2019
ANNUAL REPORT & ACCOUNTS

SON
NIS ISO 9001:2015
REGISTERED COMPANY
Certificate No. 00000175

STANDARDS ORGANISATION OF NIGERIA

ACADEMY PRESS PLC
RC 3915
...home of Printing Excellence

With Compliments

ACADEMY PRESS PLC

RC 3915

ISO 9001:2015 CERTIFIED COMPANY

NATIONAL CERTIFICATE SCHEME

Certificate No. 0000175

Mission Statement

*To maintain a **first class** printing outfit that is committed to **high quality service** with **prompt delivery** to achieving **customer satisfaction** and optimal **returns** to stakeholders.*

Vision Statement

*To be **most acceptable printing brand** and **market leader** in our business sector.*

Contents

Corporate Information

Directors:	High Chief (Sir) Simeon O. Oguntimehin, OON	–	*Chairman*
	Mr. Wahab B. Dabiri	–	*Vice Chairman*
	Mr. Olugbenga Ladipo	–	*Managing Director/CEO*
	Mr. Babatunde J. Fashanu	–	*Non-Executive (Resigned 27th September, 2018)*
	Mr. Femi Akingbe	–	*Non-Executive*
	Mr. Oyewole Olaoye	–	*Non-Executive*
	Mrs. Folashade B. Omo-Eboh	–	*Non-Executive*
	Mr. Omosola Sokunbi	–	*Executive*
	Mr. Ivor Hutchinson (British)	–	*Non-Executive*
	Ms. Kadaria Ahmed	–	*Non-Executive (Appointed 3rd December, 2018)*

Registered Office:
28/32, Industrial Avenue,
Ilupeju Industrial Estate,
Ilupeju, Lagos.
Tel: 09030001367, 09030001368, 07014900034
Email: applc@academypress-plc.com
www.academypress-plc.com

External Auditors:
Ernst & Young
(Chartered Accountants)
10th & 13th Floors, UBA House
57, Marina, Lagos
Nigeria
E-mail: services@ng.ey.com

Solicitors:
Lekan Sofolahan & Co
OPIC Plaza, 1st Floor, Suite 117
Mobolaji Bank-Anthony Way,
Ikeja, Lagos,
Nigeria

Bankers:
Union Bank of Nigeria Plc
First Bank of Nigeria Limited
Sterling Bank Nigeria Plc
Zenith Bank Plc
Guaranty Trust Bank Plc

Registrar:
Pace Registrars Limited,
Knight Frank Building (8th floor),
24, Campbell Street, Lagos.
Tel: 01-2635607, 01-7303445, 01-2805538
E-mail: info@paceregistrars.com

Secretary:
Alpha-Genasec Limited,
Krestal Laurel Complex (4th Floor),
376, Ikorodu Road, Maryland, Ikeja, Lagos
Tel: 234 (0) 8062272121
E-mail: alpha-genasec@bakertilly.com

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 55th Annual General Meeting of **ACADEMY PRESS PLC** (the Company) will be held at the Registered Office of the Company, 28/32, Industrial Avenue, Ilupeju Industrial Estate, Lagos on **Thursday, 19th September, 2019 at 12.00 noon** for the purpose of transacting the following businesses:

AGENDA

1. To lay before the Meeting the Report of the Directors, the Financial Statements for the year ended 31st March, 2019 and the Reports of the Auditors and the Audit Committee thereon.
2. To declare a Dividend.
3. To re-elect Mr. Ivor Hutchinson and Mrs. Folashade B. Omo-Eboh as Directors. High Chief (Sir) Simeon O. Oguntimehin who is also due for retirement did not offer himself for re-election.
4. Ratification of the Appointment of Ms. Kadaria Ahmed as a Director
5. To authorize the Directors to fix the Auditors' remuneration.
6. To elect members of the Audit Committee.

SPECIAL BUSINESS:

7. To approve the remuneration of Directors.

NOTES:

PROXY

A member of the Company entitled to attend and vote at the Annual General Meeting is also entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.

For the appointment to be valid, a proxy form duly executed and stamped must be deposited at the Office of the Registrar, Pace Registrars Limited, 24, Campbell Street (8th Floor) Knight Frank Building, Lagos or Office of the Company at 28/32, Ilupeju Industrial Avenue, Ilupeju, Lagos not less than 48 hours before the time for holding the meeting.

DIVIDEND WARRANTS

If the dividend of five (5) kobo recommended by the Directors is approved, the dividend will be paid electronically on the 26th September, 2019 to all shareholders whose names are registered in the Company's Register of Members at close of business on **Friday 2nd August, 2019 and have completed the e-dividend registration and mandated the Registrars to pay their dividends directly into their respective Banks**.

E-DVIDEND

Pursuant to the directive of the Securities and Exchange Commission, notice is hereby given to all shareholders to open accounts, stock broking accounts and CSCS accounts for the purpose of e-dividend/bonus. A form is inserted into this Annual Report for completion by all shareholders to furnish the particulars of the accounts to the Registrar (Pace Registrars Limited) as soon as possible.

REGISTERED OFFICE

28/32, Industrial Avenue
Ilupeju Industrial Estate,
Ilupeju, Lagos.

CLOSURE OF REGISTER AND TRANSFER BOOKS

The Register of Members and Transfer Books will be closed from **Monday 5th August to Friday 9th August, 2019** (both days inclusive) for the purpose of updating the Register.

AUDIT COMMITTEE

In consonance with Section 359(5) of the Companies and Allied Matters Act, CAP C20 LFN 2004, a nomination in writing by any member of a shareholder for election to the Audit Committee should 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 questions not only at the Meeting, but also in writing prior to the Meeting. Such questions must be submitted to the Company on or before 17th September, 2019.

Dated the 20th day of August, 2019

BY ORDER OF THE BOARD

Joshua Oludayo Adeoye (FCIS)
FRC, 2014/ICSAN/00000008037
For: **ALPHA-GENASEC LIMITED**
(Company Secretaries)

Financial Highlights

	Group			Company		
	2019 ₦'000	2018 ₦'000	Change %	2019 ₦'000	2018 ₦'000	Change %
Revenue	2,432,783	2,177,587	10	2,037,092	1,892,738	7
Gross profit	485,838	509,190	(5)	405,315	497,861	(23)
Result from operating activities	57,374	173,775	(203)	115,634	212,647	(84)
Profit/(Loss) before Taxation	1,324	(10,273)	875	73,640	95,374	(29)
Profit/(Loss) after Taxation	34,694	63,638	(83)	31,450	194,017	(517)
Dividend paid during the year	—	—	—	—	—	—
Proposed dividend	30,240	—	100	30,240	—	100
At year end						
Capital expenditure	71,923	18,117	75	66,484	16,716	75
Paid-up share capital	302,400	302,400	—	302,400	302,400	—
Shareholders' fund	309,412	308,574	0.27	471,257	473,104	(0.39)
Per Share Data (kobo)						
Net assets per share (₦)	0.51	0.51	—	0.78	0.78	—
Share price at year end (₦)	0.33	0.50	(51)	0.33	0.50	(51)

Company Profile

THE COMPANY

Academy Press Plc commenced operation in October 1965. It is located at No. 28/32 Industrial Avenue, Ilupeju Industrial Estate, Lagos and occupies a space of approximately 172,800 sq. metres land. Primarily, the company provides printing and binding services required for the local production of educational books and periodicals, which hitherto were being imported into Nigeria. At the time we started, educational books were being imported and most of the publishers were based in the United Kingdom. Our UK marketing outlet was able to persuade the publishers to print with us, books that were meant for the Nigerian market but were being imported. The main publishers then were Macmillan, Oxford University Press, Longman (now Learn Africa Plc), Heinemann (now HEBN Plc) and Evans Brothers. We have since been printing for these publishers and other clients of repute to date. Within a year, we produced millions of educational books for the local market. In addition, we print weekly magazines, journals and periodicals.

Today, Academy Press has tremendously expanded her capacity in response to customers demands for quality full colour prints on sheet-fed and high speed web-offset presses, this capacity that can, today, print in excess of 100 million educational books annually.

Over the years, we have diversified into commercial products printing like Calendars, Brochures, Posters, Magazines, Diaries, light packaging products, full scale production of Business Forms documents, Security printing, flexo printing and still counting. Little wonder that Academy Press has become synonymous with prompt and quality printing all over Nigeria and beyond!

CLIENTELE

Our clientele include publishers, religious bodies, corporate organizations and government agencies. Among these are Our Daily Manna, Bible Society of Nigeria, Scripture Union of Nigeria, FBN Holdings, Nestle Foods Plc, Unilever Plc, Learn Africa Plc, HEBN Plc, West African Book Publishers Ltd, Evans Brothers (Nig.) Publishers, Africana First Publishers Plc, Cambridge University Press, Pearson, Game Discount World (Nig.) Ltd, Dangote Group of Companies, Artee Group (SPAR) Nigeria Ltd, etc. We also extend our operations to the West African sub-region and international market. Recently, we added to our clientele by printing light packaging materials for organizations such as Simtechnosoft, NASCON, etc.

COMPETENCE

With our present capacity, we can produce in excess of 100 million books successfully in a year; be it stitching, perfect bound or thread sewn. Also, we can print weekly magazines of about 500,000 copies for various magazine publishers in Nigeria.

Another important aspect of our operation is the printing of confidential materials for various examination bodies. We produce about 100 million copies in a year within a short period of eight (8) weeks.

In order to sustain and improve on the turnaround with timely deliveries to our various customers, we have updated our facilities to increase our capacity by 60%. Our factory is powered by reliable and clean power sources with over 2 MW (Mega Watts) at our disposal aside the public power supply to achieve optimal productivity.

FOCUS

We continue to invest in modern technology to update and upgrade our equipment to meet the satisfaction of our customers. Academy Press is always geared towards improving on its achievements. In addition, we enjoy the full support of our overseas technical partner (Hambleside Limited) on major overseas procurements.

PRODUCT PORTFOLIO

Our range of products include the following:

Diaries: Academy Press is dedicated to producing a wide range of diaries to international standard. Our relationship with West African Book Publishers Limited guarantees us up to 70% share of the diaries produced in Nigeria today.

Company Profile

Calendars: We offer a complete calendar service, by originating concepts, designs, photography, colour separation, artwork, Computer-to-Plate (CtP) and printing.

Leaflets, Labels, Light and Flexible Packaging: Our process of litho offset is more economical and allows for flexibility in preparation and setup. No matter how rigid the tolerance of labelling equipment, our labels will match the highest quality and finishing standards. Our capacity can turn round 20 million labels, leaflets and flexible packaging weekly.

Journals/Magazines: With our blend of fast operation and prompt delivery, we are able to print the weekly magazines, and supply on time for effective distribution across the country.

Books: We have a printing and a binding capacity to produce more than 100 million books annually. We can meet all printing specifications on our modern production lines.

Company Reports and Brochures: We produce Annual Reports and brochures with a view to enhancing the corporate image of our customers. We are also known for meeting tight delivery deadlines.

Confidential Printing: We have earned the trust of our customers to produce highly confidential materials over the years for both national and international organizations, running into several millions.

Specialized Printing: Our subsidiary, Academy Press Specialized Print Services Limited, devotes special attention to the production of security printing; which includes sensitive documents such as Tickets, Coupons, Vouchers, Letterheads, Receipts, Invoices, Continuous Forms for computer usage (customized or plain), Bank Statements, Pay-in Slips, Bank Notes and Wrappers etc. Recently, the company has diversified into flexographic printing to do printing of self-adhesive labels, flexible wraps and hologramic print.

CUSTOMER SERVICE

Besides quality, we have also over the years offered other specific benefits to customers. These include:

(a) **Cost effectiveness**
We advise on economic sizes, formats and paper types.

(b) **Customization**
Designs are customized to meet customers taste or desire and also to achieve additional features, they may wish to incorporate into their documents.

(c) **Confidentiality**
Our service processes incorporate every possibility that will ensure the confidentiality of customers' relevant publications so that they are not available until when required. This is also complemented with tight security network.

(d) **Volume of Production**
Our facilities are geared to handle any job, no matter how voluminous. May we also add that no job is too small for our attention as our Print-on-Demand (POD) operation is always available for such small orders.

SKILL

All our equipment and processes are complemented with highly skilled manpower, which has over the years enabled Academy Press to provide customers with numerous printing possibilities. We train and retrain our staff. Skill development for our staff is not negotiable. We are home of printing excellence!

DELIVERY

We offer timely production and delivery of documents to any location the customer may so appoint.

Chairman's Statement

Distinguished shareholders, fellow Board members, invited guests, gentlemen of the press, ladies and gentlemen. It is with great pleasure that I welcome you all to the 55th Annual General Meeting of our company Academy Press Plc and to present to you the report and Financial Statements for the Financial Year ended 31st March 2019.

OPERATING ENVIRONMENT

The global economy in the year ended has tended towards self-preservation by the big economic nations especially USA and China leading to their trade conflicts and also the Brexit issue in the Euro Zone in Europe between Britain and the other EU countries. These are bringing a few uncertainties in the global business world's direction.

The Nigerian economy sustained its improvement over the previous year with a GDP growth rate of about 2%. International trade process was relatively stable compared to the previous years. Challenges on poor infrastructure such as energy, roads, sea-port access and congestion are still of great concern. In addition to this is the security issue which continues to take different dimensions and now escalating beyond the traditional areas to almost all parts of the country.

THE COMPANY

The Local Printing Industry remains confounded by challenges of foreign competition, the general unhealthy economic environment as well as the effect of electronic information technology incursions. Growth has therefore been stifled in this sector as a fallout of these issues.

Despite these adversities, measures and strategies adopted by your Board ensured that the company improved revenue and sustained its positive performance in the year.

THE RESULTS

The Revenue for the year increased by 11.46% from N2.18billion in 2018 to N2.43billion in 2019. The cost of operation took its toll on the achieved revenue. I am however pleased to inform you that we are able to break-even this year after 3 years of consecutive loss making as a group coming out of N10million loss of last year to achieve a nominal GROUP PROFIT of N1.3million this year.

Further highlights of the results are contained in the report for your appreciation.

"The Revenue for the year increased by 11.46% from N2.18billion in 2018 to N2.43billion in 2019. The cost of operation took its toll on the achieved revenue. I am however pleased to inform you that we are able to break-even this year after 3 years of consecutive loss making as a group coming out of N10million loss of last year to achieve a nominal GROUP PROFIT of N1.3million this year.

High Chief (Sir) Simeon O. Oguntimehin, OON, FCA, JP
Chairman

DIVIDEND

In line with the Company's Policy of paying dividend from Profit when possible and considering that the past years have been challenging with no dividend proposal for 4 years running, the Board has found it desirable that a moderate Dividend be paid this year. It has therefore recommend that a dividend payment of N0.05k per N0.50k share be made in September 2019. I am particularly happy that the situation is getting better and has allowed us to do this, this time around.

BOARD CHANGES

During the ended Financial year, Mr. Babatunde Fashanu, a Non-Executive Director retired from the Board effective from 27th September 2018. On behalf of our Company Board and Shareholders, I express

Chairman's Statement

thanks and appreciation to Mr. Fashanu for his noble and credible service to the Board both as Executive and Non-Executive Director. I wish him success in his retirement and future endeavours.

In similar vein, your Board has appointed as a Non-Executive Independent Director in the person of Ms. Kadaria Ahmed on the 3rd December 2018. This is in view of the need to continue to strengthen the Board in the desired areas. This appointment is being presented to you today for ratification. Ms. Ahmed detailed profile is contained in this Annual Report. I hope her appointment will be duly ratified while I welcome her to the Board on your behalf.

CHAIRMANSHIP

I sincerely appreciate the opportunity of service given me by our company to serve as Chairman for the last 6 years. I have conveyed to the Board not to stand for re-election at this Annual General Meeting and this being my last address to the Shareholders I once again thank you all for the opportunity of serving the company over the years and now pray for the sustenance of our new improved performance under the able leadership of the Vice-Chairman Mr. Babatunde Wahab Dabiri and the Board and Management.

BUSINESS REVIEW AND FUTURE DEVELOPMENT

The issue of local contents is yet to be seriously addressed in the country and the urge to race to import print products is very lucrative and prominent in view of the tariff structure which favour it. We hope that the return of the Federal regime will seek to address this malaise. On our part, we are attaching modern computer technology features into our process in line with consumers' preferences and demands of the time. We are also increasing the level of mechanizing our finishing operation. These should enhance sustenance of our relevance and improve our performance henceforth.

CONCLUSION

The pact to recovery and progress for us has been tedious and narrow. I believe real progress has commenced and will become rapid in a short while. With your continue support and understanding, our performance will be better and the dividend era that we resumed this year will be sustained.

APPRECIATION

My sincere appreciation goes to our shareholders, my colleagues on the Board, Management, Staff and other Shareholders for their continue support which has been with us through the challenges of the year under review. I also appreciate all our service providers – our statutory Secretaries, External Auditors, Solicitors and other professional advisers for their support. Fellow Shareholders, Ladies and Gentlemen, I thank you for your presence at this Annual General Meeting and look forward to your lively and constructive contributions to the Agenda of today's meeting.

High Chief (Sir) Simeon O. Oguntimehin, OON, FCA, JP
Chairman

HIGH CHIEF (SIR) SIMEON O. OGUNTIMEHIN, OON, FCA, JP
Chairman

W. B. DABIRI
Vice Chairman

O. LADIPO
Managing Director

OMOSOLA SOKUNBI
Executive Director, Operations

F.B. OMO-EBOH (Mrs)
Non-Executive Director

OYEWOLE OLAOYE
Non-Executive Director

FEMI AKINGBE
Non-Executive Director

IVOR HUTCHINSON
Non-Executive Director

KADARIA AHMED
Non-Executive Director

BOARD OF DIRECTORS

ACADEMY PRESS PLC

RC 3915

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Certificate No. 00000175

DIRECTORS' PROFILE

HIGH CHIEF (SIR) SIMEON O. OGUNTIMEHIN, OON, FCA, JP

The Chairman. A Certified Chartered Accountant member since 23rd October 1961 and member of Nigeria Chartered Institute of Taxation. He is a Fellow of the Institute of Chartered Accountants of Nigeria since 1967 (FCA) and had served as President of the Institute of Chartered Accountants of Nigeria (1995/1996). He was for many years the Senior Partner of Z. O. Ososanya & Co, one of the foremost Chartered Accounting firms in Nigeria. He was awarded the Nigeria National Honour of the rank of OFFICER OF THE ORDER OF NIGER (OON) in year 2001. He was the first Chairman of the Ondo State Public Accounts Committee after the creation of the State in February 1976.

