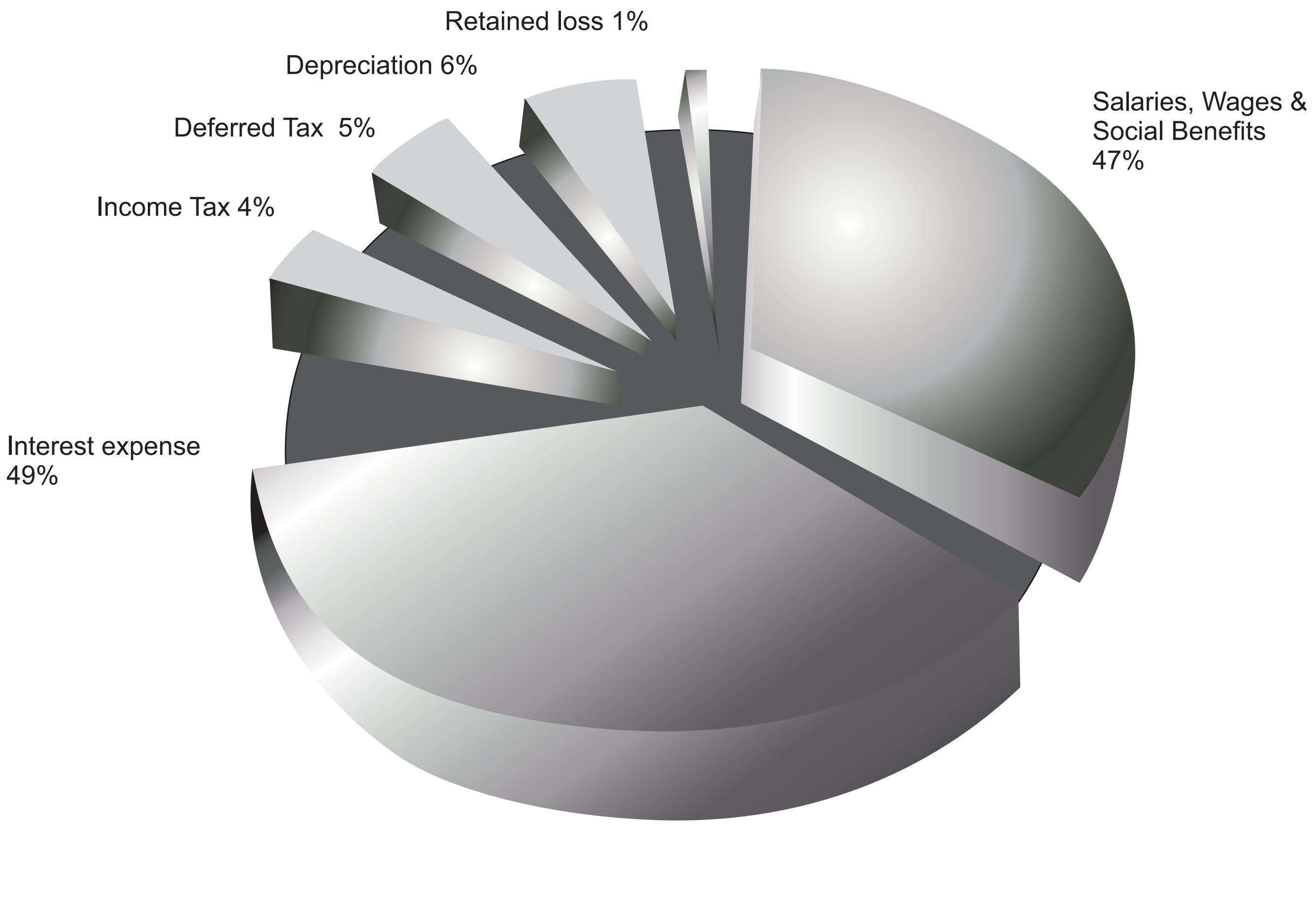
18, Wempco Road, Ogba,
Ikeja, Lagos.
G.P.O. Box 4993, Marina

Bamofin Olatokunbo Sanni
Company secretary

Financial Statements
For the year ended 30 April, 2018

REVENUE ALLOCATION

Salaries, wages & social benefits	386,738	47%
Interest expense	402,774	49%
Income tax	33,114	4%
Defferred tax	(38,263)	(5)%
Depreciation	48,279	6%
Retained loss	(3,333)	(1)%
	829,309	100%



Financial Statements
For the year ended 30 April, 2018

SHARE CAPITAL HISTORY

The share capital history of the Company is as shown below. The issued and paid up capital of the Company as at 30 April 2018 is:

Authorised Share Capital			Issued & Fully Paid	
Date	Value ₦	Shares	Value ₦	
30.9.2002	20,000,000	40,000,000	14,400,000	
30.9.2003	20,000,000	40,000,000	14,400,000	
30.9.2004	20,000,000	40,000,000	14,400,000	
30.9.2005	20,000,000	40,000,000	14,400,000	
30.9.2006	20,000,000	40,000,000	14,400,000	
30.9.2007	120,000,000	240,000,000	14,400,000	
30.4.2008	120,000,000	240,000,000	14,400,000	
30.4.2009	120,000,000	240,000,000	14,400,000	
30.4.2010	120,000,000	240,000,000	31,680,000	
30.4.2011	120,000,000	240,000,000	31,680,000	
30.4.2012	120,000,000	240,000,000	31,680,000	
30.4.2013	120,000,000	240,000,000	31,680,000	
30.4.2014	120,000,000	200,000,000	31,680,000	
30.4.2015	120,000,000	200,000,000	31,680,000	
30.4.2016	120,000,000	240,000,000	31,680,000	
30.4.2017	120,000,000	240,000,000	31,680,000	
30.4.2018	120,000,000	240,000,000	38,016,000	

TEN-YEAR DIVIDEND HISTORY
DIVIDEND IN THE LAST TEN YEARS

Year	Profit after Taxation ₦'000	Dividend Proposed ₦'000	Dividend Proposed Per share (k)
2007	24,539	17,280	60
2008	19,783	17,280	60
2009	63,481	11,520	40
2010	74,905	25,344	40
2011	88,128	26,611	42
2012	87,941	27,244	43
2013	73,970	28 512	45
2014	86,155	28 512	45
2015	74,357	28 512	45
2016	113,475	28 512	45
2017	45,058	28 512	45
2018	(3,333)	-	-

Bonus issue of 1 share for every 5 shares held was approved in 2018

PROXY FORM

58th Annual General Meeting to be held at the Transcorp Hilton Hotel, Abuja on 25th October, 2018 at 10.00 a.m.

I/We* ....being a member/members of Nigerian Enamelware Plc., hereby appoint ** ....or failing him, Mr. PAUL TUNG or failing him, Mr. LEWIS TUNG or failing him, as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, 25th October, 2018, and at any adjournment thereof as witness my/our hand this.

.... day of ...., 2018

Shareholder's Signature ....

* Delete as necessary

1. A member (shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by proxy. A proxy need not be a member of the Company. The attached proxy form has been prepared to enable you to exercise your right to vote if you cannot personally attend the meeting.
2. In the case of joint shareholders, any of such may complete the form, but the names of all joint shareholders must be stated.
3. If the shareholder is a corporation, this form must be under its common seal or under the hand of an officer or attorney duly authorized.
4. The law requires proxy form to be stamped at the Stamp Duties office and signed before posting it to appropriate address at the back of this form to reach there not later than 48 hours before the date of the Meeting.
5. Provision has been made on this form for some Directors of the Company to act as your proxy, but if you wish, you may insert in the blank spaces on the form (marked **) the name of the person whether a member of the Company or not, who will attend the Meeting and vote on your behalf instead of any of the Directors. The proxy must produce the admission card sent with the Notice of the Meeting to obtain entrance to the meeting.

NUMBER OF SHARES		
RESOLUTION	For	Against
1. To re-elect : Mr. PAUL TUNG & Mr. LEWIS TUNG		
2. To fix remuneration of The directors		
3. To authorize the Directors To fix the remuneration of the Auditors		
4. To appoint members of the Audit Committee		

Please indicate with an "X" in the square how you with your votes to be cast on the resolutions set out above Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.

....

Before posting the above form, please cut off this part and retain it for admission to Meeting

ADMISSION FORM
NIGERIAN ENAMELWARE PLC.
58th ANNUAL GENERAL MEETING TO BE HELD AT THE TRANSCORP HILTON HOTEL
ABUJA ON THURSDAY, 25th OCTOBER 2018, at 10.00 a.m.

Name of Shareholder..

Address of shareholder. ....

No. of Shares held	

IMPORTANT:
(a) Please insert your name in Block Capitals on both the proxy and admission form,
(b) This admission form must be produced by the shareholder or his proxy in order to obtain entrance to the Annual General Meeting.
(c) Shareholders or their proxies are requested to sign the admission form before attending the Meeting.

Signature of person attending...

BAMOFIN OLATOKUNBO SANNI
Company Secretary