



**ARBICO PLC  
UNAUDITED FINANCIAL STATEMENT  
FOR PERIOD ENDED 30 SEPTEMBER, 2021**



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**Result at a Glance:**

	THE GROUP		THE COMPANY	
	2021 SEP N '000	2020 SEP N '000	2021 SEP N '000	2020 SEP N '000
Revenue	3,705,284	3,916,349	3,627,687	3,825,775
Profit/Loss Before Tax	(422,957)	(436,263)	66,351	174,801
Earnings per share	(3.02)	(2.90)	0.26	1.18

**BY ORDER OF THE BOARD**

**COMPANY SECRETARY**  
**FRC/2013/NBA/0000000001615**

**21 October, 2021**



ARBICO PLC									
UNAUDITED CONSOLIDATED & SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME									
FOR THE PERIOD ENDED 30 SEPTEMBER 2021									
	NOTES	THE GROUP				THE COMPANY			
		9 MONTHS JAN-SEP 2021 N'000	3 MONTHS JUL-SEP 2021 N'000	9 MONTHS JAN-SEP 2020 N'000	3 MONTHS JUL-SEPT 2020 N'000	9 MONTHS JAN-SEP 2021 N'000	3 MONTHS JUL-SEP 2021 N'000	9 MONTHS JAN-SEP 2020 N'000	3 MONTHS JUL-SEPT 2020 N'000
Revenue	3	3,705,284	1,707,434	3,916,349	762,122	3,627,687	1,707,435	3,825,775	703,372
Cost of Sales		(3,584,651)	(1,652,340)	(3,641,022)	(984,144)	(3,139,101)	(1,474,455)	(3,058,374)	(649,319)
Gross Profit		120,633	55,094	275,327	(222,022)	488,585	232,979	767,401	54,053
Other Operating Income	4	87,628	4,229	78,356	34,575	87,628	4,229	78,356	34,575
Operating Expenses		(631,218)	(507,601)	(789,946)	(326,225)	(509,862)	(490,774)	(670,956)	(289,085)
Operating Profit before Tax		(422,957)	(448,278)	(436,263)	(513,672)	66,351	(253,566)	174,801	(200,457)
Income Tax Expenses		(30,055)	(45)	-	-	(27,240)	-	-	-
Profit For The Period		(453,011)	(448,322)	(436,263)	(513,672)	39,111	(253,566)	174,801	(200,457)
Other comprehensive income		-	-	-	-	-	-	-	-
Total Comprehensive (loss)/Income attributable to:		(453,011)	(448,322)	(436,263)	(513,672)	39,111	(253,566)	174,801	(200,457)
Equity holders of parent		(448,090)	(446,375)	(430,152)	(510,540)				
Non Controlling Interest		(4,921)	(1,948)	(6,111)	(3,132)				
<b>EARNINGS PER SHARE</b>									
Basic (k)		(3.02)	(3.01)	(2.90)	(3.44)	0.26	(1.71)	1.18	(1.35)
Diluted (k)		(3.02)	(3.01)	(2.90)	(3.44)	0.26	(1.71)	1.18	(1.35)