He currently serves as a member of the Board of Trustees (BOT) of Wesley University, Ondo. He is currently serving as Chairman and member of the Board of Directors of some other public quoted and private limited liability companies.

In public sector, he was a junior Civil Servant in the Federal Government of Nigeria (January 1955 to August 1957) and recently (July 2007 to July 2011) served the Nation as a member of Independent Corrupt Practices and Other Related Offences Commission (ICPC).

He currently holds a traditional chieftaincy title of High Chief Lisa of Ondo Kingdom which title connotes the Prime Ministership of the Kingdom and next in rank to the Osemawe who is the Oba and Paramount Ruler of Ondo Kingdom. He was instituted into a holy order of Knighthood by the Ondo Diocese of the Church of Nigerian Anglian Communion on September 13 1998 as the Grand Commander of the Order at St. Christopher (KSC).

BABATUNDE DABIRI

A seasoned banker and holds a B.Sc. (Economics) degree from the University of Ibadan (1974) and MBA from Columbia University, New York, USA (1978). He started his career at Chase Merchant Bank Ltd (later known as Continental Bank) where he spent over 11 years before moving to Prime Merchant Bank Ltd as the founding Deputy Managing Director/Chief Executive Officer. He helped to establish Fountain Trust Bank Ltd where he was the Managing Director for 8 years. He later joined Magnum Trust Bank Plc in December 1998 as the Managing Director/Chief Executive Officer and successfully transforming it into a full-fledged commercial bank. Until his retirement in 2008, he was the Group Managing Director/CEO of Sterling Bank Plc (the consolidated consortium of five banks consummated in 2005). He is on the Board of several organizations which include Vice Chairman, Mutual Benefits Assurance PLC; Director, Coronation Merchant Bank Ltd, First Marina Trust Ltd. and Academy Press Plc.

OLUGBENGA LADIPO, FCA

The Managing Director, is a qualified Accountant. He is a Fellow of the Institute of Chartered Accountants of Nigeria and Chartered Institute of Taxation of Nigeria. He joined Academy Press Plc as Head of Accounts in 1998 from a background of over ten years post qualification professional experience. An erstwhile financial magnate both in practice with one of the top practicing firms and food & beverages industry with multinationals status. He has assisted in repositioning to the financial functions of the company to meet the modern day challenges.

OMOSOLA SOKUNBI

The Executive Director, Operations, holds a Higher National Diploma in Business Administration from the Lagos State Polytechnic and a Masters (MBA) in the same discipline from Lagos State University. He worked with the Federal Ministry of Works, First Bank Plc, and Lagos State Ministry of Education before joining Academy Press Plc in 1990 as a Senior Supervisor (Confidential Printing). He was moved to Production Planning department and became the Head in 2004. He was the Deputy Production Coordinator in 2009 and Production Coordinator in 2012 to take full charge of activities in the Works Operations Division of the company. He was appointed to the Board of Academy Press Plc. on April 1, 2014.

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FOLASHADE B. OMO-EBOH

She is a non-Executive Director and graduate of Psychology and Publishing from Yorkshire, Huddersfield Polytechnic and Oxford Polytechnic, Oxford, respectively. She joined the West African Book Publishers Limited in 1990 as Assistant Production Manager. She became Production Manager in 1991 and Senior Production Manager in 1995. She was promoted Executive Director, Production & Publishing in March 1996 and became the company's Managing Director in 2001. She was appointed to the Board of Academy Press Plc in November 2009. Mrs. Omo-Eboh is a graduate of Lagos Business School.

OYEWOLE OLAOYE

He is a non-Executive Director of the company. He is a graduate of the University of Ife where he bagged B.A. (Literature in English) and the University of Lagos where he obtained M.Sc. in Mass Communication. His working career spans from the Western Nigerian Broadcasting Service (WNBS) to Indigo Magazine and then to Drum Publications where he rose to become an Editor. He was also a columnist with both Drum and Trust Magazines between 1975 and 1984.

He joined West African Book Publishers Ltd (WABP) in 1984 on the editorial team of Monthly Life magazine and later became the Editor-in-Chief and a director of the company. He has served as a member of the Governing Council of Obafemi Awolowo University, Ile-Ife, between 2006 and 2010, and a Director of OAU Investment Company Ltd.

He is a former Chairman of the Joint Council/Senate Committee on Senior Staff Discipline of Obafemi Awolowo University and a former worldwide president of the institution's Alumni. He was appointed to the Board of Academy Press on April 29, 2013. Mr. Olaoye is a member of the Nigerian Institute of Public Relations (NIPR), the International Public Relations Association (IPRA) and a Fellow of the African Public Relations Association (APRA). He is the Chairman/Chief Executive Officer of Diametrics Limited, Abuja.

FEMI AKINGBE

He is a Chartered Accountant, who started his professional career in 1976 with Audit Firms including Price Waterhouse & Co. (1978-80). He joined Chase Merchant Bank Nigeria Limited in 1980 as a Credit Analyst, rose to become Lagos Branch Manager of the bank in 1984 and left as an Assistant General Manager (Head of Credit Policy Dept.) in January 1988. In September 1983, Mr. Akingbe completed the 12 Month Credit Development Program of Chase Manhattan Bank, N. A., New York, and was graded "Outstanding".

Mr. Akingbe has been the Chief Executive Officer of Ventures & Trusts Ltd since 1989 and has exceptional competence in relationship/portfolio management, financial consultancy and venture capital services, product marketing and international trade finance. Asides being a Director at Academy Press Plc, Mr. Akingbe is also the Chairman, Board of Directors at Agusto & Co and the Senior Partner at VANDT Advisory Partners LP. Mr. Akingbe was appointed a Director at Academy Press Plc. in 2016.

IVOR HUTCHINSON, *(British)*

His career started out at Hambleside Limited, UK as an administrator in 1997, fresh from leaving Mechanical Engineering and Foundation of Engineering courses at Brunel University. His role at Hambleside included the diverse markets of printing and corporate gift supply, first travelling to Nigeria in 1998. Ivor has spent his career working with Nigeria and in particular Academy Press Plc whom he is closely involved with. Within Hambleside's function as trading partners to Academy Press, Ivor is responsible for procurement of raw materials as well as providing technical support at all levels of Academy's business. He held various positions before being appointed a Director of Hambleside in 2009. Prior to becoming full Director in 2016, he has been an Alternate Director to Martin Goodman for Academy Press Plc since 2013, attending many of the Board meetings, Annual General Meetings, among others. He assumed the position of Non-Executive Director on the Board of Academy Press in September 2016. He holds B.Sc. (Hons) in Management Practice (International Trade) via distance learning through Plymouth University, UK.

KADARIA AHMED

Is a media entrepreneur and journalist. She is the founder of Daria Media Ltd, a company that is bridging the gap that exists in Nigeria for journalism that is primarily driven by public good.

Kadaria is a seasoned professional media executive and consultant to NGOs, public and private sector boards. She is a Strategic Communications consultant with a global network of contacts in the media industry built over a 25 year career spanning the Print, Radio, Television, Online and Social Media platforms.

She started her career at the BBC where she was a Senior Producer working on award-winning programs, Focus on Africa and Network Africa. In that capacity, she helped shape the news agenda for those leading programs and reported from many parts of the world including South Africa, Eritrea and the United Nations. Kadaria served as the editor of Next (Nigeria), the defunct award-winning publication. She co-created, produced and presented 'Straight Talk', whose audience grew to over 4 million viewers globally. She presently hosts The Core on Channels TV.

She has successfully created and moderated 4 critically acclaimed live televised election process events between 2011 and 2019:

- The 2011 'Nigeria Decides' Presidential and Vice Presidential electoral debates
- The 2015 INEC Town hall to enlighten the public on election processes titled 'Ask Jega' ,
- The 2016 Democracy Day Review of Nigerian Government Performance tagged, The First Year,
- A 4-part town hall series titled "The Candidates" for the 4 leading Presidential and Vice Presidential candidates in the Nigerian 2019 general elections

Kadaria sits on the Board of Trustees of Mutual Assurance Benefits Plc and Academy Press PLC. She is also a member of the Nigerian Guild of Editors and the Nigerian Institute of Directors.

Kadaria has an M.A in Television from Goldsmiths, University of London, and a Bachelor's from Bayero University Kano. She is a Chevening Scholar.

Report of the Directors

For the year ended 31st March, 2019

The directors have pleasure in presenting their report on the affairs of Academy Press Plc ("the Company") together with its subsidiaries ("the Group") and the Consolidated and separate audited financial statements of the Group and the Company for the year ended 31 March 2019.

LEGAL FORM

Academy Press Plc was incorporated in Nigeria as a private limited liability Group on 28th July 1964 and by a special resolution became a public limited liability company on 22nd October 1991. The certificate of incorporation number of the Company is RC 3915. The Company offered its shares to the public in November 1994 and these shares were listed on the Nigerian Stock Exchange on 15th June, 1995.

PRINCIPAL ACTIVITIES

The group carries on its business, as printers of educational and general books, and commercial printing of diaries, labels, calendars, periodicals, annual reports, confidential and other printing.

STATE OF AFFAIRS

In the opinion of the Directors, the state of the Group's affairs is satisfactory and there has been no material change since the reporting date, which would affect the financial statements as presented.

RESULTS FOR THE YEAR

	Group		Company	
	2019	**2018**	**2019**	**2018**
	₦'000	**₦'000**	**₦'000**	**₦'000**
Revenue	2,432,783	2,177,587	2,037,092	1,892,738
Profit/(Loss) before taxation	1,324	(10,273)	73,640	95,374
Taxation	33,370	73,911	(42,190)	98,643
Profit after taxation	34,694	63,638	31,450	194,017

DIVIDEND

The directors have recommended payment of the dividend for the year ended 31 March 2019 (2018: Nil). As stated in Note 34, The board members unanimously agree in a meeting held on 24 June 2019 that dividend should be proposed for its shareholders at 5 kobo per ordinary share representing N30,240,000 only. This dividend will be payable net of withholding tax if approved at the Annual General Meeting (AGM).

PROPERTY, PLANT AND EQUIPTMENT

Information relating to movement in property, plant and equipment is shown in Note 17 to the consolidated and separate financial statements. In the opinion of the Directors, the market values of the Group's and the Company's properties are not less than the value shown in these consolidated and separate financial statements.

DIRECTORS INTEREST IN CONTRACTS

None of the Directors has notified the Group and the Company for the purpose of Section 277 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 of any disclosable interest in contracts with which the Group and the Company are involved as at 31 March 2019.

DONATIONS

The Group and the Company made a donation and gifts of ₦188,453 to charitable organization during the year ended 31 March 2019 (2018: ₦325,585).

	Group		Company	
	2019	**2018**	**2019**	**2018**
	₦'000	**₦'000**	**₦'000**	**₦'000**
Lagos State Government Ministry of Education	188,453	275,585	188,453	275,585
Federal Road Safety Commission — South West Zones	—	50,000	—	50,000
	188,453	325,585	188,453	325,585

Report of the Directors

For the year ended 31st March, 2019

DIRECTORS

The names of the Directors at the date of this report and of those who held office during the year are as follows:

High Chief (Sir) Simeon O. Oguntimehin, OON	–	*Chairman*
Mr. Wahab B. Dabiri	–	*Vice Chairman*
Mr. Olugbenga Ladipo	–	*Managing Director/Chief Executive Officer*
Mr. Babatunde J. Fashanu	–	*Non-Executive (Resigned 27th September, 2018)*
Mr. Oyewole Olaoye	–	*Non-Executive*
Mrs. Folashade B. Omo-Eboh	–	*Non-Executive*
Mr. Omosola Sokunbi	–	*Executive*
Mr. Femi Akingbe	–	*Non-Executive*
Mr. Ivor Hutchinson (British)	–	*Non-Executive*
Ms. Kadaria Ahmed	–	*Non-Executive (Appointed 3rd December, 2018)*

SHARE HOLDINGS AND SUBSTANTIAL INTEREST IN SHARES

The issued and fully paid share capital of the Company as at 31 March 2019 was beneficially owned as follows:

	2019			2018		
	Number of Shareholding	%	Nominal Value ₦	Number of Shareholding	%	Nominal Value ₦
Alidan Investment Limited	84,078,546	13.90	42,039,273	84,078,546	13.90	42,039,273
West African Book Publishers Limited	62,880,000	10.40	31,440,000	62,880,000	10.40	31,440,000
Hambleside Limited	60,443,208	9.99	30,221,604	60,443,208	9.99	30,221,604
Others	397,398,246	65.71	198,699,123	397,398,246	65.71	198,699,123
	604,800,000	**100.00**	**302,400,000**	**604,800,000**	**100.00**	**302,400,000**

	2019	2018
Summary of the shareholding position is as follows:		
Number of shares authorized	750,000,000	750,000,000
Number of shares issued	604,800,000	604,800,000
Number of shares outstanding	145,200,000	145,200,000
Number of shares in the name of the Group	NIL	NIL

High Chief (Sir) Simeon O. Oguntimehin is holding shares indirectly through an investment company called Anfani Investments Limited.

	31 March 2019		31 March 2018	
	Number of Shareholding	%	Number of Shareholding	%
Nigerians (Corporate and Individual)	539,148,230	89.00	539,148,230	89.00
Foreign Investors	65,651,770	11.00	65,651,770	11.00
	604,800,000	100.00	604,800,000	100.00

Significant interest in shares (5% and above)

Name	**Holdings**	**%**	**Holdings**	**%**
Alidan Investments Limited	84,078,546	13.90	84,078,546	13.90
West African Book Publishers Limited	62,880,000	10.40	62,880,000	10.40
Hambleside Limited	60,443,208	9.90	60,443,208	9.90

SHARE HOLDINGS AND SUBSTANTIAL INTEREST IN SHARES — Continued

ACTIVE SHAREHOLDERS — SUMMARY As At 31/03/2019

RANGE			No. of Holder	Units	Unit %
1	—	1,000	576	223,755	0.04
1,001	—	5,000	701	1,847,641	0.30
5,001	—	10,000	377	2,719,037	0.45
10,001	—	20,000	1,158	15,971,798	2.64
20,001	—	50,000	486	14,402,152	2.38
50,001	—	100,000	176	12,328,918	2.04
100,001	—	1,000,000	199	63,688,819	10.53
1,000,001	—	5,000,000	44	88,282,320	14.60
5,000,001	—	10,000,000	12	96,115,561	15.89
10,000,001	—	Above	9	309,219,999	51.13
			3,738	604,800,000	100.00

DIRECTORS' INTERESTS

Directors' interest in the issued share Capital of the Company as recorded in the register of Members and/or as notified by them of the purpose of Section 275 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and in compliance with the listing requirements of the Nigerian Stock Exchange are as follows:

Directors	As at 31/03/19		As at 31/03/18	
	Direct	Indirect	Direct	Indirect
High Chief (Sir) Simeon O. Oguntimehin, OON	—	781,440	—	781,440
Olugbenga Ladipo	8,690,653	—	8,690,653	—
Ivor Hutchinson (British)	—	2,521,652	—	2,521,652
Wahab B. Dabiri	351,000	—	351,000	—
Lasisi Aderibigbe	1,552,802	—	1,552,802	—
Babatunde J. Fashanu	6,964,120	—	6,964,120	—
Folashade B. Omo-Eboh (Mrs)	2,415,000	—	2,415,000	—
Oyewole Olaoye	1,200,000	—	1,200,000	—
Omosola Sokunbi	480,000	—	480,000	—

EMPLOYMENT AND EMPLOYEES

Employment of Physically Challenged Persons

It is the Company's policy that there is no discrimination in considering applications for employment including those from physically challenged persons. All employees whether or not physically challenged are given equal opportunities to develop their expertise and knowledge and to qualify for promotion in furtherance of their careers. The company has two (2) physically challenged person in her employment as at 31 March 2019.

Welfare

The company is registered with a Health Management Organisation (HMO) — (Clearline International Limited). Staff, Spouse and 4 children choose a primary health care provider, where cases of illness are referred for treatment. The company also provides healthcare facilities for its staff whilst all essential safety regulations are observed in the factories and offices to guarantee maximum protection of employees at work.

Training

Staff are kept abreast of up-to-date techniques in the industry through various in-house and outside training courses. The company attaches great importance to training and all categories of staff attend courses or seminars as considered necessary by the Company's management.

Financial Commitments

The directors are of the opinion that all known liabilities and commitments have been taken into account. These liabilities are relevant in assessing the Company's state of affairs.

Events after Reporting Date

As stated in Note 34, The board members unanimously agree in a meeting held on 30th of April 2019 that dividend should be proposed for its shareholders at 5 kobo per ordinary share representing ₦30,240,000 only. This dividend will be payable net of withholding tax if approved at the Annual General Meeting (AGM).

Format Of Financial Statements

The financial statements of Academy Press Plc have been prepared in accordance with the reporting and presentation requirement of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Auditors

Ernst & Young have indicated their willingness to continue in office as Auditors to the Company in accordance with Section 357(2) of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004. A resolution will be proposed at the Annual General Meeting empowering the Directors to fix their remuneration.

BY ORDER OF THE BOARD

Joshua O. Adeoye
FRC/2014/ICSAN/00000008037
for: **ALPHA-GENASEC LIMITED**
Company's Secretary

LAGOS, NIGERIA
24th June, 2019

Corporate Governance Report

For the year ended 31st March, 2019

Corporate Governance principles, rules and regulatory requirements of the Nigerian Stock Exchange and Securities and Exchange Commission have indeed been an integral part of the way Academy Press Plc. conducts its business.

Good corporate governance is an essential part of the Board. Our Company's governance structure and practices is in line with applicable local legislation and international best practices including compliance with the Code of Corporate Governance for Public Companies issued by Security and Exchange Commission. The Company has always been guided by a strong conviction of adhering to transparency, accountability, good management practices and integrity through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities.

The company believes that the implementation of global best practices and corporate governance principles would help to achieve commitment and goals to enhance stakeholders' value.

We present in detail, a statement of how the Board conducted its activities in the last financial year.

THE BOARD

The governance of the Company resides with the Board of Directors who are accountable to shareholders for creating and delivering sustainable value through the management of the Company's business.

The board is responsible for oversight function of long-term strategic planning, policy formulation and assessment of risk that the Company may be exposed to in the ordinary course of business. The board is also responsible for evaluating and directing the implementation of the Company's internal control procedures including maintaining a sound system of internal control to safeguard shareholders' investments and the company's assets. These functions of the board are guided by the provision of Securities and Exchange Commission (SEC) code, the Company and Allied Matters Act, the Company's Articles of Association and other relevant laws and regulations. These oversight functions of the Board of Directors are exercised through its various Committees.

