

**BOC GASES NIGERIA PLC**  
**QTR 3 UN-AUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**Condensed statement of financial position**

		Unaudited Jan-Sept 2017 =N='000	Audited Jan-Dec 2016 =N='000
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, plant and equipment	10	1,973,845	2,109,428
Other tax assets		192,117	157,967
Long term prepayments		11,596	16,096
		<u>2,177,559</u>	<u>2,283,491</u>
<b>Current assets</b>			
Inventories			
Trade debtors and other receivables	11	148,025	209,617
Prepayments		375,174	454,835
Cash and cash equivalents		253,383	29,167
		<u>1,219,620</u>	<u>653,843</u>
		<u>1,996,201</u>	<u>1,347,462</u>
<b>Total assets</b>		<b><u>4,173,760</u></b>	<b><u>3,630,953</u></b>
<b>Equity &amp; liabilities</b>			
<b>Equity</b>			
Share Capital		208,122	208,122
General reserve		2,150,826	1,964,579
<b>Total Equity</b>		<u>2,358,948</u>	<u>2,172,701</u>
<b>Non current liabilities</b>			
Employee benefit liability			
Deferred tax liabilities	12	10,930	13,234
		<u>367,914</u>	<u>363,465</u>
		<u>378,844</u>	<u>376,699</u>
<b>Current liabilities</b>			
Trade creditors			
Other creditors & accruals		120,926	240,251
Deferred revenue	13	452,039	350,854
Income tax payable		336,474	80,531
Loan and borrowings		67,100	3,538
Dividend payable		-	-
Amount due to related companies	14	126,586	115,035
		<u>332,842</u>	<u>291,344</u>
		<u>1,435,968</u>	<u>1,081,553</u>
<b>Total liabilities</b>		<b><u>1,814,812</u></b>	<b><u>1,458,252</u></b>
<b>Total equity and liabilities</b>		<b><u>4,173,760</u></b>	<b><u>3,630,953</u></b>

These financial statements were approved by the Board of Directors on 18 October 2017 and signed on its behalf by:

  
Ayodeji Oseri  
Managing Director FRCN/2017/IODN/00000015942

  
Adeshina Alayaki  
Finance Director FRC/2013/ICAN/00000000939

**Performance review**

Revenue in the third quarter increased over that of previous year of the same period. Our strategic marketing initiatives, aggressive business development efforts and improvements on internal efficiencies continue to yield positive results despite the difficult operating environment. The Board believes that barring unforeseen circumstances, this performance would be sustained in the last quarter of the year.

**Condensed statement of comprehensive income**

	Notes	Unaudited July - Sept 2017	Unaudited Jan- Sept 2017 =N='000	Unaudited July-Sept 2016	Unaudited Jan-Sept 2016 =N='000	Audited Jan-Dec 2016 =N='000
Revenue	15	532,009	1,721,550	491,941	1,418,548	1,983,769.00
Cost of sales		(316,772)	(996,334)	(335,600)	(884,383)	(1,133,765)
<b>Gross profit</b>		<b>215,236</b>	<b>725,216</b>	<b>156,341</b>	<b>534,165</b>	<b>850,004</b>
Other Income	16	47,035	153,998	41,335	102,751	145,132
Selling and Distribution Expenses		(101,964)	(333,709)	(84,830)	(238,989)	(344,937)
Administrative expenses		(111,517)	(307,802)	(137,216)	(340,204)	(460,637)
<b>Operating profit</b>		<b>48,790</b>	<b>237,703</b>	<b>(24,369)</b>	<b>57,723</b>	<b>189,562</b>
Finance income	17	30,481	65,974	2,230	4,157	13,834
Finance cost		-	(25,002)	(65,584)	(116,154)	(81,939)
<b>Profit before income tax</b>		<b>79,271</b>	<b>278,675</b>	<b>(87,724)</b>	<b>(54,274)</b>	<b>121,457</b>
Income tax (provision)		(21,141)	(84,105)	(8,406)	(29,015)	(45,168)
<b>Net Profit for the 9 months</b>		<b>58,130</b>	<b>194,570</b>	<b>(96,130)</b>	<b>(83,289)</b>	<b>76,289</b>
Other comprehensive income						
<b>Total comprehensive income for the 9 months:</b>		<b>58,130</b>	<b>194,570</b>	<b>(96,130)</b>	<b>(83,289)</b>	<b>76,289</b>
<b>Basic and diluted earnings per share (kobo)</b>		<b>14</b>	<b>47</b>	<b>(23)</b>	<b>(20)</b>	<b>18</b>