ARBICO PLC UNAUDITED CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021							
NOTES	THE GROUP			THE COMPANY			
	SEP 2021	SEP 2020	DEC 2020	SEP 2021	SEP 2020	DEC 2020	
ASSETS	N'000	N'000	N'000	N'000	N'000	N'000	
<b>NON - CURRENT ASSETS</b>							
Property Plant and Equipment	5	1,559,792	1,476,937	1,724,609	1,437,154	1,309,861	1,579,758
Intangible Assets	7	1,503	3,024	2,845	1,503	3,024	2,845
Deferred Tax Asset		546,621	622,697	546,621	546,621	622,697	546,621
Investment in Subsidiary		-	-	-	27,104	27,104	27,104
<b>TOTAL NON CURRENT ASSETS</b>		<b>2,107,917</b>	<b>2,102,658</b>	<b>2,274,075</b>	<b>2,012,382</b>	<b>1,962,686</b>	<b>2,156,328</b>
<b>CURRENT ASSETS</b>							
Inventories		770,174	274,754	1,122,601	661,919	274,754	1,122,603
Trade and Other Receivables	8	5,573,175	5,082,712	3,981,405	5,840,123	5,076,357	4,519,288
Prepayments		880,418	31,631	209,984	731,543	23,096	204,665
Cash, Bank & Cash Equivalents		988,288	25,152	653,655	912,117	(62,143)	565,267
<b>TOTAL CURRENT ASSETS</b>		<b>8,212,055</b>	<b>5,414,249</b>	<b>5,967,645</b>	<b>8,145,702</b>	<b>5,312,064</b>	<b>6,411,823</b>
<b>TOTAL ASSETS</b>		<b>10,319,972</b>	<b>7,516,907</b>	<b>8,241,720</b>	<b>10,158,084</b>	<b>7,274,750</b>	<b>8,568,151</b>
<b>LIABILITIES</b>							
<b>NON - CURRENT LIABILITIES</b>							
Share Deposit		1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000
<b>TOTAL NON CURRENT LIABILITY</b>		<b>1,950,000</b>	<b>1,950,000</b>	<b>1,950,000</b>	<b>1,950,000</b>	<b>1,950,000</b>	<b>1,950,000</b>
<b>CURRENT LIABILITIES</b>							
Trade and other payables	9	8,626,111	3,775,492	4,685,884	7,248,147	3,369,139	4,685,886
Advance from clients		-	3,129,000	1,762,024	-	2,526,416	1,216,626
Income tax payable		172,379	-	-	172,379	-	-
<b>TOTAL CURRENT LIABILITY</b>		<b>8,798,490</b>	<b>6,904,492</b>	<b>6,447,908</b>	<b>7,420,526</b>	<b>5,895,555</b>	<b>5,902,512</b>
<b>TOTAL LIABILITY</b>		<b>10,748,490</b>	<b>8,854,492</b>	<b>8,397,908</b>	<b>9,370,526</b>	<b>7,845,555</b>	<b>7,852,512</b>
<b>EQUITY</b>							
Share Capital		74,250	74,250	74,250	74,250	74,250	74,250
Share Premium		141,184	141,184	141,184	141,184	141,184	141,184
Retained Earnings		(1,824,894)	(2,407,553)	(1,556,709)	(621,410)	(1,648,173)	(693,329)
Reserve Surplus		1,193,534	861,934	1,193,534	1,193,534	861,934	1,193,534
Non Controlling Interest		(12,592)	(7,400)	(8,447)	-	-	-
<b>TOTAL EQUITY</b>		<b>(428,518)</b>	<b>(1,337,585)</b>	<b>(156,188)</b>	<b>787,558</b>	<b>(570,805)</b>	<b>715,639</b>
<b>TOTAL EQUITY AND LIABILITY</b>		<b>10,319,972</b>	<b>7,516,907</b>	<b>8,241,720</b>	<b>10,158,084</b>	<b>7,274,750</b>	<b>8,568,151</b>

Approved by the Board on:  
21 October, 2021



**Alkimos Makaronidis**  
Director  
FRC/2019/IODN/00000019977



**Oluyemi Akinfenwa**  
Financial Controller  
FRC/2012/CAN/00000000449



**Eyo Asuquo**  
Director  
FRC/2017/CIBN/0000000016193

ARBICO PLC  
UNAUDITED CONSOLIDATED & SEPARATE STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Group						Company				
	Issued Capital N'000	Share Premium N'000	Asset revaluation surplus N'000	Other reserves N'000	Non Controlling Interest N'000	Total N'000	Issued Capital N'000	Share Premium N'000	Asset revaluation surplus N'000	Other reserves N'000	Total N'000
As at 1 January 2021	74,250	141,184		(1,376,804)	(7,670)	(1,169,040)	74,250	141,184		(660,521)	(445,087)
Profit for the year	-	-	1,193,534	(448,090)	(4,921)	740,523	-	-	1,193,534	39,111	1,232,645
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	<b>1,193,534</b>	<b>(448,090)</b>	<b>(4,921)</b>	<b>740,523</b>	-	-	<b>1,193,534</b>	<b>39,111</b>	<b>1,232,645</b>
At 30 September 2021	74,250	141,184	1,193,534	(1,824,894)	(12,591)	(428,517)	74,250	141,184	1,193,534	(621,410)	787,558