COMPOSITION OF THE BOARD

The board of Directors of Academy Press Plc. is comprised of experienced people with significant achievements in their respective profession. The board has overall responsibility for ensuring that the Company is appropriately managed and achieves its strategic objectives. The Company's Articles of Association provide that the Company's Board shall consist of not more than 12 Directors.

During the year the Board comprised of Nine (9) Directors; Seven (7) Non-Executives and Two (2) Executives. The board Chairman is Non-Executive, with a mix of executive and non-executive Directors, all bringing high level of competencies and experience, with enviable records of achievement in their respective fields.

The Board meets regularly to set broad policies for the Company's business and operations, and ensures that a professional relationship is maintained with the Company's auditors in order to promote transparency in financial and non-financial reporting.

RESPONSIBILITIES OF THE BOARD

The board is responsible for the review of goals, major plans of action, annual budget and business plans with overall strategies setting performance objectives, monitoring implementation and corporate performance and overseeing major capital expenditure in the approved budget. In compliance with International Best Practices, there is a separation of powers between the Chairman and the Managing Director, as they play distinct roles, with responsibilities which should not be domiciled with one individual. The chairman's main responsibility is to lead and manage the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibilities. He is also responsible for ensuring that Directors receive accurate, timely and clear information to enable the Board take informed decisions and provide advice to promote the success of the Company. The Chairman facilitates the contribution of Directors and promotes effective relationships and open communications between Executive and Non-Executive Directors, both inside and outside the Boardroom.

The board ensures that proper accounting records are disclosed with reasonable accuracy at any time and that the financial status of the Company are maintained and also that the financial reporting systems comply with the Companies and Allied Matters Act, CAP C20, LFN 2004 through the establishment of the Board Committees that make recommendations and taking decisions on issues of expenditure that may arise outside the normal meeting schedule of the full Board. The board ratifies duly approved recommendations and decisions of the Board Committees and also make periodic and regular review of actual business performance relative to established objectives.

The Board meet at least once in a quarter in each financial year and the Board Committee meet at least twice in each financial year. Decisions are taken at the Board meetings by way of resolutions as provided for in the Company and Allied Matter Act (CAMA) 2014.

Detail of attendance by each of the Directors at Board meetings are shown in the table below.

Meetings	1	2	3	4
Names	**25/06/18**	**27/09/18**	**3/12/18**	**25/02/19**
High Chief (Sir) Simeon Oguntimehin, OON	√	√	√	√
Mr. Wahab Dabiri	X	√	√	√
Mr. Olugbenga Ladipo	√	√	√	√
Mr. Babatunde J. Fashanu	√	√	AR	AR
Mr. Ivor Hutchinson	√	√	√	X
Mrs. Folashade Omo-Eboh	√	√	√	√
Mr. Oyewole Olaoye	√	√	√	√
Mr. Omosola Sokunbi	√	√	√	√
Mr. Femi Akingbe	√	√	√	√
Ms. Kadaria Ahmed	NYA	NYA	NYA	√

Note:
√ – Present; X – Absent with apology; NY A – Not a member of the Board as at this date; AR – Already Resigned

RISK MANAGEMENT/STRATEGY COMMITTEE

The committee has oversight responsibility for operational/strategies development and implementation, emerging sectorial and technological development, review of equipment needs and acquisition, new business concern review and implementation, products prospects and market expansion strategies. It also reviews the risk management structure and monitor the risks on continuous basis. The risk management/strategy committee held three (3) meetings during the year ended 31st March, 2019. Detail of attendance by each of the Members of the Risk Management/Strategic Committee are shown in the table below.

Meetings	1	2	3
Names	**03/05/2018**	**29/01/2019**	**26/03/2019**
Mr. Wahab Dabiri	√	√	√
Mr. Olugbenga Ladipo	√	√	√
Mr. Babatunde J. Fashanu	√	AR	AR
Mrs. Folashade Omo-Eboh	√	√	√
Mr. Ivor Hutchinson	√	X	X
Mr. Omosola Sokunbi	√	√	√

FINANCE AND CONTROL COMMITTEE

The Finance and Control Committee is responsible for reviewing of business plan, annual budget and control, financing arrangement, options, capital restructuring, the review of balance sheet, management accounts, credit/debt management and material control. The committee held three (3) meetings during the year ended 31st March, 2019. Detail of attendance by each of the Members of the Finance and Control Committee are shown in the table below.

Meetings	**1**	**2**	**3**
Names	**03/05/2018**	**30/01/2019**	**26/03/2019**
Mr. Olugbenga Ladipo	√	√	√
Mr. Babatunde J. Fashanu	√	AR	AR
Mrs. Folashade Omo-Eboh	√	√	√
Mr. Omosola Sokunbi	√	√	√
Mr. Femi Akingbe	√	√	√

GOVERNANCE AND REMUNERATION COMMITTEE

The committee is made up of three members who are responsible for the development and evaluation of the company's internal organization and process, identifying qualified senior executives and ensuring that the company's operating and remuneration policies support the successful recruitment, development and retention of directors and managers. The committee held three (3) meetings in the financial year ended 31st March, 2019. Detail of attendance by each of the Members of the Governance and Remuneration Committee are shown in the table below.

Meetings	**1**	**2**	**3**
Names	**04/05/2018**	**29/02/2019**	**25/03/2019**
Mr. Wahab Dabiri	√	√	√
Mr. Oyewole Olaoye	√	√	√
Mr. Femi Akingbe	√	√	√

AUDIT COMMITTEE

The Committee comprises of six members as shown in the table below. In accordance with Section 359 (5) of the Companies and Allied Matters Act CAP C20, LFN 2004, the above members and Directors were elected and nominated pursuant to Section 359 (4) of the said Act. The meetings of the committee were held three (3) times during the year. The functions of the committee are laid down in Section 359 (6) of the Companies and Allied Matters Act CAP C20, LFN 2004.

Detail of attendance by each of the Members of the Audit Committee are shown in the table below.

Meetings	**1**	**2**	**3**	**4**	**5**
Names	**18/04/18**	**14/06/18**	**27/09/18**	**11/12/18**	**20/03/19**
Chief S. B. Daranijo	√	√	√	√	√
\Mr. S. A. Adedoyin	√	√	√	√	√
Oba Y. O. Ajadi	√	√	√	√	√
Mr. Wahab Dabiri	√	√	X	X	√
Mr. Babatunde J. Fashanu	√	√	AR	AR	AR
Mr. Femi Akingbe	√	X	X	√	X

MANAGEMENT TEAM

The day-to-day management of the business is the responsibility of the Managing Director who is assisted by the Management Team made up of one (1) Executive Director, two (2) senior managers and Heads of all the Departments in the Company. The management team holds scheduled meetings at least once a month to deliberate on critical issues affecting the day to day running of the Company.

SECURITY TRADING POLICY

Insider trading and dealing in Company's shares

The board has approved a Security Trading Policy which sets out the guidelines on the purchase and sale of security by Directors, employees and associates. The policy is to assist all Directors and Employees to understand the restrictions placed on them as insiders of the Company with respect to their securities transactions and to avoid the conduct referred to as 'insider trading' during any period as may be specified by the Company or the Exchange from time to time.

Also, Directors, employees and other insiders wishing to buy, sell or deal in the Company's securities must obtain approval of the Chairman through the Company Secretary prior to any dealing in the company's securities. Request for approval must state the volume of securities to be purchased and sold.

COMPLAINT MANAGEMENT POLICY

In compliance with the Security and Exchange Commission's Rules relating to the Complaints Management Framework (the 'Framework') which requires every listed company to establish a clearly defined complaint management policy to resolve complaints arising from issues covered under the Investment and Securities Act 2007. The Company has developed a Complaint Management Policy endorsed by the Board of Directors.

BUSINESS CONDUCT

Our business is conducted with integrity and with due regard to the legitimate interest of all stakeholders. In furtherance to this, the Company has adopted policies such as Code of Ethics and Business Conduct, as well as a whistle blowing Policy. Directors and all members of staff are expected to strive to maintain the highest standard of ethical conduct and integrity in all respect of their professional life as contained in the Ethics and Business Code Policy which prescribes the common ethical standard, policies and procedures of the Company.

ENVIRONMENTAL POLICY

Environmental Policy statement serves to demonstrate the Company's responsibility to the environment and the pursuit of world-class vision in all aspects of its operations. The Company strives to comply with all present and future environmental laws and regulations and continuously improve the efficiency of its operations to minimize its impact on the environment.

Statement of Directors' Responsibilities

For the year ended 31st March, 2019

The Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Group and the Company at the end of the year and of its profit or loss. The responsibilities include ensuring that the Group and the Company:

(a) keeps proper accounting records that disclose, with reasonable accuracy, the consolidated and separate financial position of the Group and the Company that comply with the requirements of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004;

(b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

(c) prepare its consolidated and separate financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

The directors accept responsibility for the consolidated and separate financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards issued by the International Accounting Standards Board, Financial Reporting Council of Nigeria Act No 6, 2011 and the requirements of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Group and the Company and of its profit for the year ended 31 March 2019. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Group and the Company will not remain a going concern for at least twelve months from the date of this statement.

On behalf of the Directors of the company

High Chief (Sir) Simeon O. Oguntimehin, OON
Chairman
FRC/2013/ICAN/00000003428

Olugbenga Ladipo
Managing Director
FRC/2013/ICAN/00000003252

28th June, 2019.

Report of the Audit Committee

TO THE SHAREHOLDERS OF ACADEMY PRESS PLC

In accordance with the provisions of Section 359 (6) of the Companies and Allied Maters Act 2004, CAP C20, Laws of the Federation of Nigeria 2004, the members of the Audit Committee of Academy Press Plc ("the Company") hereby report as follows:

(i) We have exercised our statutory functions under Section 359 (6) of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and acknowledge the cooperation of management and staff in the conduct of these responsibilities.

(ii) We are of the opinion that the accounting and reporting policies of the Group and the Company are in accordance with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the year ended 31 March 2019 were satisfactory and reinforce the Group's internal control systems.

(iii) We have deliberated with the External Auditors, who have confirmed that necessary cooperation was received from management in the course of their statutory audit and we are satisfied with management's responses to the External Auditor's recommendations on accounting and internal control matters and with the effectiveness of the Group's system of accounting and internal control.

Alhaji (Chief) Sinari B. Daranijo, JP
Chairman
FRC/2014/ICSAN/00000007262

19th June, 2019

MEMBERS OF AUDIT COMMITTEE

Alhaji (Chief) Sinari B. Daranijo, JP
Mr. Wahab B. Dabiri
Mr. Babatunde J. Fashanu (Resigned 27th September, 2018)
Mr. Femi Akingbe
Oba Ajadi Y. Olanrewaju
Mr. Samuel A. Adedoyin
Mrs. Folashade. B. Omo-Eboh

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Report of the Independent Auditors

TO THE MEMBERS OF ACADEMY PRESS PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Academy Press Plc ("the Company") and its subsidiaries (together, "the Group") which comprise the consolidated and separate statements of financial position as at 31 March 2019, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the financial position of Academy Press Plc and its subsidiaries as at 31 March 2019, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board, and the relevant provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and the requirements of the Financial Reporting Council of Nigeria Act No. 6, 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing the audit of Academy Press Plc. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing the audit of Academy Press Plc. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

Report of the Independent Auditors

<table>
<tr><th>Key Audit Matter</th><th>How the matter was addressed in the Audit</th></tr>
<tr><th colspan="2">Existence and Valuation of Inventories</th></tr>
<tr><td>Total inventories for the Group and the Company are ₦375 million and ₦278 million, respectively, which represents 31% and 30% of the current assets, and 14% of total assets of both the Group and the Company, respectively. These inventories mainly consist of paper, binding and lithograph, chemicals, work in progress, spares, consumables and goods in transit.

Certain raw materials which may have been processed and therefore should be part of the work-in-progress, could still be left as part of the inventory as paper, chemicals or spares.

Valuation of the inventories is at lower of cost or net realizable value. Valuation at cost includes costs incurred in bringing each product to its present location and conditions. The assessment of valuation of inventories to net realizable value is partly based on management estimates, involving the assumptions on selling price and estimated cost to sell. Significant increase or decrease in the selling price will affect the reported operating result.

In view of the significant value of inventories and involvement of estimates and assumptions, we consider the existence and valuation of inventories a key audit matter. See Note 3</td><td>We performed the following procedures over inventory existence and valuation:

— Evaluated the stock count instruction and inventory count procedures.

— Observed stock counts at the end of the year based on our pre-determined stock count observation strategies.

— Ensured correct classification of inventory.

— Reconciled the inventory count report to the stock valuation report

— Performed necessary procedures to identify third party stock.

— Reviewed the reasonableness of application of lower of cost and net realizable value.

— Evaluated the reasonableness of the weighted average for significant inventory items.

— Reviewed the work in progress.

— Performed necessary procedures to identify, evaluate and review treatment for obsolete and slow-moving stock.</td></tr>
</table>

Building a better working world

Report of the Independent Auditors

Key Audit Matter	How the matter was addressed in the Audit
Impairment of Trade Receivables	
The Group had trade receivables of ₦919 million before allowance for impairment of ₦110 million, and this represents 69% and 35% of the consolidated current assets and total assets as at 31 March 2019, respectively. The determination of expected credit losses for financial assets like trade receivables under IFRS 9 – Financial Instrument Recognition and Measurement involves management judgement. Specific factors management considers include the age of the receivables, location of customers, existence of disputes, recent historical payment patterns, forward looking information, and other available information concerning the creditworthiness of counterparties. Management uses this information to determine the allowance for impairment under the expected credit loss model. We focused on this area because of the significance of the amount and involvement of a high level of management judgement. See Notes 19.3 and 22.1 for the allowance for expected credit losses.	In assessing the impairment of trade receivables, we: — Reviewed the assumptions used to calculate the impairment amount in accordance with the entity's accounting policies and IFRS 9, through detailed analyses of ageing of receivables, credit limits of customers, assessment of significant overdue individual trade receivables and assessing specific local risks, combined with legal documentation and forward-looking information. — Reviewed the various assumptions made by the management in determining the expected credit losses and ensured that the assumptions are in line with current conditions, and that the historical assumptions were duly obtained from relevant and reliable sources. — Reviewed the macro-economic adjustments for probability of default (PD); and the basis for determining PD and loss given default (LGD) — Reviewed the basis of management's judgements for each trade receivable as well as periodic reports prepared to validate management's position. — Performed audit reasonableness tests calculation on trade receivables impairment and compared with the Company's estimates. — Performed review of the subsequent collections to validate the accuracy and completeness of the amount recorded as receivables at the reporting date.

Other Information

The directors are responsible for the other information. The other information comprises Report, the Directors' Audit Committee Report, Corporate Governance Report, Consolidated and Separate Value Added Statements, the Group and the Company Five-year Financial Summary as required by the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004. The other information does not include the consolidated and separate financial statements and our auditors' report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report of the Independent Auditors

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards issued by IASB, the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group'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 Group 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 consolidated and separate financial statements as a whole 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 consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the 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 Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate 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 entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

Report of the Independent Auditors

We communicate with the Directors 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. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of Schedule 6 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, we confirm that:

(i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(ii) in our opinion proper books of account have been kept by the Company, in so far as it appears from our examination of those books; and

(iii) the Group's and the Company's consolidated and Separate Statements of Financial Position and Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income are in agreement with the books of account.

Omolola Alebiosu, FCA
FRC/2012/ICAN/00000000145
For: **Ernst & Young**
Lagos, Nigeria.

28th June, 2019

Consolidated and Separate Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31st March, 2019

	Notes	Group 31 March 2019 ₦'000	Group 31 March 2018 ₦'000	Company 31 March 2019 ₦'000	Company 31 March 2018 ₦'000
Revenue from contract with customers	4	2,432,783	2,177,587	2,037,092	1,892,738
Cost of sales	6	(1,946,945)	(1,668,397)	(1,631,777)	(1,394,877)
Gross profit		485,838	509,190	405,315	497,861
Selling expenses	7	(54,442)	(58,072)	(51,443)	(56,366)
Administrative expenses	8	(389,501)	(353,082)	(244,334)	(304,070)
Other operating income	9	15,479	75,739	6,096	75,222
Finance costs	10	(56,050)	(184,048)	(41,994)	(117,273)
Profit/(Loss) before taxation		1,324	(10,273)	73,640	95,374
Income tax credit/(expense)	14	33,370	73,911	(42,190)	98,643
Profit for the year		34,694	63,638	31,450	194,017
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)					
Actuarial (Loss)/Gain	26.1	(35,876)	28,283	(37,093)	26,589
Taxation		10,763	(8,485)	11,128	(7,977)
Other comprehensive (loss)/income for the year, net of tax		(25,113)	19,798	(25,965)	18,612
Total comprehensive income for the year, net of tax		9,581	83,436	5,485	212,629
Total profit attributable to:					
Equity holders of the parent		60,522	102,125	31,450	194,017
Non-controlling interest		(25,828)	(38,487)	—	—
		34,694	63,638	31,450	194,017
Total comprehensive income attributable to:					
Equity holders of the parent		44,558	122,355	5,485	212,629
Non-controlling interest		(34,977)	(38,919)	—	—
		9,581	83,436	5,485	212,629
Basic and diluted earnings per share	16	0.10	0.17	0.05	0.32