**Condensed statement of cash flows**

	<b>Jan-Sept 2017 =N='000</b>	<b>Jan-Sept 2016 =N='000</b>
<b>Cash flows from operating activities</b>		
Operating profit	237,703	(58,431)
Adjustments for non-cash items:		
Depreciation	155,959	158,247
Profit from sales of fixed assets	(190)	(5,784)
Working capital changes:		
Inventories	61,592	(13,051)
Trade and other receivables	45,511	2,548
Trade and other payables	(119,325)	(64,985)
Related companies accounts	41,498	178,097
Prepayments	(219,716)	(194,159)
Other current liabilities	366,376	299,352
Income tax paid	(16,094)	(11,564)
<b>Net cash from operating activities</b>	<b><u>553,314</u></b>	<b><u>290,271</u></b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(25,256)	(33,372)
Proceeds from sales of fixed assets	5,071	6,560
Interest received	65,974	4,157
<b>Net cash from investing activities</b>	<b><u>45,789</u></b>	<b><u>(22,655)</u></b>
<b>Cash flows from financing activities</b>		
Dividend paid	(8,325)	(7,492)
Interest paid	(25,002)	-
<b>Net cash from financing activities</b>	<b><u>(33,327)</u></b>	<b><u>(7,492)</u></b>
<b>Net increase in cash and cash equivalent</b>	<b>565,776</b>	<b>260,124</b>
Cash and cash equivalent at 1 January	653,843	254,240
<b>Cash and cash equivalent at 30 September</b>	<b><u>1,219,619</u></b>	<b><u>514,364</u></b>

**Condensed statement of changes in equity**

	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>=N='000</b>	<b>=N='000</b>	<b>=N='000</b>
<b>Balance at 1 January</b>			
Balance at 1 January 2017	208,122	1,964,579	2,172,701
Profit for the period		194,570	194,570
Other Comprehensive Income		-	-
<i>Transactions with shareholders:</i>			
Dividends paid/declared		(8,324)	(8,324)
<b>Balance at 30 September 2017</b>	<b>208,122</b>	<b>2,150,826</b>	<b>2,358,948</b>
Balance at 1 January 2016	208,122	1,903,176	2,111,298
Profit for the period		(83,289)	(83,289)
Other Comprehensive Income		-	-
<i>Transactions with shareholders:</i>			
Dividends paid/declared		(20,812)	(20,812)
<b>Balance at 30 September 2016</b>	<b>208,122</b>	<b>1,799,075</b>	<b>2,007,197</b>

**Notes to the condensed financial statements**

**1. Statement of compliance**

These condensed financial statements for the nine months have been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS), the presentation as well as disclosure requirements of IAS 34 Interim Financial Reporting and the Company and Allied Matters Act as amended

**2. Basis of preparation**

The financial statements are prepared in thousands of Nigerian Naira on the historical cost basis

**3. Accounting policies**

The financial statements have been prepared applying the same accounting policies as used in the last audited financial statements for the year ended 31 December 2016

**4. Unusual items**

There were no unusual items within the period

**5. Changes in estimates**

There were no material changes in estimates made, between the last quarter interim report and the current report

**6. Debt and equity transactions**

A dividend of 5k per share on the issued share capital of 416,244,706 shares of 50k each was declared at the Annual General Meeting held in the second quarter. This translates to a total dividend of =N=20,812,235

**7. Contingent liabilities**

As at the date of publishing this report, there are no contingent liabilities against the company

**8. Changes in the composition of the company**

No changes have arisen in the year to date

**9. Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Foreign currency transactions - Transactions in foreign currencies are translated to Naira at the exchange rates at the dates of the transactions.

(b) Property, plant and equipment - Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

(c) Inventories - Inventories are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

(d) Employee Benefits - The Company has a defined contribution scheme for junior level employees, which is funded through fixed contributions made by the Company over the service life of the employees and charged accordingly as personnel expense in profit or loss. The company also has long service awards scheme instituted for all permanent employees.

(e) Revenue - Revenue is measured at the fair value of the consideration received or receivable, net of Value Added Tax, discounts allowed and rebates in the ordinary course of business.

(f) Operating profit - Operating profit is the result generated from the continuing principal revenue producing activities of the Company as well as other income and expenses related to operating activities. Operating profit excludes net finance costs and income taxes

(g) Finance income comprises interest income on funds invested and net gains on foreign exchange differences. Interest income is recognised in profit or loss as it accrues, using the effective interest method. Finance costs comprise unwinding of the discount on provisions and interest expenses on borrowings and are recognised in profit or loss using the effective interest method

(h) Income tax - Income tax expense comprises current tax - company income tax and tertiary education tax, and deferred tax.

**10. Property, Plant & Equipment**

Land  
Buildings  
Plant & machinery  
Motor Vehicle  
Furniture & fittings  
Cylinders  
WIP

**11. Inventories**

Raw materials and consumables  
Finished goods  
Goods-in-transit

**12. Employee benefit liability**

The long service award benefit plan

**13. Other creditors & accruals**

VAT  
Leave allowance payable  
Professional fee payable  
Other accrued expenses  
PAYE  
Pension  
Cylinder deposits

**14. Group Current Account**

BOCN due to Afrox  
BOCN due to BOC UK  
BOCN due to Linde

**15. Revenue**

Gas sales  
Engineering services  
Sales of gas equipment and delivery charges

**16. Other income**

Income from hire of genset  
Gain/(loss) on sale of property, plant and equipment  
Gain on sale of scrap  
Others

**17. Finance Income and finance cost**

(a) Finance income comprises  
Interest income on bank deposits  
Net gain on foreign exchange transactions

(b) Finance expenses comprises  
Net loss on foreign exchange transactions