	Group						Company				
	Issued Capital N'000	Share Premium N'000	Asset revaluation surplus N'000	Other reserves N'000	Non Controlling Interest N'000	Total N'000	Issued Capital N'000	Share Premium N'000	Asset revaluation surplus N'000	Other reserves N'000	Total N'000
As at 1 January 2020	74,250	141,184	861,934	(1,977,401)	(1,290)	(901,323)	74,250	141,184	861,934	(1,822,975)	(745,607)
Profit for the year	-	-	-	(430,152)	(6,111)	(436,263)	-	-	-	174,801	174,801
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Movement within the year	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	<b>(430,152)</b>	<b>(6,111)</b>	<b>(436,263)</b>	-	-	-	<b>174,801</b>	<b>174,801</b>
At 30 September 2020	74,250	141,184	861,934	(2,407,553)	(7,400)	(1,337,586)	74,250	141,184	861,934	(1,648,173)	(570,806)


**ARBICO PLC**
**UNAUDITED CONSOLIDATED & SEPARATE STATEMENT OF CASH FLOWS**

FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	THE GROUP			THE COMPANY		
	2021	2020	2020	2021	2020	2020
	SEP	SEP	DEC	SEP	SEP	DEC
	N'000	N'000	N'000	N'000	N'000	N'000
<b>Operating activities</b>						
Profit before tax	(422,957)	(436,263)	644,883	66,351	174,801	1,360,722
<b>Adjustments to reconcile profit before tax to net cash flows</b>						
Depreciation of property, plant and equipment	240,488	342,774	397,319	218,274	324,480	358,787
Amortisation of intangible assets	1,342	1,056	1,235	1,342	1,056	1,235
Net Unrealized foreign exchange (gain)/loss	-	(51)	(29,046)	-	(51)	(29,046)
Profit on disposal of property, plant and equipment	-	(2,657)	(647)	-	-	(647)
Recovery of Expected credit loss	-	-	(555,478)	-	-	(555,478)
Finance income	-	-	(2,657)	-	(2,657)	(2,657)
Impairment of receivables	-	-	173,072	-	-	173,072
Contract asset recognised in revenue	-	-	(2,835,828)	-	-	(2,687,956)
Contract liability recognised in revenue	-	-	(3,262,209)	-	-	(2,628,466)
	<b>(181,127)</b>	<b>(95,141)</b>	<b>(5,469,356)</b>	<b>285,967</b>	<b>497,629</b>	<b>(4,010,434)</b>
<b>Working capital adjustments</b>						
Increase in trade and other receivables	1,056,685	521,086	(181,671)	1,278,943	529,942	(772,826)
(Increase)/ decrease in prepayments	(600,586)	48,596	(182,190)	(608,119)	51,842	(181,482)
increase in inventories	(288,279)	(71,233)	(891,475)	(180,024)	(72,055)	(891,474)
Increase in contract asset	(2,301,995)	-	4,202,180	(2,243,062)	-	3,906,436
Increase/ (decrease) trade and other payables	308,675	(325,904)	1,096,507	(223,890)	(1,000,629)	1,002,412
Increase/(decrease) in advance from customers	1,883,936	(107,166)	1,762,024	1,641,123	(68,597)	1,216,626
Income tax paid	-	-	(28,274)	-	-	(28,274)
<b>Cash flows from/(used in) operating activities</b>	<b>(122,691)</b>	<b>(29,762)</b>	<b>307,745</b>	<b>(49,061)</b>	<b>(61,868)</b>	<b>240,984</b>
<b>Net cash flows from/(used in) operating activities</b>	<b>(122,691)</b>	<b>(29,762)</b>	<b>307,745</b>	<b>(49,061)</b>	<b>(61,868)</b>	<b>240,984</b>
<b>Investing activities</b>						
Purchase of property, plant and equipment	(333,310)	(227,797)	(178,698)	(355,174)	(131,284)	(106,867)
Purchase of intangible assets	6,865	614	-	6,504	354	-
Finance income	-	2,657	2,657	-	2,657	2,657
Proceed from sale of property, plant and equipment	-	-	647	-	-	647
Increase in other Investment	-	(622,697)	-	-	(622,697)	-
Advance payment in fixed deposit (restricted)	-	-	77,035	-	-	77,035
Financing activities Movement	1,027,756	385,387	-	987,471	447,276	-
<b>Net cash flows used in investing activities</b>	<b>701,311</b>	<b>(461,836)</b>	<b>(98,359)</b>	<b>638,802</b>	<b>(303,694)</b>	<b>(26,528)</b>
Net increase/(decrease) in cash and cash equivalents	578,620	(491,598)	209,386	589,740	(365,562)	214,456
Net foreign exchange difference	-	51	29,046	-	51	29,046
Cash and cash equivalents at the beginning of the year	409,668	516,699	(126,268)	322,376	303,369	(133,042)
<b>Cash and cash equivalents at the end of the year</b>	<b>988,288</b>	<b>25,152</b>	<b>112,164</b>	<b>912,117</b>	<b>(62,142)</b>	<b>110,460</b>