See Notes to the Consolidated and Separate Financial Statements

Consolidated and Separate Statements of Financial Position

As at 31st March, 2019

	Notes	Group 31 March 2019 ₦'000	Group 31 March 2018 ₦'000	Company 31 March 2019 ₦'000	Company 31 March 2018 ₦'000
Non-current assets					
Property, plant and equipment	17	1,240,475	1,482,004	738,580	938,545
Intangible assets	18	443	657	443	657
Deferred taxation — assets	14.3	214,129	144,927	162,651	145,435
Employee Benefit Assets	26	—	19,375	6,037	37,701
		1,455,047	1,646,963	907,711	1,122,338
Current Assets					
Inventories	21	375,306	335,318	277,970	258,035
Right of return assets	4.3	470	—	41	—
Trade and other receivables	22	806,681	686,750	778,241	673,885
Cash and short-term deposits	23	20,168	61,725	2,746	60,065
		1,202,625	1,083,793	1,058,998	991,985
Total assets		2,657,672	2,730,756	1,966,709	2,114,323
Equity					
Share capital	27	302,400	302,400	302,400	302,400
Share premium	28	24,511	24,511	24,511	24,511
Retained earnings	29	77,159	41,344	144,346	146,193
Shareholders fund		404,070	368,255	471,257	473,104
Non-controlling interests	30	(94,658)	(59,681)	—	—
Total equity		309,412	308,574	471,257	473,104
Non-current liabilities					
Interest bearing loans and borrowings	19.2	620,666	574,126	389,666	574,126
Employee benefit liability	26	3,501	—	—	—
Contract liabilities	24	22,085	—	18,825	—
Deferred taxation — liabilities	14.3	—	24,732	—	—
		646,252	598,858	408,491	574,126
Current liabilities					
Trade and other payables	25	1,249,557	1,239,039	758,050	657,210
Refund liability	4.3	697	—	71	—
Interest bearing loans and borrowings	19.2	168,228	325,851	64,266	168,096
Income tax payable	14.2	283,526	252,338	264,574	235,691
Government grant	31	—	6,096	—	6,096
		1,702,008	1,823,324	1,086,961	1,067,093
		1,702,008	1,823,324	1,086,961	1,067,093
Total liabilities		2,348,260	2,422,182	1,495,542	1,641,219
Total equity and liabilities		2,657,672	2,730,756	1,966,709	2,114,323

See notes to the consolidated and separate financial statements

These consolidated and separate financial statements were approved by the Board of Directors on the 24th June 2019 and signed on its behalf by:

High Chief (Sir) Simeon O. Oguntimehin, OON
Chairman
FRC/2013/ICAN/00000003428

Olugbenga Ladipo
Managing Director
FRC/2013/ICAN/00000003252

Akintunde Alabi Fatomi
Management Accountant
FRC/2018/ICAN/00000018750

Consolidated and Separate Statement of Changes in Equity

For the year ended 31st March, 2019

Group

	Share Capital ₦'000	Retained Earnings ₦'000	Share Premium ₦'000	Non-Controlling Interest ₦'000	Total ₦'000
	Attributable to the equity holders of the parent				
As at 1 April 2017	302,400	41,344	24,511	(59,681)	308,574
Effect of adoption of new accounting standards (Note 2.3)	—	(8,743)	—	—	(8,743)
As at 31 March 2018 (restated*)	302,400	32,601	24,511	(59,681)	299,831
Profit/(loss) for the year	—	60,522	—	(25,828)	34,694
Other comprehensive loss for the year; net of tax	—	(15,964)	—	(9,149)	(25,113)
At 31 March 2019	302,400	77,159	24,511	(94,658)	309,412
At 1 April 2017	302,400	(81,011)	24,511	(20,762)	225,138
Profit/(loss) for the year	—	102,125	—	(38,487)	63,638
Other comprehensive income/(loss) for the year; net of tax	—	20,230	—	(432)	19,798
At 31 March 2018	302,400	41,344	24,511	(59,681)	308,574

See notes to the consolidated and separate financial statements.

Company

	Share Capital ₦'000	Retained Earnings ₦'000	Share Premium ₦'000	Total ₦'000
As at 1 April 2018	302,400	146,193	24,511	473,104
Effect of adoption of new accountingstandards (Note 2.3)	—	(7,332)	—	(7,332)
As at 31 March 2018 (restated*)	302,400	138,861	24,511	465,772
Profit for the year	—	31,450	—	31,450
Other comprehensive loss for the year; net of tax	—	(25,965)	—	(25,965)
At 31 March 2019	302,400	144,346	24,511	471,257
At 1 April 2017	302,400	(66,436)	24,511	260,475
Profit for the year	—	194,017	—	194,017
Other comprehensive income for the year; net of tax	—	18,612	—	18,612
At 31 March 2018	302,400	146,193	24,511	473,104

* Certain amounts shown here do not correspond to the 2018 consolidated and separate financial statements and reflect adjustments made, refer to Note 2.3 for details.

See notes to the consolidated and separate financial statements.

Consolidated and Separate Statements of Cash Flows

For the year ended 31st March, 2019

	Notes	Group 31 March 2019 ₦'000	Group 31 March 2018 ₦'000	Company 31 March 2019 ₦'000	Company 31 March 2018 ₦'000
Cash flows from operating activities					
Profit/(loss) before taxation		1,324	(10,273)	73,640	95,374
Non-cash adjustment to reconcile					
Profit/(loss) before tax to net cash flows:					
Depreciation of property, plant and equipment	17	313,452	345,067	266,448	298,236
Amortisation of intangible assets	18	214	246	214	246
Loss on disposal of PPE	8	—	95	—	95
Government grant interest	31	(6,096)	(75,222)	(6,096)	(75,222)
Finance cost	10	56,050	184,048	41,994	117,273
Effect of exchange difference			(34,519)		(31,664)
Advance released into the profit or loss	24	(22,007)	—	(21,100)	—
Write down of inventories	6	17,438	4,962	15,476	3,000
Impairment of trade and other receivables	22	12,591	—	9,000	—
Retirement benefit provision	26.1	(11,254)	5,116	(5,429)	3,313
		361,712	419,520	374,147	410,651
Working capital adjustment:					
(Increase)/decrease in Inventories		(57,426)	41,034	(35,411)	46,791
(Increase)/decrease in trade and other receivables		(143,627)	10,743	(123,830)	(18,557)
Increase/(decrease) in trade and other payables		32,525	72,376	121,940	(45,990)
Increase in right of return		(469)	—	(41)	—
Decrease in refund liability		697	—	71	—
		193,412	543,673	336,876	392,895
Employee benefits paid	26.1	(1,746)	(27,502)	—	(27,502)
Tax paid	14.2	(16,252)	(1,352)	(16,252)	(2,075)
Advance received	24	22,085	—	18,825	—
Net cash generated by operating activities		197,499	514,819	339,449	363,318
Cash flows from investing activities					
Purchase of property, plant and equipment	17	(71,923)	(18,117)	(66,484)	(16,716)
Proceeds from disposal of property, plant and equipment		—	285	—	187
Repayment of restricted cash	23	53,519	—	53,519	—
Net cash utilized in investing activities		(18,404)	(17,832)	(12,965)	(16,529)
Cash flows from financing activities					
Repayment of loans and borrowings	19.3	(71,752)	(441,776)	(248,964)	(339,108)
Interest paid	10	(56,050)	(149,529)	(41,994)	(85,609)
Net cash utilized in financing activities		(127,802)	(591,305)	(290,958)	(424,717)
Net increase/(decrease) in cash and cash equivalents		51,293	(94,318)	35,526	(77,928)
Net foreign exchange difference					
Cash and cash equivalents at the 01 April		(100,353)	(6,035)	(97,046)	(19,118)
Cash and cash equivalents at 31 March	23	(49,060)	(100,353)	(61,520)	(97,046)

See Notes to the Consolidated and Separate Financial Statements.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31st March, 2019

1. **Corporate information**

The consolidated and separate financial statements of Academy Press Plc and its subsidiaries (collectively, the Group) for the year ended 31 March 2019 were authorised for issue in accordance with the approval of the Board of Directors on 24 June 2019. Academy Press Plc (the Group) is a limited liability Group incorporated and domiciled in Nigeria and became public by listing on 22 October 1991. The registered office is located at 28/32, Industrial Avenue, Ilupeju Industrial Estate, Ilupeju, Lagos State in Nigeria.

The group is principally engaged in the printing of educational and general books, commercial printing of diaries, labels, calendars, periodicals, annual reports, confidential and other printing works.

2. **Significant accounting policies**

2.1 **Basis of preparation**

The consolidated and separate financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) as approved by the Financial Reporting Council of Nigeria and in accordance with the provisions of the Companies and Allied Matters Act, CAP C20; Laws of the Federation of Nigeria 2004.

Functional and presentation currency

The consolidated and separate financial statements have been prepared on a historical cost basis. The consolidated and separate financial statements are presented in Naira, which is the Group's functional currency and all values are rounded to the nearest thousand (₦'000), except when otherwise indicated.

Composition of financial statements

The financial statements comprise:

- Consolidated and separate statement of profit or loss and other comprehensive income
- Consolidated and separate statement of financial position
- Consolidated and separate statement of changes in equity
- Consolidated and separate statement of cash flows
- Notes to the Consolidated and separate financial statements

2.2 **Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 March 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

2.2 **Basis of consolidation — Continued**

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

In the Group the investment in its subsidiaries are accounted for using the cost method.

2.3 **Summary of significant accounting policies**

(a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

2.3 **Summary of significant accounting policies — Continued**

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

(b) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/ non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period Or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(c) Fair value measurement

The Group measures financial instruments such equity financial assets, and non-financial assets such as investment properties, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

2.3 **Summary of significant accounting policies — Continued**

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

(d) Revenue from contracts with customers

Policy subsequent to 1 April 2018

The group is principally engaged in the printing of educational and general books, commercial printing of diaries, labels, calendars, periodicals, annual reports, confidential and other printing works.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods or services. The group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

Definition of customer

A customer is a party that has contracted with an entity to obtain goods or services that are an output of the entity's ordinary activities in exchange for consideration. The Group assesses the definition of customer in line with the requirement of IFRS 15 and conclude that corporate entities, private individuals and public institutions are regarded as customers. The goods are entirely sold to the three categories of customers and the entities have the right to payments upon sale of the goods. Specifically, for sales representatives who are employees of the Group, they are not assessed as customers in line with the requirement of IFRS 15, since they are acting on behalf of the Group.

2.3 **Summary of significant accounting policies — Continued**

Identification of contracts with customer

The Group has entered into a valid contract with customers through the approved Local Purchase Order, quotation or procurement agreement. Such valid contracts commence on performance. Specifically, the assessment of IFRS 15 criteria in line with the Group's contracts reveals the following;

(a) The Group and its customers have approved contracts which are usually written and the parties are committed to performing their respective obligations.
(b) The Group and its customers understand their rights regarding the services being rendered as it is usually stated in the contracts.
(c) The Group have agreed payment terms with their customers as stated in the contracts.
(d) The Group contracts with their customers are those of commercial substance. This forms a basis for recognizing revenue and affects the timing of their cash flows.
(e) The Group always assesses the probability that it will collect the estimated transaction price from the customer prior to entering the agreement with its customers.

Collectability

IFRS 15 specifies that an entity shall account for a contract with a customer that is within the scope of this Standard only when it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. The Group's revenue transaction and procedures shows that the arrangements will pass the collectability criterion as it is probable that it will collect the consideration to which it will be entitled in exchange for the goods that will be transferred to a customer. For every transaction that collectibility is in doubt at inception, no revenue is recognised.

Contract enforceability and termination clauses

IFRS 15 states that some contracts with customers may have no fixed duration and can be terminated or modified by either party at any time. Other contracts may automatically renew on a periodic basis that is specified in the contract. An entity shall apply this Standard to the duration of the contract (i.e. the contractual period) in which the parties to the contract have present enforceable rights and obligations. The Group has entered into valid contracts that remain binding on the contracting parties for the specified contract duration without any simple termination clause because all parties to the contract have present enforceable rights and obligations throughout the contract period.

By implication, the Group and its respective customers cannot unilaterally terminate the contract. All parties are bonded by their respective contracts unless there is a material and adverse breach by any of the parties.

Combining contracts

IFRS 15 requires entities to combine contracts entered into at, or near, the same time with the same customer (or related parties of the customer) if they meet one or more of the following criteria:

(a) the contracts are negotiated as a package with a single commercial objective;
(b) the amount of consideration to be paid in one contract depends on the price or performance of the other contract; or
(c) the goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

The Group assesses the criteria presented in IFRS 15.17 which shows that the Group cannot combine contract with same customer because no future transaction is envisaged at the point of entering into a contract and consideration received from each contract is also independent of the performance obligation in another contract with the same customer. However, contracts with similar characteristics and different customers are combined by applying the portfolio approach practical expedient.

2.3 **Summary of significant accounting policies — Continued**

Identifying performance obligation

IFRS 15 that at contract inception, an entity shall assess the goods or services promised in a contract with a customer and shall identify as a performance obligation each promise to transfer to the customer either:

(a) a good or service (or a bundle of goods or services) that is distinct; or

(b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The promised goods identified in the contracts include printing of: Educational Books, Annual reports, Diaries, Calendar, Labels, Confidential documents (Prints for external exams), Confidential documents (Security features on documents) and Business forms (Printed Continuous Forms). Each of these goods are distinct goods which the customer can benefit from on its own and within the context of the contract. Performance obligation relating to the promises in the contracts are assessed as series of distinct goods that would be satisfied over time. The contracts contain a single performance obligation as each product is usually negotiated and delivered separately to the customers at different times. Each promised good is substantially the same and have similar pattern of transfer to the customer. These transfers are made in batches and are transferred over time.

Sale of goods

Revenue from the sale of good is recognised over time, using a measure of progress when control is transferred to the customer, generally as goods are produced and delivered to customers. The normal credit term is 30 days upon delivery.

The group has assessed that the group's performance does not create an asset with alternative use to the group and the group has an enforceable right to payment for performance completed to date. Revenue from sales of goods is recognised over time by measuring progress towards completion using the output method. This measure which is based on production best depicts the group's transfer of progress as it recognises revenue on the basis of direct measurements of the value to the customer of the service transferred to date relative to the remaining services under the contract. The group demonstrates that the invoiced amount corresponds directly with the value transferred to the customer in line with the performance completed to date.

The Group recognises revenue from goods sold over time, using an output method to measure progress towards completion using the output method, because the group's performance does not create an asset with alternative use to the group and the group has an enforceable right to payment for performance completed to date.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, and consideration payable to the customer.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right of return and penalties. The rights of return and penalties give rise to variable consideration.

2.3 **Summary of significant accounting policies — Continued**

● ***Right of return***

Certain contracts provide a customer with a right to return the goods within a specified period. When customers return defective goods, the group sometimes share the cost of replacement with customers as agreed or negotiated upon return. Such partial refund creates an obligation for reprinting the materials for the customers without collecting the defective books/reports/ materials. This includes a right of return that give rise to variable consideration. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Before including any amount of variable consideration in the transaction price, the group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained and that the uncertainty on the variable consideration will be resolved upon delivery of goods which is also the point of invoicing the customer.

● ***Penalties***

Certain contracts with some customers provides that in the event that the group fails to supply goods within the stipulated time, the group will pay a certain rate of penalty of the total contract sum for each week of default to an agreed maximum rate. The penalties to be paid by the group to its respective customers if it fails to deliver goods within the contract period is considered to be a variable consideration since the right to receive the consideration is contingent on the occurrence or non-occurrence of a future event. (i.e., the contract specifies that the group will pay a penalty if it fails to perform according to the agreed upon terms). The penalties should be accounted for as variable consideration.

Before including any amount of variable consideration in the transaction price, the group considers whether the amount of variable consideration is constrained. By nature, penalties will be constrained and recognised when they are liable to be paid. However, since the amount paid are based on the actual performance on the contract, it may be considered similar to warranty payments (e.g., in situations in which an entity pays the customer's direct costs to remedy a defect). The Group determined that the estimates of variable consideration are not constrained and that the uncertainty on the variable consideration will be resolved upon delivery of goods which is also the point of invoicing the customer.

Incorporating the variable consideration into the transaction price will bring about possible decrease to revenue resulting from payment to customers.

Consideration paid or payable to a customer

Consideration payable to a customer includes cash amounts that a Group pays, or expects to pay, to the customer (or to other parties that purchase the Group's goods or services from the customer). Consideration payable to a customer also includes credit or other items (for example, a coupon or voucher) that can be applied against amounts owed to the Group (or to other parties that purchase the Group's goods or services from the customer).

2.3 **Summary of significant accounting policies — Continued**

● ***Logistic discounts***

Customers' products are normally transferred to their premises as part of the sales incentives by the Group. Since the Customer is not receiving a distinct good/service for the logistic discounts given to the customer, then by extension transport costs paid on behalf of the customers are treated as a reduction to revenue for the related goods.

Significant financing component

Generally, the Group receives short-term advances (deposits) from its customers. Using the practical expedient in IFRS15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Also, for sales transactions, the receipt of the consideration by the Group does not match the timing of the transfer of the good to the customer (e.g., the balance of the consideration is paid after the good has been delivered). Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component since it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Warranty obligations

The Group typically warrant that goods printed are of standard quality and free of substantive defects. Customers therefore have a contractual right to return defective products purchased for new prints if it can be proven that such defects occurred at the time of sale. These assurance-type warranties are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Contract balances

● ***Contract assets***

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

● ***Trade receivables***

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets under financial instruments – initial recognition and subsequent measurement.

● ***Contract liabilities***

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

2.3 **Summary of significant accounting policies — Continued**

(i) ***Non-refundable deposits***

The Group receives advances of about 70% to 80% of sales from customers in order to safeguard their receivables (especially from individual customers) and also to procure materials for printing jobs. These advances are nonrefundable. These contracts are wholly unperformed contracts as at the time of receipt of the advances, hence they create a contract liability as customers are required to pay in advance before production starts. The Group will continually recognise advance payment for future goods or services as contract liabilities. Revenue will be recognised when the goods or services are delivered or performed.

Assets and liabilities arising from rights of return

- ***Right of return assets***

Right of return asset represents the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

- ***Refund liabilities***

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

- ***Revenue recognition***

Policy prior to 1 April 2018

Revenue is recognized to the extent it is probable that economic benefits will flow to the Group and revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding returns, trade discounts and taxes. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The specific recognition criteria described below must also be met before revenue is recognised.

- ***Sale of goods***

Revenue from printing jobs is recognised when the significant risks and rewards of ownership of the items have passed to the buyer, usually on delivery of the items. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

- ***Dividend***

Dividend is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

- ***Interest income***

For all financial instruments measured at amortised cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR), EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in profit and loss.

2.3 **Summary of significant accounting policies — Continued**

(e) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset. When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

(f) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

2.3 **Summary of significant accounting policies — Continued**

The carrying amount of deferred tax assets is reviewed at each reporting 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 deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(g) Foreign currencies

The Group's consolidated financial statements are presented in Naira, which is also the parent Group's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

(i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.3 **Summary of significant accounting policies — Continued**

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

(ii) Foreign operations

On consolidation, the assets and liabilities of foreign operations are translated into Naira at the rate of exchange prevailing at the reporting date and their statement of comprehensive income are translated at exchange rates that approximate the exchange rates at the date of transactions which is often an average rate for the period. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

(h) Dividend Distributions

Dividend distributions payable to equity shareholders is recognised as liability after the reporting date when declared and approved by shareholders at the annual general meeting.