## **ARBICO PLC**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **1. Corporate information**

Arbico Plc is a company incorporated on 18 June 1958 in Nigeria and commenced business thereafter. The company's shares were quoted on the Stock Exchange on November 30, 1978. Its principal activities comprise construction and civil engineering as well as investment in and operation of infrastructure. The registered office is located at Plot D Block 7 Industrial Crescent Ilupeju, Lagos.

#### **2. Basis of preparation**

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the provisions of the Financial Reporting Council of Nigeria Act, No. 6 2011, the provision of the Companies and Allied Matters Act, CAP 20 and the Laws of the Federation of Nigeria 2004 as applicable. The financial statements have been prepared on a historical cost basis, except for land and buildings that have been measured at fair value.

The financial statements are presented in Naira and all values are rounded to the nearest thousand (N'000), except when otherwise indicated.

#### **3. Revenue**

##### **Construction contracts**

The company principally operates fixed price contracts however sometimes the contract cost are varied due to additional works, If the outcome of such a contract can be reliably measured, revenue associated with the construction contract is recognized by reference to the stage of completion of the contract activity at year end (output method e.g. Surveys of Work completed to date) or obligations satisfied. In accordance with IFRS 15 revenue is recognized:

The outcome of a construction contract can be estimated reliably when:

- (i) The contract obligation has been performed.
- (ii) The work done can be accurately estimated or surveyed.
- (iii) The company's performance does not create an asset with an alternative use to the entity and the company has an enforceable right to payment for performance completed to date

When the work done does not satisfy these conditions the contract cost to date is held as a current asset (recoverable cost).

In applying output method, revenue recognized corresponds to the total contract revenue (as defined below) multiplied by the actual completion rate based on survey of work done. Contract revenue not yet billed are recognized and consequently held as contract assets in current assets





Contract revenue — Contract revenue corresponds to the initial amount of revenue agreed in the contract and any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue; and they are capable of being reliably measured.

Contract costs — Contract costs include costs that relate directly to the specific contract and costs that are attributable to contract activity in general and can be allocated to the contract. Costs that relate directly to a specific contract comprise; site labor costs (including site supervision); costs of materials used in construction; costs of design, cost of depreciation on plant and machinery and technical assistance that is directly related to the contract.

The company contracts are typically negotiated for the construction of a single asset or a group of assets which are closely interrelated or interdependent in terms of their design, technology and function. In certain circumstances, the percentage of completion method is applied to the separately identifiable components of a single contract or to a group of contracts together in order to reflect the substance of a contract or a group of contracts.

Assets covered by a single contract are treated separately when:

- (a) The separate proposals have been submitted for each asset
- (b) Each asset has been subject to separate negotiation and the contractor and customer have been able to accept or reject that part of the contract relating to each asset
- (c) The costs and revenues of each asset can be identified

Contract cost for which their obligations have not been expressly stated or cannot be reliably measured are held as recoverable cost under current assets

A group of contracts are treated as a single construction contract when:

- (a) the group of contracts is negotiated as a single package;
- (b) the contracts are so closely interrelated that they are, in effect, part of a single project with an overall profit margin
- (c) the contracts are performed concurrently or in a continuous sequence

The three criteria must be met before combination can occur.

### 3. Revenue

	THE GROUP		THE COMPANY	
	2021 SEP N '000	2020 SEP N '000	2021 SEP N '000	2020 SEP N '000
Revenue	3,705,284	3,916,349	3,627,687	3,825,775
Profit/Loss Before Tax	(422,957)	(436,263)	66,351	174,801
Earnings per share	(3.02)	(2.90)	0.26	1.18

#### 4. Other Income:

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	SEP	SEP	SEP	SEP
	N'000	N'000	N'000	N'000
Claims on Insurance	-	11,406	-	11,406
Other Income	87,628	64,293	87,628	64,293
Finance Income	-	2,657	-	2,657
	87,628	78,356	87,628	78,356

#### 5. Staff cost & Employees Benefit

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	SEP	SEP	SEP	SEP
	N'000	N'000	N'000	N'000
Salaries&Wages	204,926	315,364	128,832	211,505
Staff Welfare	6,311	6,353	6,302	6,353
Staff Medical	16,502	15,013	16,503	14,585
Labour	28,376		19,353	
	<b>256,115</b>	<b>336,730</b>	<b>170,990</b>	<b>232,443</b>

#### 6. Plant Property & Equipment

There are no restrictions on title to the items of property, plant and equipment. The Company has not pledged any item of property, plant and equipment as security for liabilities. The fair value of the company's buildings is in line with the carrying amount. However, revaluation of the buildings is done at management discretion.

Property, plant and equipment						
THE GROUP	Land and building N'000	Plant, tool and equipment N'000	Motor Vehicles N'000	Office furniture and equipment N'000	IT Infrastructure N'000	Total N'000
<b>Cost :</b>						
At 1 January 2021	836,612	2,332,129	477,384	8,142	56,937	3,711,204
Additions during the year	339,704	27,499			14,353	381,556
Disposals during the year			-18,126			(18,126)
<b>At 30 September 2021</b>	<b>1,176,316</b>	<b>2,359,628</b>	<b>495,510</b>	<b>8,142</b>	<b>71,290</b>	<b>4,074,634</b>
<b>Dupreciation:</b>						
At 1 January 2021	152,912	1,647,513	394,895	4,314	43,258	2,242,892
Charge for the year	15,179	245,156	27,007	1,321	7,883	296,546
Disposals for the year	12,097		12,499			24,596
<b>At 30 September 2021</b>	<b>155,994</b>	<b>1,892,669</b>	<b>409,403</b>	<b>5,635</b>	<b>51,141</b>	<b>2,514,842</b>
<b>Carrying value:</b>						
At 30 September 2021	1,020,322	466,959	86,107	2,507	20,149	1,559,792
THE COMPANY	Land and building N'000	Plant, tool and equipment N'000	Motor Vehicles N'000	Office furniture and equipment N'000	IT Infrastructure N'000	Total N'000
<b>Cost :</b>						
At 1 January 2021	836,612	2,143,085	477,384	5,041	56,937	3,519,060
Additions during the year	339,704	27,499	-	0	13,992	381,195
Disposals during the year			(18,126)			(18,126)
<b>At 30 September 2021</b>	<b>1,176,316</b>	<b>2,170,584</b>	<b>495,510</b>	<b>5,041</b>	<b>70,930</b>	<b>3,882,129</b>
<b>Dupreciation:</b>						
At 1 January 2021	152,912	1,623,703	394,895	3,024	42,929	2,217,463
Charge for the year	15,179	201,240	27,006	727	7,956	252,108
Disposals for the year	(12,097)		(12,499)			-24,596
<b>At 30 September 2021</b>	<b>155,994</b>	<b>1,824,943</b>	<b>409,402</b>	<b>3,751</b>	<b>50,885.29</b>	<b>2,444,975</b>
<b>Carrying value:</b>						
At 30 September 2021	1,020,322	345,641	86,108	1,290	20,044	1,437,154