(i) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The straight-line method is used to depreciate the cost less any estimated residual value of the assets over their expected useful lives. Property plant and equipment as follows:

Property, Plant and Equipment Class	**%**
Leasehold land and Buildings	Over the remaining lease period
Plant & Machinery	12.5
Furniture, fittings and equipment	20
Motor Vehicle	20
Motor Vehicles (Private Cars)	25

Depreciation is recognized within “cost of sales, administrative and selling expenses” depending on the utilization of the respective assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of each item of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.3 **Summary of significant accounting policies — Continued**

(j) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Operating lease payments are recognised as an operating expense in the statement of profit or loss.

(k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(l) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

	%
Intangible Assets	12.5

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The Group software is amortised using a straight-line method over a period of 12.5 years in which the amortisation expense is recognised in the profit or loss as an expense category.

As at 31 March 2019, the group did not have any indefinite intangible assets.

2.3 **Summary of significant accounting policies — Continued**

(m) Financial instruments — initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Policy subsequent to 1 April, 2018
Initial recognition and measurement

Financial assets are classified at initial recognition as, amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies on revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

2.3 **Summary of significant accounting policies — Continued**

The Group's financial assets includes financial assets at amortised cost.

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

And

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group’s financial assets at amortised cost includes trade receivables and other receivable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e., removed from the Group’s statement of financial position) when:

- The rights to receive cash flows from the asset have expired

Or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass- through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms (if any).

2.3 **Summary of significant accounting policies — Continued**

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, intercompany receivables (involving sales in the ordinary course of business) and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For receivables from related parties (non-trade), and staff loans, the Group applies general approach in calculating ECLs. It is the Group's policy to measure ECLs on such asset on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Group calculates ECLs based on three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- PD The Probability of Default is an estimate of the likelihood of default over a given time horizon.
- EAD The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise.
- LGD The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Group considers three scenarios (a base case, an upside, a downside). Each of these is associated with different PDs, EADs and LGDs. In its ECL models, the Group relies on a broad range of forward looking information as economic inputs, such as:

- GDP growth
- Oil price
- Exchange rate
- Inflation rate

Write-offs

The Group's accounting policy under IFRS 9 remains the same as it was under IAS 39. Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to profit or loss.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 EIR. The EIR amortisation is included as finance costs in profit or loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.3 **Summary of significant accounting policies — Continued**

Financial instruments
Policy prior to 1 April, 2018

The Group recognises financial assets and financial liabilities on the Group's statement of financial position when it becomes a party to the contractual provisions of the instrument. The Group determines the classification of its financial assets and liabilities at initial recognition. All financial assets and liabilities are recognised initially at fair value plus directly attributable transaction costs, except for financial assets and liabilities classified as fair value through profit or loss.

Financial assets

(i) Nature and measurement

The Group's financial assets includes Loans and receivables, Trade and other receivables, and Cash and short-term deposits. After initial measurement, the subsequent measurement of financial assets depends on their classification as follows:

Financial Assets – Subsequent measurement

Loan and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, loans and receivables are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method, less 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 EIR. The EIR amortisation is included in finance/interest income in the statement of comprehensive income. Gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

Trade and other receivables

Trade receivables are recognised initially at fair value as the invoice amount and subsequently measured at amortised cost. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor and default or delinquency in payments are considered indicators that the trade receivable is impaired. The Group deploys age analysis tools to track the payment pattern of customers. The carrying amount of trade receivable is reduced through the use of an allowance account. When trade receivables are uncollectible, it is written off as bad debts in administrative expenses in profit or loss. Subsequent recoveries of amounts previously written off are included as 'Bad debt recoveries' in other income in the statement of comprehensive income.

(ii) Derecognition of Financial assets

The Group derecognizes a financial asset only and only if the Group's contractual rights to the cash flows from the asset expires or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass- through' arrangement; and either

(a) the Group has transferred substantially all the risks and rewards of the asset, or

(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2.3 **Summary of significant accounting policies — Continued**

When the Group has transferred its rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay."

(iii) Impairment of financial assets

The Group assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if there is objective evidence of impairment as a result of one or more events that has occurred since the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio passed the average credit period, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

"For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant.

If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. Loans and receivables together with the associated allowance are written off when there is no realistic prospect of future recovery. If in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is recognised as other income in the profit or loss.

2.3 **Summary of significant accounting policies — Continued**

Financial Liabilities

(i) Nature and measurement
The company's financial liabilities include trade payables and interest-bearing loans and borrowings. All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification as follows

Financial Liabilities – Subsequent measurement

Loans and borrowings
After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 EIR. The EIR amortisation is included as finance costs in profit and loss.

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

(ii) Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit and loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated and separate statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(n) Inventories

Inventories are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- *Raw materials*: Raw materials which include purchase cost and other costs incurred to bring the materials to their location and condition intended by the management are valued using weighted average cost basis.

2.3 **Summary of significant accounting policies — Continued**

- *Work-in-progress*: Cost of work-in-progress includes cost of materials and attributable overheads to the level of completion.
- *Spare parts and consumables*: Spare parts and other consumables are valued at weighted average cost after making allowance for slow moving stocks while obsolete and damage items are expensed. The spare parts are generic in nature hence they are classified as inventory and are recognized in the profit or loss as consumed.
- *Goods-in-transit*: Goods-in- transit are carried at purchase cost to date.

(o) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount."

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit and loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit and loss.

(p) Cash and short-term deposit

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less from the date of acquisition and restricted cash. For the purpose of the cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts and restricted cash.

2.3 **Summary of significant accounting policies — Continued**

(q) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in profit and loss net of any reimbursement. Provisions are not recognized for future operating losses.

Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed by way of note and not recognized as liabilities in the consolidated statement of financial position.

(r) Employee Benefits

Employee benefits are all forms of benefits given in exchange for services rendered by employees. These are classified as:

(a) *Short-term employee benefits* — benefits due to be settled within 12 months after the end of the period in which the employees rendered the related services;

(b) *Post-employment benefits* are benefits payable after the completion of employment. Such plans (or funds) may be either defined contribution funds or defined benefit funds.

Short-term benefits

The cost of all short-term employee benefits, such as salaries, profit sharing arrangements, employee entitlements to leave pay, bonuses, medical aid and other contributions, are recognised during the period in which the employee renders the related service. The Group recognises the expected cost of bonuses only when the Group has a present legal or constructive obligation to make such payment and a reliable estimate can be made. During the year the Group companies contributed to employee benefits in the following categories: - remuneration in the form of salaries, wages and bonuses.

Post-employment Retirement Benefit Funds

(a) Defined contribution scheme

In line with statutory provisions of the Pension Reform Act 2014, the Group and its employees contribute to statutory defined contribution pension scheme for its employees. Employees contributions of 8% of their insurable earnings (basic, housing and transport) to the scheme are funded through payroll deductions while the Group's contributions of 10% are charged to profit or loss. The Funds which is defined contribution plans are independently administered with no obligations on the Group other than the defined contribution as a percentage of employees' qualifying remunerations. Both employees' and the group's share of the contributions are charged as staff cost in the administrative expenses in the profit and loss when the employee renders the service.

2.3 **Summary of significant accounting policies — Continued**

(b) *Defined benefit scheme*

The Group has a defined benefit gratuity scheme for its employees which is funded under this scheme, a specific amount in accordance with the Benefit Scheme Policy is contributed by the Group and charged to profit or loss account over the service life of the employees. These employees' entitlements are calculated based on their actual basic salaries, transport and housing at the end of each month and paid to Academy Press Gratuity Trust Fund

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

"Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset The Group recognises the following changes in the net defined benefit obligation under 'cost of sales', 'administration expenses' and 'selling and distribution expenses' in the consolidated statement of profit or loss (by function):

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and Non-routine settlements
- Net interest expense or income

(*s*) ***Segment reporting***

The chief executive officer has been identified as the chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments. The Chief Executive Officer reviews internal management reports on a monthly basis. These internal reports are prepared on the same basis as the accompanying consolidated and separate financial statements. The segments' operating results are regularly reviewed by the entity's Chief Executive Officer to make decisions about resources to be allocated to each segment and assess its performance, and for which discrete financial information is available. The identification of operating segments is on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and assess its performance. The Group has identified the Chief Executive Officer as the chief operating decision maker.

Measurement of segment information

The amount reported for each operating segment is based on the measure reported to the chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance.

(t) Earnings per share

The parent presents basic/ diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

2.4 Changes in accounting policies and disclosures

New and amended standards and interpretations

The Group applied IFRS 15 and IFRS 9 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in 2018, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. IFRS 15 establishes a five- step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Group adopted IFRS 15 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group elected to apply the standard to all contracts as at 1 April 2018.

The cumulative effect of initially applying IFRS 15 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under IAS 18 and related Interpretations.

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 April 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Group applied IFRS 9 prospectively, with an initial application date of 1 April 2018. The Group has not restated the comparative information, which continues to be reported under IAS 39. Differences arising from the adoption of IFRS 9 have been recognised directly in retained earnings and other components of equity.

The effect of adopting IFRS 9 as at 1 April 2018 was, as follows:

	Adjustments	Group 1 April 2018 ₦'000	Company 1 April 2018 ₦'000
Assets			
Trade receivables	a,b	(10,526)	(8,510)
Intercompany receivables		(1,958)	(1,958)
Staff loans		(6)	(6)
Deferred tax assets	c	3,747	3,142
Total assets		(8,743)	(7,332)
Liabilities			
Deferred tax Liabilities		—	—
Total Liabilities		—	—
Total adjustment on equity:			
Retained earnings	(b),(c)	(8,743)	(7,332)
		(8,743)	(7,332)

2.4 Changes in accounting policies and disclosures — Continued

The nature of these adjustments is described below:

(a) *Classification and measurement*

Under IFRS 9, debt instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through OCI. The classification is based on two criteria: The Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Group's business model was made as of the date of initial application, 1 April 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of IFRS 9 did not have a significant impact to the Group. The following are the changes in the classification of the Group's financial assets:

Trade receivable, intercompany receivable, staff loans, and cash and cash equivalent classified as Loans and receivables as at 31 March 2018 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Debt instruments at amortised cost beginning 1 April 2018.

The Group has not designated any financial liabilities as at fair value through profit or loss. There are no changes in classification and measurement for the Group's financial liabilities.

In summary, upon the adoption of IFRS 9, the Group and Company had the following required or elected reclassifications as at 1 April 2018.

	IFRS 9 Measurement Category		
		ECL under IFRS 9	Amortized cost
	₦'000	₦'000	₦'000
Group			
IAS 39 measurement category			
Loans and receivables			
Cash and cash equivalents	61,726	—	61,726
Trade receivables	505,594	(10,526)	495,068
Due from related parties	3,644	(1,958)	1,686
Staff loans	11,203	(6)	11,197
	582,167	(12,490)	569,677
Company			
IAS 39 measurement category			
Loans and receivables			
Cash and cash equivalents	60,065	—	60,065
Trade receivables	473,252	(8,510)	464,742
Due from related parties	123,012	(1,958)	121,054
Staff loans	13,815	(6)	13,809
	670,144	(10,474)	659,670

2.4 **Changes in accounting policies and disclosures — Continued**

(b) *Impairment*

The adoption of IFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Group to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss.

Upon adoption of IFRS 9 the Group recognised additional impairment on the Group's Loans and receivables of ₦10.4 million which resulted in a decrease in Retained earnings of ₦8.7 million as at 1 March 2018.

Set out below is the reconciliation of the ending impairment allowances in accordance with IAS 39 to the opening loss allowances determined in accordance with IFRS 9:

	Allowance for impairment under IAS 39 as at 31 March 2018	**Re-measurement**	**ECL under IFRS 9 as at 31 March 2019**
	₦'000	**₦'000**	**₦'000**
Group			
Loans and receivables under IAS 39/Financial assets at amortised cost under IFRS 9			
Cash and cash equivalents	—	—	—
Trade receivables	82,758	10,526	93,284
Intercompany receivables	848	1,958	2,806
Staff loans	—	6	6
	83,606	12,490	96,096
Company			
Loans and receivables under IAS 39/Financial assets at amortised cost under IFRS 9			
Cash and cash equivalents	—	—	—
Trade receivables	75,127	8,510	83,637
Intercompany receivables	848	1,958	2,806
Staff loans	—	6	6
	75,975	10,474	86,449

(c) *Other adjustments*

In addition to the adjustments described above, other items such as deferred taxes and non-controlling interests were adjusted to retained earnings as necessary upon adoption of IFRS 9 as at 1 April 2018.

	Group	**Company**
	₦'000	**₦'000**
Retained earnings		
Closing balance under IAS 39 (31 March 2018)	(41,344)	(146,194)
Recognition of IFRS 9 ECLs	(12,490)	(10,474)
Deferred tax in relation to the above	3,747	3,142
Opening balance under IFRS 9 (1 April 2019)	32,601	138,862
Total change in equity due to adopting IFRS 9	(17,486)	(14,664)

2.4 **Changes in accounting policies and disclosures — Continued**

IFRIC Interpretation 22 Foreign Currency Transactions and Advance Considerations

The Interpretation clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. This Interpretation does not have any impact on the Group's consolidated financial statements.

Amendments to IAS 40 Transfers of Investment Property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. These amendments do not have any impact on the Group's consolidated financial statements.

Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions

The IASB issued amendments to IFRS 2 Share-based Payment that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled. On adoption, entities are required to apply the amendments without restating prior periods, but retrospective application is permitted if elected for all three amendments and other criteria are met. The Group's accounting policy for cash-settled share based payments is consistent with the approach clarified in the amendments. In addition, the Group has no share-based payment transaction with net settlement features for withholding tax obligations and had not made any modifications to the terms and conditions of its share-based payment transaction. Therefore, these amendments do not have any impact on the Group's consolidated financial statements.

Amendments to IFRS 4 Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts

The amendments address concerns arising from implementing the new financial instruments standard, IFRS 9, before implementing IFRS 17 Insurance Contracts, which replaces IFRS 4. The amendments introduce two options for entities issuing insurance contracts: a temporary exemption from applying IFRS 9 and an overlay approach. These amendments are not relevant to the Group.

Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards - Deletion of short- term exemptions for first-time adopters

Short-term exemptions in paragraphs E3–E7 of IFRS 1 were deleted because they have now served their intended purpose. These amendments do not have any impact on the Group's consolidated financial statements.

Amendments to IAS 28 Investments in Associates and Joint Ventures — Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice

The amendments clarify that an entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss. If an entity that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, then

2.4 **Changes in accounting policies and disclosures — Continued**

it may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associates or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent. These amendments do not have any impact on the Group's consolidated financial statements.

3. **Significant accounting judgements, estimates and assumptions**

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements

(i) Revenue from Contracts with Customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the timing of sales of goods

The Group concluded that revenue from contract with customers is to be recognised over time because the Group's performance does not create an asset with alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group has determined that the output method is the best method in measuring progress because it can demonstrate that the invoiced amount corresponds directly with the value to the customer of the Group's performance completed to date.

Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of goods include a right of return and penalties that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of goods with rights of return and penalties, given the large number of customer contracts that have similar characteristics. The Group also determined that the estimates of variable consideration are not constrained and that the uncertainty on the variable consideration will be resolved upon delivery of goods which is also the point of invoicing the customer.

Estimates and assumptions

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted

3. **Significant accounting judgements, estimates and assumptions — Continued**

at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 19.

Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by product type, customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade and other receivables is disclosed in Note 22.

Measurement of the expected credit loss allowance for financial asset.

The measurement of the expected credit loss allowance for financial assets measured at amortised cost (due from related companies) is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in Note 31ii, which also sets out key sensitivities of the ECL to changes in these elements.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

4. Revenue from contracts with customers

	Group		Company	
	2019	2018	2019	2018
	₦'000	₦'000	₦'000	₦'000
Books	1,936,963	1,722,760	1,795,239	1,659,851
Annual Reports	165,802	195,897	165,802	195,897
Diary	245,770	220,519	13,260	15,703
Calendar	27,444	32,701	27,444	19,657
Label	56,804	5,710	35,347	1,630
	2,432,783	2,177,587	2,037,092	1,892,738

4.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's and the Company's revenue from contracts with customers:

Segments	For the year ended 31 March 2019					
	Books	Annual Reports	Diary	Calendar	Label	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Group						
Geographical markets						
Within Nigeria	1,936,963	165,802	245,770	27,444	56,804	2,432,783
Outside Nigeria	—	—	—	—	—	—
Total	1,936,963	165,802	245,770	27,444	56,804	2,432,783
Company						
Geographical markets						
Within Nigeria	1,795,239	165,802	13,260	27,444	35,347	2,037,092
Outside Nigeria	—	—	—	—	—	—
Total	1,795,239	165,802	13,260	27,444	35,347	2,037,092

There are no other revenue items outside IFRS 15. The services are transferred at a point in time.

4.2 Contract balances

	Group		Company	
	2019	2018	2019	2018
	₦'000	₦'000	₦'000	₦'000
Trade and other receivables (Note 22)	918,646	770,356	873,689	749,860
Contract liabilities (Note 24)	22,085	—	18,825	—

Trade and other receivables are non-interest bearing and are generally on terms of 30 to 90 days. In 2019, ₦111.96 million (2018: ₦83.6 million) was recognised as provision for expected credit losses on trade receivables. The outstanding balances of these accounts increased in 2019 and 2018 due to the continuous increase in the Group's customer base (Note 29).

Contract liabilities consists of advance payments from customers.

4.3 Right of return

	Group		Company	
	2019 ₦'000	2018 ₦'000	2019 ₦'000	2018 ₦'000
Right of return assets	470	—	41	—
Refund liabilities				
Arising from rights of return	697	—	71	—

4.4 Performance obligations

Information about the Group's performance obligations are summarised below: Books
Performance obligation relating to the promises in the contracts are assessed as series of distinct goods that would be satisfied over time and payment is generally due within 30 days from delivery.

Annual reports

Performance obligation relating to the promises in the contracts are assessed as series of distinct goods that would be satisfied over time and payment is generally due within 30 days from delivery.

Diary

Performance obligation relating to the promises in the contracts are assessed as series of distinct goods that would be satisfied over time and payment is generally due within 30 days from delivery.

Calendar

Performance obligation relating to the promises in the contracts are assessed as series of distinct goods that would be satisfied over time and payment is generally due within 30 days from delivery.

Label

Performance obligation relating to the promises in the contracts are assessed as series of distinct goods that would be satisfied over time and payment is generally due within 30 days from delivery.