## 7. Intangible Assets

Intangible assets	GROUP Computer software	COMPANY Computer software
<b>Cost :</b>		
At 1 January 2021	21,613	21,252
Additions during the year	-5,344	-4,983
<b>At 30 September 2021</b>	<b>16,269</b>	<b>16,269</b>
<b>Amortisation</b>		
At 1 January 2019	13,245	13,245
Charge for the year	1,521	1,521
<b>At 30 September 2021</b>	<b>14,766</b>	<b>14,766</b>
<b>Carrying value:</b>		
At 30 September 2021	1,503	1,503

## 8. Trade & Other Receivables

Schedule of Other Receivables				
	THE GROUP		THE COMPANY	
	2021 SEP N'000	2020 SEP N'000	2021 SEP N'000	2020 SEP N'000
Trade Receivables	726,070	4,284,647	1,051,972	4,278,292
Other Receivables	181,759	798,065	181,739	798,065
	<b>907,829</b>	<b>5,082,712</b>	<b>1,233,711</b>	<b>5,076,357</b>

Withholding tax receivable (WHT) represent amount deducted at source by customers from payment to the Company in line the withholding tax law. The customer is expected to remit the amount withheld to the relevant tax authority and obtain withholding tax credit note in the name of Arbico Plc. The WHT credit note can be used to offset future tax liability.

## 9. Trade & other Payables

	THE GROUP		THE COMPANY	
	2021 SEP N'000	2020 SEP N'000	2021 SEP	2020 SEP N'000
Trade Payables	5,089,849	2,885,529	4,244,451	493,314
Other Payables	3,536,262	889,963	3,003,696	3,876,454
	8,626,111	3,775,492	7,248,147	4,369,768

Other taxes payable include Pay-As-You-Earn (PAYE), value added tax payable and withholding tax payable. Accruals are with respect to job done by sub-contractors for which project certificate/invoices have not been received as agreed milestones have not been reached.

## 10. Disclosure on Director's Dealing.

There is no directors' dealing of any kind brought to the notice of the company, as the company has put in place and improving on it, the procedures for reporting such if it exists. This disclosure is in line with the requirement of provisions of Rule 17.15 of the issuers' rules 2015.

## 11. Shareholding Pattern as at September 30, 2021

	Unit	%
Strategic Shareholder	118,750,000	79.97
Director Direct Shareholding	107,360	0.07
Free Float	29,642,640	19.96
<b>PAID UP SHARE CAPITAL</b>	<b>148,500,000</b>	<b>100.00</b>

### 11.1 Strategic Shareholders

	Unit	%
R28 Limited	103,900,000	69.97
A.O.G Limited	14,850,000	10.00
Elder N.C.U Okoro	107,360	0.07
Nigerians	29,642,640	19.96
<b>PAID UP SHARE CAPITAL</b>	<b>148,500,000</b>	<b>100.00</b>

### 11.1 Compliance with Free Float

As at the reporting date, the company is not fully compliant with the free float requirement. This disclosure is in line with the requirement of provisions of Rule 2.1.1 of the free float rules on self-assessment and self-regulation.