4.5 Segment information

For management purposes, the Group is organised into business units based on their products and services. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Executive Management Team reviews internal management reports on at least a quarterly basis.

Segment gross profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. However, financing (including finance costs and finance income) income taxes and assets and liabilities are managed on a group basis and are not allocated to operating segments. There are no transfers between the operating segments hence there are no transfer prices set for any transactions that may arise. The segments managers are assessed based on the performance on sales and cost of sales. They do not have control over the assets and liabilities. Segments results are as shown below:

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Segments — **For the year ended 31 March 2019**

	Books ₦'000	reports ₦'000	Annual Calendar ₦'000	Diary ₦'000	Label ₦'000	Total Segments ₦'000	Adjustments and Eliminations ₦'000	Conso-lidated ₦'000
Revenue								
External customers	1,605,819	165,712	25,257	—	35,347	1,832,135	—	2,227,826
Total revenue	1,795,239	165,802	27,444	13,260	35,347	2,037,092	—	2,432,783
Income/(expenses)								
Finance cost	—	—	—	—	—	—	—	(56,050)
Depreciation and amortisation	—	—	—	—	—	—	—	(313,666)
Employee benefits expenses	—	—	—	—	—	—	—	(323,593)
Segment profit	—	—	—	—	—	—	—	1,739,474

Segments — **For the year ended 31 March 2018**

	Books ₦'000	reports ₦'000	Annual Calendar ₦'000	Diary ₦'000	Label ₦'000	Total Segments ₦'000	Adjustments and Eliminations ₦'000	Conso-lidated ₦'000
Revenue								
External customers	1,451,330	195,897	17,405	—	1,630	1,666,262	—	2,177,587
Total revenue	1,451,330	195,897	17,405	15,703	1,630	1,681,965	—	2,177,587
Income/(expenses)								
Finance cost	—	—	—	—	—	(117,273)	—	(184,048
Depreciation and amortisation	—	—	—	—	—	(298,637)	—	(345,252)
Employee benefits expenses	—	—	—	—	—	(256,858)	—	(300,368)
Segment profit	—	—	—	—	—	1,009,197	—	1,347,919

Adjustments and eliminations

Finance costs, finance income, other income is not allocated to individual segments as the underlying instruments are managed on a group basis.

5. **Fair value measurements**

The following table provides the fair value measurement hierarchy of the Group's liabilities.

Fair value measurement hierarchy for liabilities as at 31 March 2019:

Group

	Date of valuation	Total ₦'000	Significant observable inputs (Level 2) ₦'000
Liabilities for which fair values are disclosed (Note 19.2):			
The Group			
Interest-bearing loans and borrowings:	31-Mar-19	758,085	758,085
The Company			
Interest-bearing loans and borrowings:	31-Mar-19	423,123	423,123

5. **Fair value measurements — Continued**

Fair value measurement hierarchy for liabilities as at 31 March 2018:

Company

	Date of valuation	Total ₦'000	Significant observable inputs (Level 2) ₦'000
Liabilities for which fair values are disclosed (Note 19.2):			
The Group			
Interest-bearing loans and borrowings:	31-Mar-18	899,977	899,977
The Company			
Interest-bearing loans and borrowings:	31-Mar-18	742,222	742,222

	Group		Company	
	2019 ₦'000	**2018 ₦'000**	**2019 ₦'000**	**2018 ₦'000**
6. Cost of Sales				
Materials consumed	1,306,514	1,049,314	1,089,029	863,236
Salaries and related staff cost- Production	147,849	136,765	111,564	106,798
Electricity and fuel	97,418	87,975	88,257	81,330
Repairs and maintenance of Plant, Machinery and Building	49,035	34,457	43,062	28,480
Vehicle repairs and maintenance — Production	19,019	18,006	19,019	18,006
Cleaning and waste management	7,965	8,561	7,965	8,561
Depreciation cost of sales	297,879	324,626	254,197	281,735
Inventory Write Off	17,438	4,962	15,476	3,000
Other production overheads	3,828	3,731	3,208	3,731
	1,946,945	1,668,397	1,631,777	1,394,877

Other production overheads are mainly fuel for vehicles used in the production environment and local travelling costs.

	Group		Company	
	2019 ₦'000	**2018 ₦'000**	**2019 ₦'000**	**2018 ₦'000**
7. Selling and Distribution Expenses				
Salaries and related staff cost- Sales	21,591	22,765	18,592	21,059
Travelling expenses	825	1,125	825	1,125
Vehicle repairs and maintenance	4,174	4,577	4,174	4,577
Advertising and publicity	27,852	29,605	27,852	29,605
	54,442	58,072	51,443	56,366

	Group		Company	
	2019 ₦'000	2018 ₦'000	2019 ₦'000	2018 ₦'000
8. Administrative expenses				
Rent, rates and insurance	13,277	17,446	13,277	17,424
Salaries and related staff cost	154,153	129,802	141,878	118,577
Directors' emoluments	11,896	11,270	10,820	10,520
Bank charges and commissions	—	17,398	3,452	4,066
Printing and stationery	7,033	12,705	536	7,298
Repairs, maintenance and up-keeps	16,514	17,472	9,478	11,633
Impairment allowance for receivables	—	23,816	—	22,398
Credit loss expense (Note 8.1)	12,591	—	9,000	—
Audit fee	10,500	7,820	9,000	6,000
Legal and other professional fees	4,828	2,390	4,455	2,090
Vehicle running expenses	8,931	8,517	5,297	5,160
Depreciation	15,573	20,441	12,251	16,501
Amortisation	214	246	214	246
General administrative expenses	127,542	38,909	19,058	41,505
Loss on disposal of PPE	—	95	—	95
Donation and subscription	1,822	918	991	706
Foreign exchange loss	4,627	43,837	4,627	39,851
	389,501	353,082	244,334	304,070

8.1 Credit loss expense

The table below shows the ECL charges on financial instruments for the year recorded in the profit or loss:

	Group			Company		
	Stage 1 Collective ₦'000	Simplified Model ₦'000	Total ₦'000	Stage 1 Collective ₦'000	Simplified Model ₦'000	Total ₦'000
Trade receivables	—	13,908	13,908	—	10,318	10,318
Related party receivables	—	(1,320)	(1,320)	—	(1,320)	(1,320)
Staff loan	3	—	3	2	—	2
	3	12,588	12,591	2	8,998	9,000

	Group		Company	
	2019 ₦'000	2018 ₦'000	2019 ₦'000	2018 ₦'000
9. Other operating income				
Income on government grant	7,530	75,222	6,096	75,222
Sales of waste	195	517	—	—
Bank charges and commissions	7,754	—	—	—
	15,479	75,739	6,096	75,222

Sales of waste represents scrap materials sold.

	Group		Company	
	2019 ₦'000	2018 ₦'000	2019 ₦'000	2018 ₦'000
10. Finance Costs				
Net finance costs/(income) comprises:				
Interest on secured loan facilities (EIR)	15,684	93,947	15,684	33,601
Interest on bank overdraft and other facilities	36,400	47,016	22,344	40,587
Interest on commercial notes	3,966	3,966	3,966	3,966
Interest on BOI facility	—	39,119	—	39,119
	56,050	184,048	41,994	117,273

11. **Depreciation, amortisation, foreign exchange differences and costs of inventories included in the statement of profit or loss.**

	Group		Company	
	2019 ₦'000	2018 ₦'000	2019 ₦'000	2018 ₦'000
Included in cost of sales:				
Costs of inventories recognised as an expense	375,306	335,318	277,970	258,035
Depreciation (Note 6)	297,879	324,626	254,197	281,735
Included in administrative expenses:				
Depreciation (Note 8)	15,573	20,441	12,251	16,501
Amortisation of intangible assets (Note 8)	214	246	214	246
Foreign exchange loss (Note 6)	4,627	43,837	4,627	39,851
12. Employee benefits expense				
Included in cost of sales:				
Wages and salaries	147,849	136,765	111,564	106,798
Included in selling and distribution expenses:				
Salaries and related staff cost — Sales	21,591	22,765	18,592	21,059
Included in cost of administrative expenses:				
Wages and salaries	154,153	129,802	141,878	118,577
Total employee benefits expense	323,593	289,332	272,034	246,434
13. Profit/(loss) before taxation				
Profit/(loss) before taxation is stated after charging:				
In thousands of naira				
Depreciation of property, plant and equipment (Note 17)	313,452	345,067	266,449	298,236
Amortisation of intangible assets (Note 8)	214	246	214	246
Directors' emoluments (Note 8)	11,896	11,270	10,820	10,520
Auditor's remuneration (Note 8)	10,500	7,820	9,000	6,000
Personnel expenses (Note 12)	323,593	300,368	272,034	258,220
Other income (Note 9)	(15,479)	(75,739)	(6,096)	(75,222)

13.1 Personnel expenses represents salaries and related staff costs which include allowances, overtime, staff support cost and gratuity.

13.2 Other income represents income on government grant, sales of scrap materials and bank commission received.

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For the year ended 31st March, 2019

14. Taxation

14.1 Current income tax:

	Group 2019 ₦'000	Group 2018 ₦'000	Company 2019 ₦'000	Company 2018 ₦'000
Current income tax charge	38,532	45,641	37,613	45,641
Education tax	7,523	9,128	7,523	9,128
	46,055	54,769	45,136	54,769
Deferred tax credit	(79,425)	(128,680)	(19,026)	(153,412)
Income tax (credit)/expense	(33,370)	(73,911)	26,110	(98,643
Deferred tax on OCI component:				
Actuarial gain or loss	(10,763)	8,485	(11,128)	7,977

Reconciliation of effective tax rate

Reconciliation between tax expense and the product of accounting profit multiplied by Academy Press Plc domestic tax rate for the year ended 31 March 2019 is as follows:

	Group 2019 ₦'000	Group 2018 ₦'000	Company 2019 ₦'000	Company 2018 ₦'000
Accounting profit/(loss) before tax	1,324	(10,273)	73,640	95,374
Statutory income tax @ 30%	397	(3,082)	22,092	28,613
Education tax @ 2% of assessable profit	7,523	9,128	7,523	9,128
Non Deductable expenses	6,981	108	6,393	108
Impact of minimum tax rule	920	—	—	—
Impact of tax credits carried forward	6,182	67,757	6,182	60,794
Utilisation of previously unrecognized tax credit	(55,373)	—	—	—
Income tax expense reported in the profit or loss	(33,370)	73,911	42,190	98,643
Effective tax rate	–2520%	–719%	57%	103%

14.2 Reconciliation of current tax liabilities

	Group 2019 ₦'000	Group 2018 ₦'000	Company 2019 ₦'000	Company 2018 ₦'000
At 1 April	252,338	199,770	235,691	183,846
Charge for the year	46,055	54,769	45,136	54,769
Payments in the year	(16,252)	(1,352)	(16,252)	(2,075)
Witholding tax credit utilized	1,385	(849)	—	(849)
At 31 March	283,526	252,338	264,575	235,691

14. **Taxation — Continued**

	Group 2019 ₦'000	Group 2018 ₦'000	Company 2019 ₦'000	Company 2018 ₦'000
14.3 Reconciliation of Deferred tax (asset) and liabilities				
Deferred tax asset				
At 1 April	144,927	—	145,435	—
Effect of the adoption of new standards	3,747	—	3,142	—
At April 1 (Restated)	148,674	—	148,577	—
Charge for the year	54,693	153,412	2,946	153,412
Recognised in other comprehensive income	10,763	(8,485)	11,128	(7,977)
At 31 March	214,130	144,927	162,651	145,435
Deferred tax liabilities				
At 1 April	(24,732)	—	—	—
Charge for the year	24,732	(24,732)	—	—
At 31 March	—	—	—	—
Deferred tax assets (net)	214,130	120,195	162,651	145,435
Deferred tax reconciliation — Statement of financial position				
Property, plant and equipment	(310,771)	(275,594)	(195,948)	(250,354)
Untilised capital allowances	475,326	376,215	330,330	376,215
Inventories	—	900	—	900
Trade and other recievables	28,634	6,719	28,634	6,719
Unrealised exchange loss	1,446	11,955	1,446	11,955
Employee benefit obligation	1,050	—	1,811	—
Unutilised tax losses	18,445	—	—	—
	214,130	120,195	162,651	145,435
Deferred tax reconciliation — Statement of profit or loss				
Property, plant and equipment	35,177	275,086	(54,406)	250,354
Untilised capital allowances	(99,111)	(376,215)	45,885	(376,215)
Inventories	900	(900)	900	(900)
Trade and other recievables	(18,168)	(6,719)	(18,773)	(6,719)
Unrealised exchange loss	20,222	(19,932)	23,447	(19,932)
Unutilised tax losses	(18,445)	—	—	—
	(79,425)	(128,680)	(2,947)	(153,412)
15. Earnings Per share Authorised shares				
15.1 Authorised shares:				
750,000,000 Authorised shares of ₦0.50k	375,000	375,000	375,000	375,000
Issued and fully paid 604,800,000 (2015: 504,000,000) ordinary shares of ₦0.50K each fully paid	302,400	302,400	302,400	302,400
16 Earnings per Share				
Weighted average number of ordinary shares for basic earnings per share	604,800	604,800	604,800	604,800
Net profit attributable to ordinary equity holders	60,522	102,125	31,450	194,017
Basic earnings per share	0.10	0.17	0.05	0.32

Notes to the Consolidated and Separate Financial Statements

For the year ended 31st March, 2019

17. **Property, plant and equipment**

Group

	Leasehold Land ₦'000	Building and Improvement ₦'000	Plant and Machinery ₦'000	Tools and Spares ₦'000	Furniture and Fittings ₦'000	Motor Vehicles ₦'000	Asset under Construction ₦'000	Total ₦'000
Costs								
At 1st April, 2017	87,099	268,048	3,430,526	18,911	61,632	77,101	350	3,943,667
Addition	—	624	14,837	1,186	1,470		—	18,117
Disposal	—	—	—	—	—	(2,317)	—	(2,317)
At 1st April, 2018	87,099	268,672	3,445,363	20,097	63,102	74,784	350	3,959,467
Addition	—	450	62,074	2,579	3,120	3,700	—	71,923
At 31st March, 2019	87,099	269,122	3,507,437	22,676	66,222	78,484	350	4,031,390
Depreciation								
At 1st April, 2017	8,520	31,094	1,965,057	17,254	54,580	58,142	—	2,134,647
Charge for the year	500	5,567	323,945	697	3,008	11,321	—	345,038
Transfer to held for sale	—	—	—	—	—	(285)	—	(285)
Disposal	—	—	—	—	—	(1,937)	—	(1,937)
At 1st April, 2018	9,020	36,661	2,289,002	17,951	57,588	67,241	—	2,477,463
Charge for the year	534	5,662	296,033	1,097	2,445	7,681	—	313,452
At 31st March, 2019	9,554	42,323	2,585,035	19,048	60,033	74,922	—	2,790,915
Net Book Value								
At 31st March, 2019	77,545	226,799	922,402	3,628	6,189	3,562	350	1,240,475
At 31st March, 2018	78,079	232,011	1,156,361	2,146	5,514	7,543	350	1,482,004

17. **Property, plant and equipment**

Company

	Leasehold Land ₦'000	Building ₦'000	Plant and Machinery ₦'000	Furniture and Fittings ₦'000	Motor Vehicles ₦'000	Total ₦'000
Cost:						
At 1st April, 2017	33,474	100,968	2,963,085	50,187	70,524	3,218,238
Addition	—	624	14,837	1,255	—	16,716
Disposal	—	—	—	—	(2,317)	(2,317)
At 1st April, 2018	33,474	101,592	2,977,922	51,442	68,207	3,232,637
Addition	—	450	62,074	1,960	2,000	66,484
At 31st March 2019	33,474	102,042	3,039,996	53,402	70,207	3,299,121
Depreciation						
At 1st April 2017	8,520	16,343	1,876,798	44,185	52,045	1,997,891
Charge for the year	500	2,289	281,922	2,390	11,322	298,423
Disposal	—	—	—	—	(1,937)	(1,937)
At 1st April, 2018	9,020	18,632	2,158,720	46,575	61,430	2,294,377
Charge for the year	534	2,547	254,010	2,238	7,120	266,449
At 31st March 2019	9,554	21,179	2,412,730	48,813	68,550	2,560,826
Net Book Value						
At 31st March,2019	23,920	80,863	627,266	4,589	1,942	738,580
At 31st March 2018	24,454	82,960	819,202	4,867	7,062	938,545

There are no restrictions on title to the items of property, plant and equipment. The group has not pledged any item of property, plant and equipment as security for liabilities in the year ended 31 March 2019 (2018: Nil).

The transfer from asset held for sale relate to assets that were held for more than one year and have not been disposed and the management have no further intention to dispose them in the near further

18. **Intangible Assets**

	Group		Company	
	2019	**2018**	**2019**	**2018**
	₦'000	**₦'000**	**₦'000**	**₦'000**
Costs				
At 1st April	6,229	6,229	2,773	2,773
Addition	—	—	—	—
At 31st March	6,229	6,229	2,773	2,773
Amortisation				
At 1st April	5,572	5,326	2,116	1,870
Charge for the year	214	246	214	246
At 31st March	5,786	5,572	2,330	2,116
Net Book Value				
At 31st March	443	657	443	657

The intangible asset is in respect of computer software with finite useful life of 12.5 years and amortized on a straight-line basis over these years.

19. **Financial assets and financial liabilities**

		Group		Company	
		2019	**2018**	**2019**	**2018**
		₦'000	**₦'000**	**₦'000**	**₦'000**
19.1	**Financial assets**				
	Cash and bank balances (Note 23)	20,168	61,725	2,746	60,065
	Trade receivables (Note 22)	675,324	520,441	740,390	610,079
	Due from related parties (Note 22)	110,065	3,644	241,212	123,012
	Staff loans and advances (Note 22)	18,143	11,203	17,797	13,815
	Total financial assets	823,700	597,013	1,002,145	806,971
19.2	**Financial liabilities**				
	Current interest-bearing loans and borrowings (Note 19.2.1)	168,228	325,851	64,266	168,096
	Non-current interest loans and borrowings (Note 19.2.1)	620,666	574,126	389,666	574,126
	Other financial liabilites *	1,021,154	1,030,041	674,016	570,723
		1,810,048	1,930,018	1,127,948	1,312,945

*Other financial liabilities include Trade payables, Due to related parties, Other payables, Accrued expenses, Dividend, Refundable deposit.

19. **Financial assets and financial liabilities — Continued**

	Group		Company	
	2019	**2018**	**2019**	**2018**
	₦'000	**₦'000**	**₦'000**	**₦'000**
19.2.1 **Interest bearing borrowings**				
Unsecured borrowings at amortised cost				
Commercial Notes:				
Bank overdraft (Note 23)	69,228	108,559	64,266	103,592
Enterprise Development Group Ltd	30,000	30,000	30,000	30,000
Secured borrowings at amortised cost				
Hambleside International Limited	359,666	393,618	359,666	393,618
Bank of Industry Limited	330,000	215,012	—	215,012
Union Bank of Nigeria Plc	—	152,788	—	—
	788,894	899,977	453,932	742,222
Current portion	168,228	325,851	64,266	168,096
Non-current portion	620,666	574,126	389,666	574,126

Refer to Note 19.3 for changes in financial liabilities arising from financing activities for movements in interest bearing loans and borrowings

	Nominal Interest Rate	Maturity	Group 2019 ₦'000	Group 2018 ₦'000
Bank Overdraft		on demand	69,228	108,559
Other borrowing/lemders commercial notes:				
Enterprise Development Group Ltd	13%	Undated	30,000	30,000
Bank of Industry Limited	7% & 10%	2018	330,000	215,012
Union Bank of Nigeria Plc	20%	2018	—	152,788
Hambleside International Limited	5%	Mar–20	359,666	393,618
			788,894	899,977

	Nominal Interest Rate	Maturity	Company 2019 ₦'000	Company 2018 ₦'000
Bank Overdraft		on demand	64,266	103,592
Other borrowing/lemders commercial notes:				
Enterprise Development Group Ltd	13%	Undated	30,000	30,000
Hambleside International Limited	5%	Ma–20	359,666	393,618
Bank of Industry Limited	7% & 10%	2018	—	215,012
			453,932	742,222

19.3 **Financial instruments risk management objectives and policies**

The group's and the Company's principal financial liabilities comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's and the Company's operations. The group's and the Company's principal financial assets include trade receivables, due from related parties, staff loans and cash and bank balances that derive directly from its operations.

19.3 Financial instruments risk management objectives and policies — Continued

The group is exposed to market risk, credit risk and liquidity risk. The group's senior management oversees the management of these risks. The group's risk management is governed by the Board, through the Board Financial, Risk and Audit committee. The board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

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 prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include: current loans and borrowings and deposits.

Interest rate risk

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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term debt obligations with floating interest rates. The group manages its interest rate risk by having a predominant portfolio of fixed rate loans and borrowings. The group's policy is to keep take floating rate borrowings only under exceptional circumstances, where the risks are thoroughly considered and approved. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the Group's only loan stock. With all other variables held constant, the Group's profit before tax will be affected as follows:

	Increase/ decrease in basis points	Effect on profit before tax and Equity
	GDP rate	₦'000
Group — 2019	1.50	(12,000)
	-1.50	12,000
Group — 2018	1.50	(12,000)
	-1.50	12,000

Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency) . Management has set up a policy requiring the Group to manage their foreign currency risk against their functional currency. The Group is required to manage its entire foreign currency risk exposure with the Group finance. To manage their foreign currency risk arising from future commercial transactions and recognized assets and liabilities, companies in the Group ensure that significant transaction are contracted in the Group's functional currency. Foreign currency risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the group's functional currency. The group is mostly affected by changes in USD rate than any other foreign currency.

The following significant exchange rates were applied during the year:

	Average rate during the year		Reporting date spot rate	
	2019	**2018**	**2019**	**2018**
Pound (GBP)	401.03	429.53	468.73	499.56
US$ 1	364.05	305.15	360.04	356.03

19.3 **Financial instruments risk management objectives and policies — Continued**

The table below shows the sensitivity analysis of the Group's profit before tax based on changes in USD rate:

Group — 2019	Change in USD rate	Effect on profit before tax and equity ₦'000
	5%	36,378
	–5%	(36,378)

Group — 2018	Change in USD rate	Effect on profit before tax ₦'000
	5%	65,580
	–5%	(65,580)

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. The group does not hold collateral as security. The group evaluates the concentration of risk with respect to trade receivables as low, as its customers are in several jurisdictions and industries and operate in largely independent markets. The group's maximum exposure to credit risk for the components of the statement of financial position is its carrying amount.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 22. The group does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment. The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are in several jurisdictions and industries and operate in largely independent markets.

Deposits with banks and other financial institutions.

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Surplus funds are spread amongst reputable commercial banks and funds must be within treasury limits assigned to each of the counterparty. Counterparty treasury limits are reviewed by the Group's Financial Controller periodically and may be updated throughout the year subject to approval of the Financial Controller. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty's failure. The group's maximum exposure to credit risk for the components of the statement of financial position is its carrying amount.

19.3 **Financial instruments risk management objectives and policies — Continued**

Impairment losses
Nigeria Mapping Table

Global-scale long term local currency rating	National scale long term rating	National scale short term rating	Agusto rating	Implied S&P rating class (without modifiers)	Implied S&P rating categories (with modifiers)
BB+ and above	ngAAA	ngA–1	AAA	B	B+
BB	ngAA+	ngA–1	AA	B	B
BB–	ngAA, ngAA–	ngA–1	AA	B	B
B+	ngA+, ngA, ngA–	ngA-1, ngA–2	A	B	B
B	ngBBB+, ngBBB,ngBBB–	ngA-2, ngA–3	BBB	B	B–
B–	ngBB+, ngBB	ngB	BB	B	B–
CCC+	ngBB-, ngB+	ngB	B	CCC	CCC+
CCC	ngB, ngB–, ngCCC+	ngC	B	CCC	CCC
CCC–	ngCCC, ngCCC–	ngC	CCC	CCC	CCC-
CC	ngCC	ngC	CC	CC	CC
C	ngC	ngC	C	C	C
R	R	R	D	D	D
SD	SD	SD	D	D	D
D	D	D	D	D	D

In assessing the Group and the Company's internal rating process, the Company's customers and counter parties are assessed based on a credit scoring model that takes into account various historical, current and forward-looking information such as:

- Any publicly available information on the Company's customers and counter parties from external parties. This includes external rating grades issued by rating agencies, independent analyst reports, publicly traded bond or press releases and articles.
- Any macro-economic or geopolitical information, e.g., GDP growth relevant for the specific industry and geographical segments where the client operates.
- Any other objectively supportable information on the quality and abilities of the client's management relevant for the company's performance.

The table below shows the Company's internal credit rating grades.

Internal rating grade	Internal rating description	12 month PD range	Implied S&P rating
1	High grade	0.00% – 0.58%	Very Good+
2	High grade	0.58% – 1.42%	Very Good
3	High grade	1.42% – 2.43%	Very Good-
4	Standard grade	2.43% – 16.3%	Good+
5	Standard grade	16.3% – 28.05%	Good
7	Sub-standard grade	28.05% – 41.03%	Average+
8	Past due but not impaired	41.03% – 100	Bad
Non- performing			
9	Individually impaired	100%	Very Bad

19.3 **Financial instruments risk management objectives and policies — Continued**

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are as shown above.

Trade receivables

The significant changes in the balances of trade receivables are disclosed in Note 22 while the information about the credit exposures are disclosed in Note 19.3.

	Group		Company	
	2019 Simplified Model ₦'000	**2018 Simplified Model ₦'000**	**2019 Simplified Model ₦'000**	**2018 Simplified Model ₦'000**
Internal grading system				
Standard grade (Note 22)	547,116	505,594	481,381	473,252
	547,116	505,594	481,381	473,252
Gross carrying amount for trade receivables:				
Gross carrying amount as at 1 April	505,594	505,594	473,252	473,252
New assets originated or purchased	547,116	547,116	481,381	481,381
Assets derecognised or repaid (excluding write offs)	(505,594)	(505,594)	(473,252)	(473,252)
As at 31 March	547,116	547,116	481,381	481,381

Set out below is the movement in the allowance for expected credit losses of trade receivables and receivables from related parties:

	Group		Company	
	2019 ₦'000	**2018 ₦'000**	**2019 ₦'000**	**2018 ₦'000**
As at 1 April	86,045	86,045	75,127	75,127
Adjustment upon application of IFRS 9	10,526	—	8,510	—
	96,571	86,045	83,637	75,127
Provision for expected credit losses	39,165	—	33,559	—
Write off reversed	(14,731)	—	(14,731)	—
Unused amount reversed	(10,526)	—	(8,510)	—
As at 31 March	110,479	86,045	93,955	75,127

Receivables from related parties

The significant changes in the balances of receivables from related parties are:

	Group		Company	
	2019 ₦'000	**2018 ₦'000**	**2019 ₦'000**	**2018 ₦'000**
Internal grading system				
Standard grade	110,065	3,644	241,212	123,012
	110,065	3,644	241,212	123,012

19.3 **Financial instruments risk management objectives and policies — Continued**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances is as follows:

	Group ₦'000	Total ₦'000	Company ₦'000	Total ₦'000
Gross carrying amount for related parties				
Gross carrying amount				
As at 1 April 2018	3,644	3,644	123,012	123,012
New assets originated or purchased	110,065	110,065	241,212	241,212
Assets derecognised or repaid (excluding write offs)	(3,644)	(3,644)	(123,012)	(123,012)
	110,065	110,065	241,212	241,212

	Group		Company	
	2019 ₦'000	2018 ₦'000	2019 ₦'000	2018 ₦'000
As at 1 April	848	848	848	848
Adjustment upon application of IFRS 9	1,957	—	1,957	—
	2,805	848	2,805	848
Provision for expected credit losses	637	—	637	—
Unused amount reversed	(1,957)	—	(1,957)	—
As at 31 March	1,485	848	1,485	848

Other financial assets

The significant changes in the balances of receivables from staff loans are disclosed in Note 22 while the information about the credit exposures are disclosed in Note 19.3.

	Group		Company	
	2019 ₦'000	2018 ₦'000	2019 ₦'000	2018 ₦'000
External grading system				
Standard grade	18,143	11,203	17,797	13,815
	18,143	11,203	17,797	13,815

An analysis of changes in the gross carrying amount and the corresponding ECL allowances is as follows:

	Group		Company	
	Stage 1 Collective ₦'000	Total ₦'000	Stage 1 Collective ₦'000	Total ₦'000
Gross carrying amount for staff loans				
Gross carrying amount				
As at 1 April 2018	11,203	11,203	13,815	13,815
New assets originated or purchased	18,143	18,143	17,797	17,797
Assets derecognised or repaid (excluding write offs)	(11,203)	(11,203)	(13,815)	(13,815)
As at 31 March	18,143	18,143	17,797	17,797

19.3 **Financial instruments risk management objectives and policies — Continued**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances is, as follows:

	Group Stage 1 ₦'000	Company Stage 1 ₦'000
ECL allowance as at 1 April 2018	—	—
Dueto adoption of IFRS 9	6	6
New asset purchased	9	8
Asset derecognised or repaid (excluding write offs)	(6)	(6)
As at 31 March 2019	9	8

Impairment of financial assets

Trade receivables

For trade receivables, the Group applied the simplified approach in computing ECL. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses (ECL). The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables as at 31 March 2019 using a provision matrix:

	Trade receivables Days past due							
	Current ₦'000	0–30 days ₦'000	31–60 days ₦'000	61–90 days ₦'000	91–120 days ₦'000	>120 days ₦'000	Credit impaired ₦'000	Total ₦'000
Group								
31 March 2019								
Expected credit loss rate	2.36%	3.50%	7.63%	20.11%	20.37%	20.37%	100.00%	—
Estimated total gross carrying amount at default	313,304	8,348	40,406	34,464	116,918	—	33,676	547,116
Expected credit loss	24,267	336	2,904	11,080	38,209	—	33,676	110,497
1 April 2018								
Expected credit loss rate	23.39%	27.23%	27.23%	27.23%	16.28%	16.28%	100.00%	—
Estimated total gross carrying amount at default	160,787	10,350	9,733	5,618	—	319,106	—	505,594
Expected credit loss	37,621	2,818	2,650	1,530	—	51,952	—	96,571

19.3 **Financial instruments risk management objectives and policies — Continued**

Trade receivables — Days past due

	Current ₦'000	0–30 days ₦'000	31–60 days ₦'000	61–90 days ₦'000	91–120 days ₦'000	>120 days ₦'000	Credit impaired ₦'000	Total ₦'000
Company								
31 March 2019								
Expected credit loss rate	3.13%	4.03%	7.19%	32.15%	32.68%	32.68%	100.00%	—
Estimated total gross carrying amount at default	247,570	8,348	40,406	34,464	116,918	—	33,676	481,382
Expected credit loss	7,749	336	2,904	11,080	38,209	—	33,676	93,954
1 April 2018								
Expected credit loss rate	27.23%	27.23%	27.23%	27.23%	13.06%	13.06%	100.00%	—
Estimated total gross carrying amount at default	128,445	10,350	9,733	5,618	—	319,106	—	473,252
Expected credit loss	34,974	2,818	2,650	1,530	—	41,665	—	83,637

Due from related parties — Days past due

	Current ₦'000	0–30 days ₦'000	31–60 days ₦'000	61–90 days ₦'000	91–120 days ₦'000	>120 days ₦'000	Credit impaired ₦'000	Total ₦'000
Group								
31 March 2019								
Expected credit loss rate	1.00%	1.41%	1.38%	1.38%	1.38%	1.38%	100.00%	—
Estimated total gross carrying amount at default	10,287	1,269	8,832	—	89,677	—	—	110,065
Expected credit loss	106	18	122	—	1,239	—	—	1,485
1 April 2018								
Expected credit loss rate	0.075%	1.38%	61.03%	61.03%	61.03%	100.00%	100.00%	—
Estimated total gross carrying amount at default	—	—	1,317	836	—	1,491	—	3,644
Expected credit loss	—	—	804	510	—	1,491	—	2,805

19.3 **Financial instruments risk management objectives and policies — Continued**

	Due from related parties Days past due							
	Current ₦'000	0–30 days ₦'000	31–60 days ₦'000	61–90 days ₦'000	91–120 days ₦'000	>120 days ₦'000	Credit impaired ₦'000	Total ₦'000
Company								
31 March 2019								
Expected credit loss rate	0.075%	1.38%	1.38%	1.38%	1.38%	1.38%	100.00%	—
Estimated total gross carrying amount at default	141,434	1,269	8,832	—	89,677	—	—	241,212
Expected credit loss	106	18	122	—	1,239	—	—	1,485
1 April 2018								
Expected credit loss rate	1.68%	1.68%	1.67%	1.67%	2.51%	2.51%	100.00%	—
Estimated total gross carrying amount at default	26,516	6,656	1,317	836	—	87,947	—	123,012
Expected credit loss	448	112	22	14	—	2,209	—	2,805

Expected credit loss measurement — other financial assets

The group applied the general approach in computing expected credit losses (ECL) for staff loans. The group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The 12-month and Lifetime PDs are derived by mapping the internal rating grade of the obligors to the PD term structure of an external rating agency for all asset classes. The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type. The assumptions underlying the ECL calculation — such as how the maturity profile of the PDs, etc. – are monitored and reviewed on a regular basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period. The significant changes in the balances of the other financial assets including information about their impairment allowance are disclosed below respectively.

19.3 Financial instruments risk management objectives and policies — Continued

The group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. The reconciliation of these balances are as stated above.

The following tables outline the impact of multiple scenarios on the allowance:

	Group		Company	
	Other financial asset ₦'000	Total ₦'000	Other financial asset ₦'000	Total ₦'000
31 March 2019				
Upside (10%)	1	1	1	1
Base (80%)	7	7	7	7
Downside (10%)	1	1	1	1
Total	9	9	9	9
1 April 2018				
Upside (11%)	1	1	1	1
Base (79%)	4	4	4	4
Downside (10%)	1	1	1	1
Total	6	6	6	6

Analysis of inputs to the ECL model under multiple economic scenarios

An overview of the approach to estimating ECLs is set out in Note 2.3 of Summary of significant accounting policies and in Note 3 of Significant accounting judgements, estimates and assumptions. To ensure completeness and accuracy, the Company obtains the data used from third party sources (Central Bank of Nigeria, Standards and Poor's etc.) and a team of expert within its credit risk department verifies the accuracy of inputs to the Company's ECL models including determining the weights attributable to the multiple scenarios. The following tables set out the key drivers of expected loss and the assumptions used for the Company's base case estimate, ECLs based on the base case, plus the effect of the use of multiple economic scenarios as at 31 March 2018 and 31 March 2019.

The tables show the values of the key forward looking economic variables/assumptions used in each of the economic scenarios for the ECL calculations. The figures for "Subsequent years" represent a long-term average and so are the same for each scenario.

19.3 **Financial instruments risk management objectives and policies — Continued**

Group and Company
31 March, 2019
Key drivers
EDTF 3

	ECL Scenario	2019	2020	2021	2022	2023	Sub-sequent years
GDP growth	Upturn	0.26	0.29	0.32	0.35	0.38	0.41
	Base	0.20	19.00	0.15	0.16	0.14	0.15
	Downturn	0.14	0.11	0.08	0.05	0.02	0.01
Oil Price %	Upturn	56.00	59.00	62.00	65.00	68.00	71.00
	Base	55.00	57.00	62.00	54.00	56.00	57.00
	Downturn	44.00	41.00	38.00	35.00	32.00	29.00
Exchange rate %	Upturn	180.00	175.00	170.00	165.00	160.00	155.00
	Base	199.50	209.48	219.95	230.95	242.49	254.62
	Downturn	204.75	214.99	225.74	237.02	248.87	261.32
Inflation rate %	Upturn	26.00	24.00	22.00	20.00	18.00	16.00
	Base	31.00	32.00	33.00	34.00	35.00	36.00
	Downturn	34.00	36.00	38.00	40.00	42.00	44.00

Group and Company
1 April, 2018
Key drivers
EDTF 3

	ECL Scenario	2018	2019	2020	2021	2022	Sub-sequent years
GDP growth	Upturn	0.23	0.26	0.29	0.32	0.35	0.38
	Base	0.20	0.20	19.00	0.15	0.16	0.14
	Downturn	0.17	0.14	0.11	0.08	0.05	0.02
Oil Price %	Upturn	53.00	56.00	59.00	62.00	65.00	68.00
	Base	50.00	55.00	57.00	62.00	54.00	56.00
	Downturn	47.00	44.00	41.00	38.00	35.00	32.00
Exchange rate %	Upturn	185.00	180.00	175.00	170.00	165.00	160.00
	Base	190.00	199.50	209.48	219.95	230.95	242.50
	Downturn	195.00	204.75	214.99	225.74	237.03	248.88
Inflation rate %	Upturn	28.00	26.00	24.00	22.00	20.00	18.00
	Base	30.00	31.00	32.00	33.00	34.00	35.00
	Downturn	32.00	34.00	36.00	38.00	40.00	42.00

Liquidity risk

The company monitors its risk of a shortage of funds using a liquidity planning tool.

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, and preference shares. The company's policy is that not more than 25% of borrowings should mature in the next 12-month period. Approximately 10% of the company's debt will mature in less than one year at 31 March 2019 (2018: 11%) based

19.3 **Financial instruments risk management objectives and policies — Continued**

on the carrying value of borrowings reflected in the financial statements. The company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Group

	On demand ₦'000	Less than 3 months ₦'000	3 to 12 months ₦'000	1 to 5 years ₦'000	> 5 years ₦'000	Total days ₦'000
Year ended 31 March 2019						
Interest-bearing loans and borrowings	—	—	168,228	626,355	—	794,583
Trade and other payables	—	1,021,154	—	—	—	1,021,154
	—	1,021,154	168,228	626,355	—	1,815,737
Year ended 31 March 2018						
Interest-bearing loans and borrowings	—	—	341,911	579,758	—	921,669
Trade and other payables	—	1,030,041	—	—	—	1,030,041
	—	1,030,041	341,911	579,758	—	1,955,710

Company

	On demand ₦'000	Less than 3 months ₦'000	3 to 12 months ₦'000	1 to 5 years ₦'000	> 5 years ₦'000	Total days ₦'000
Year ended 31 March 2019						
Interest-bearing loans and borrowings	—	—	64,266	395,355	—	459,621
Trade and other payables	—	674,016	—	—	—	674,016
	—	674,016	64,266	395,355	—	1,133,637
Year ended 31 March 2018						
Interest-bearing loans and borrowings	—	—	184,126	579,758	—	763,884
Trade and other payables	—	570,723	—	—	—	570,723
	—	570,723	184,126	579,758	—	1,334,607

19.3 **Financial instruments risk management objectives and policies — Continued**

Changes in liabilities arising from financing activities

Group	1 April 2018 ₦'000	Additional loan ₦'000	Interest expense ₦'000	Loan repayment ₦'000	Interest paid ₦'000	31 March 2019 ₦'000
Interest bearing loans and borrowings	791,418	—	56,050	(71,752)	(56,050)	719,666
Total liabilities from financing activities	791,418	—	56,050	(71,752)	(56,050)	719,666

Group	1 April 2017 ₦'000	Additional loan ₦'000	Interest expense ₦'000	Loan repayment ₦'000	Interest paid ₦'000	31 March 2018 ₦'000
Interest bearing loans and borrowings	1,195,360	-	184,048	(438,461)	(149,529)	791,418
Total liabilities from financing activities	1,195,360	-	184,048	(438,461)	(149,529)	791,418

Company	1 April 2018 ₦'000	Additional loan ₦'000	Interest expense ₦'000	Loan repayment ₦'000	Interest paid ₦'000	31 March 2019 ₦'000
Interest bearing loans and borrowings	638,630	—	41,994	(248,964)	(41,994)	389,666
Total liabilities from financing activities	638,630	—	41,994	(248,964)	(41,994)	389,666

Company	1 April 2017 ₦'000	Additional loan ₦'000	Interest expense ₦'000	Loan repayment ₦'000	Interest paid ₦'000	31 March 2018 ₦'000
Interest bearing loans and borrowings	946,074	—	117,273	(339,108)	(85,609)	638,630
Total liabilities from financing activities	946,074	—	117,273	(339,108)	(85,609)	638,630

Capital structure

For the purpose of the Group's capital management, capital includes issued capital, share premium and retained earnings attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The group's policy is to keep the gearing ratio between 50% and 70%. The group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and bank balances.

19.3 **Financial instruments risk management objectives and policies — Continued**

	Group		Company	
	2019 ₦'000	**2018 ₦'000**	**2019 ₦'000**	**2018 ₦'000**
Interest-bearing loans and borrowings (Note 19.2)	788,894	899,977	453,932	742,222
Trade and other payables (Note 25)	1,249,557	1,239,039	758,050	657,210
Less: cash and short-term deposit (Note 23)	(20,168)	(61,725)	(2,746)	(60,065)
Net debt	2,018,283	2,077,291	1,209,236	1,339,367
Total capital: Equity	313,509	308,574	476,121	473,104
Capital and net debt	2,331,792	2,385,865	1,685,357	1,812,471
Gearing ratio	87%	87%	72%	74%

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 2018.

20. Investment in subsidiaries

	Company	
	2019 ₦'000	**2018 ₦'000**
Investment in Academy Press Specialised Print Services Limited	70,000	44,500
Investment in Lithotec Limited	7,750	5,050
Impairment of investment in subsidiary	(77,750)	(49,550)
	—	—

Investment in subsidiary was fully impaired.

21. Inventories

	Group		Company	
	2019 ₦'000	**2018 ₦'000**	**2019 ₦'000**	**2018 ₦'000**
Paper	103,762	77,853	49,254	45,304
Bindery, Lithographic materials, etc	36,273	38,778	22,149	24,513
Ink and chemicals	30,543	29,544	20,323	15,680
Work-in-progress	77,276	36,449	77,276	36,449
Machinery spare parts	119,994	106,687	103,400	90,340
Consumables	3,730	2,418	2,811	1,724
Goods-in-transit	3,728	43,589	2,757	44,025
	375,306	335,318	277,970	258,035

21. **Inventories — Continued**

Inventory with the total value of ₦1.3 billion and ₦1.09 billion was recognized in the profit or loss for the Group and the Company respectively (2018: ₦1.05 billion and ₦863 million respectively).

Inventory with total value of ₦17.44 million and ₦15.48 million for the Group and the Company respectively (2018: ₦4.96 million and ₦3 million respectively) was written off during the year.

22. **Trade receivables and Other receivables**

	Group		Company	
	2019 ₦'000	**2018 ₦'000**	**2019 ₦'000**	**2018 ₦'000**
Trade receivables	547,116	505,594	481,381	473,252
Due from related parties (Note 32)	110,065	3,644	241,212	123,012
Staff loans and advances	18,143	11,203	17,797	13,815
Advances and prepayments	40,940	34,251	27,898	11,585
Other receivables	202,382	215,664	105,401	128,196
	918,646	770,356	873,689	749,860
Allowance for expected credit losses (Note 22.1)	(111,965)	(83,606)	(95,448)	(75,975)
	806,681	686,750	778,241	673,885

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Other receivables relate to withholding tax receivables as regards the entity's invoices to their customers.

Advances are amounts provided to staff that are required to be retired by the staff. The staff loans represent interest free loans given to members of staff of Academy Press Plc. The loans repayments are usually monthly or quarterly; depending on the agreement with individual members of staff. The loans are carried at amortised cost using the effective interest method and are tested for impairment for uncollectibility.

This is stated at the fair value of interest free loans given to staff of Academy Press Plc. These are amortised annually and recognised in profit or loss as interest expense. They are also disclosed as part of the employee benefit for the period. The terms are:

- The fair value (i.e present value of the future cash flow) of the loan was determined using the market interest rate or the Central prime lending rate.
- A monthly deduction is made from payroll over the tenor of the loan.
- Terms of repayment are agreed with any staff that is existing in the business but have outstanding loan receivables. Grading system for trade receivables, intercompany receivables, and contract assets and recognition of their Gross Carrying Amount and Expected Credit Losses are included under Credit Risk in Note 19.3

22. **Trade receivables and Other receivables — Continued**

22.1 **Allowance for expected credit losses**

An analysis of changes in the aggregate ECL allowances (Trade receivables and receivables from related parties is, as follows:

	Group		Company	
	2019	**2018**	**2019**	**2018**
	₦'000	**₦'000**	**₦'000**	**₦'000**
As at 1 April	86,893	86,893	75,975	75,975
Adjustment upon application of IFRS 9	12,483	—	10,473	—
	99,376	86,893	86,448	75,975
Provision for expected credit losses	39,802	—	34,204	—
Write off reclassified	(14,731)	—	(14,731)	—
Unused amount reversed	(12,480)	—	(10,473)	—
As at 31 March	111,967	86,893	95,448	75,975

23. **Cash and cash equivalents**

	Group		Company	
	2019	**2018**	**2019**	**2018**
	₦'000	**₦'000**	**₦'000**	**₦'000**
Cash on hand	270	1,308	256	1,264
Cash at bank	19,898	6,898	2,490	5,282
Restricted Cash	—	53,519	—	53,519
Cash and short term deposit	20,168	61,725	2,746	60,065

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following at 31 March:

	Group		Company	
	2019	**2018**	**2019**	**2018**
	₦'000	**₦'000**	**₦'000**	**₦'000**
Cash and bank balance	20,168	8,206	2,746	6,546
Bank Overdraft (Note 19.2)	(69,228)	(108,559)	(64,266)	(103,592)
Cash and cash equivalents	(49,060)	(100,353)	(61,520)	(97,046)

24. **Contract liabilities**

In thousands of naira

Deposit by customers	22,085	—	18,825	—
	22,085	—	18,825	—

24. **Contract liabilities — Continued**

Deposit by customers
This represents advances received from customers in respect of projects that have not been carried out. This is a non- interest-bearing liability.

Contract liabilities consists of advance payments from customers. Movements in contract liabilities for the year ended are as follows:

	Group 2019 ₦'000	Company 2019 ₦'000
As at 1 April 2018	—	—
Effect of adoption of IFRS 15	22,007	21,100
Advance payments received from customers	22,085	18,825
Revenue recognized in the period from:		
Amounts included in the contract liability at the beginning of the period	(22,007)	(21,100)
Advance payments applied to current period	—	—
As at 31 March 2019	22,085	18,825

	Group		Company	
	2019 ₦'000	2018 ₦'000	2019 ₦'000	2018 ₦'000
25. **Trade and other payables**				
Trade payable	449,606	357,105	407,871	325,765
Payable on IPP Electricity	24,514	24,514	24,514	24,513
Other creditors and accruals	473,287	566,911	226,109	207,052
Due to related parties (Note 32)	73,747	81,511	15,522	13,393
Other payables (Note 25.1)	228,403	208,998	84,034	86,487
	1,249,557	1,239,039	758,050	657,210

Other creditors and accruals relate to deposits made for the company's waste products; provision for the electricity, withholding tax and value added tax.

	Group		Company	
	2019 ₦'000	2018 ₦'000	2019 ₦'000	2018 ₦'000
25.1 **Other payables**				
Withholding tax	23,490	17,818	23,490	17,818
Value added tax	161,938	138,687	26,044	20,352
Housing fund	11,367	6,527	11,100	9,356
Pension	31,608	45,966	23,400	38,961
	228,403	208,998	84,034	86,487
26. **Employee Benefit Liability**				
In thousands of naira				
Employee benefit	(166,648)	(160,199)	(136,284)	(141,873)
Planned Asset of Employee Benefit	163,147	179,574	142,321	179,574
Retirement benefit/(liability)	(3,501)	19,375	6,037	37,701
As at 31 March	(3,501)	19,375	6,037	37,701
Non-Current	(3,501)	19,375	6,037	37,701
Current	—	—	—	—
	(3,501)	19,375	6,037	37,701

26.1 **Employee benefit liability**

The Group — 2019 changes in the defined benefit obligation.

	1-Apr-18	Net Interest ₦'000	Sub-total included in profit or loss ₦'000	Contri-butions by employer ₦'000	Actuarial changes arising from changes in economic ₦'000	Sub-total included in OCI assumptions ₦'000	Benefits paid ₦'000	31-Mar-19 ₦'000
		Employee benefit cost charged to profit or loss			Re-measurement gains/ (losses) in other com prehensive income			
Gratuity Plan								
Defined benefit obligation	(160,199)	(13,855)	(13,855)	(10,413)	16,073	16,073	1,746	(166,648)
Fair value of plan assets	179,574	25,109	25,109	10,413	(51,949)	(51,949)	—	163,147
Benefit liability/(asset)	19,375	11,254	11,254	—	(35,876)	(35,876)	1,746	(3,501
Total	19,375	11,254	11,254	—	(35,876)	(35,876)	1,746	(3,501)

26.1 **Employee benefit liability — Continued**

The Group

2018 changes in the defined benefit obligation and fair value of plan assets

	Employee benefit cost charged to profit or loss				Re-measurement gains/(losses) in other com prehensive income				
	1-Apr-17 ₦'000	**Net Interest employer ₦'000**	**Sub-total included in profit or loss ₦'000**	**Contri- butions by employer ₦'000**	**Return on plan assets (excluding amounts included in net interest expense) ₦'000**	**Actuarial changes arising from changes in economic assumptions ₦'000**	**Sub-total included in OCI ₦'000**	**Benefits paid ₦'000**	**31-Mar-18 ₦'000**
Gratuity Plan Defined benefit obligation	(185,880)	(40,794)	(40,794)	27,502	—	38,973	38,973	—	(160,199)
Fair value of plan assets	154,586	35,678	35,678	(27,502)	—	(10,690)	(10,690)	27,502	179,574
Benefit liability/(asset)	(31,294)	(5,116)	(5,116)	—	—	28,283	28,283	27,502	19,375
Total	(31,294)	(5,116)	(5,116)	—	—	28,283	28,283	27,502	19,375

26.1 **Employee benefit liability — Continued**

The principal assumptions used in determining employee benefit obligations for the Group's plans are shown below

The Company

2019 changes in the defined benefit obligation.

		Employee benefit cost charged to profit or loss Add back			Re-measurement gains/ (losses) in other com prehensive income		
	1-Apr-18 ₦'000	Net Interest ₦'000	Sub-total included in profit or loss ₦'000	Contri-butions by employer ₦'000	Actuarial changes arising from changes in economic ₦'000	Sub-total included in OCI assumptions ₦'000	31-Mar-19 ₦'000
Gratuity Plan Defined benefit obligation	(141,873)	(19,680)	(19,680)	10,413	14,856	14,856	(136,284)
Fair value of plan assets	179,574	25,109	25,109	(10,413)	(51,949)	(51,949)	142,321
(Benefit liability)/asset	37,701	5,429	5,429	—	(37,093)	(37,093)	6,037
Total	37,701	5,429	5,429	—	(37,093)	(37,093)	6,037

26.1 **Employee benefit liability — Continued**

The Company

2018 changes in the defined benefit obligation and fair value of plan assets

		Employee benefit cost charged to profit or loss			Re-measurement gains/(losses) in other com prehensive income				
	1-Apr-17 ₦'000	Net Interest employer ₦'000	Sub-total included in profit or loss ₦'000	Contri-butions by employer ₦'000	Return on plan assets (excluding amounts included in net interest expense) ₦'000	Actuarial changes arising from changes in economic assumptions ₦'000	Sub-total included in OCI ₦'000	Benefits paid ₦'000	31-Mar-18 ₦'000
Gratuity Plan									
Defined benefit obligation	(167,663)	(38,991)	(38,991)	27,502	—	37,279	37,279	—	(141,873)
Fair value of plan assets	154,586	35,678	35,678	(27,502)	—	(10,690)	(10,690)	27,502	179,574
Benefit (liability)/asset	(13,077)	(3,313)	(3,313)	—	—	26,589	26,589	27,502	37,701
	(13,077)	(3,313)	(3,313)	—	—	26,589	26,589	27,502	37,701

26.2 **Assumptions**

The principal assumptions used in determining gratuity plan benefit obligations for the Group's plan are shown below:

	Gratuity plan 2019	Gratuity plan 2018
Average long-term discount rate (p.a)	14.6%	13.4%
Average benefit increase (p.a)	1%	1%

	Annual rate of Withdrawal 2019	Annual rate of Retirement 2018
Withdrawal from service (Age band):		
18 – 29	4.5%	0.0%
30 – 44	6.0%	0.0%
45 – 49	0.0%	2.5%
50 – 59	0.0%	2.0%
60	0.0%	100.0%

Gratuity plan

A quantitative sensitivity analysis for significant assumption as at 31 March 2019 is as shown below:

	Discount rate		Future salary increases	
	1% Increase ₦'000	1% Decrease ₦'000	1% Increase ₦'000	1% Decrease ₦'000
Assumptions				
Sensitivity Level				
Impact on the net defined benefit obligation	(31,334)	(31,886)	(36,585)	(32,600)

A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:

	Discount rate		Future salary increases	
	1% Increase ₦'000	1% Decrease ₦'000	1% Increase ₦'000	1% Decrease ₦'000
Assumptions				
Sensitivity Level				
Impact on the net defined benefit obligation	(23,197)	(23,606)	(29,447)	(24,093)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Note: Inflation rate has no significant changes that would affect the defined benefit obligation.

26.2 **Assumptions — Continued**

The following is the benefits payments for members leaving the company using the rates stated below:

Years of service	Gratuity benefit
0 – 4 years	Nil
5 – 9 years	1 month basic salary for each completed year of service
10 years	12 months basic salary
11 years	13 months basic salary
12 years	14 months basic salary
13 years	15 months basic salary
14 years	16 months basic salary
15 – 35 years	1 month total salary for each completed year of service

	Group		Company	
	2019 ₦'000	2018 ₦'000	2019 ₦'000	2018 ₦'000
27. Share Capital				
750,000,000 Authorised share capital @ 0.50k each	375,000	375,000	375,000	375,000
604,800,000 (2015: 504,000,00) Issued and fully paid share capital @ 0.50K each	302,400	302,400	302,400	302,400
28. Share Premium				
As at 1 April	24,511	24,511	24,511	24,511
As at 31 March	24,511	24,511	24,511	24,511
29. Retained earnings				
As at 1 April	41,344	(81,011)	146,193	(66,436)
Profit/(Loss) for the year	60,522	102,125	31,450	194,017
Other comprehensive income; net of tax	(15,964)	20,230	(25,965)	18,612
Effect of adoption of new accounting standards (Note 2.4)	(8,743)	—	(7,332)	—
As at 31 March	77,159	41,344	144,346	146,193
30. Non-Controlling Interest				
Retained earnings b/f	(59,681)	(20,762)	—	—
Retained earnings	(25,828)	(38,487)	—	—
Other comprehensive income	(9,149)	(432)		
	(94,658)	(59,681)	—	—

30.1 **Material partly owned subsidiary**

Financial information of subsidiary that have material non-controlling interest is provided below;

Proportion of equity interests held by non-controlling interests

Name	**Country of incorporation Nigeria**	**2019**	**2018**
Academy Press Specialised Printing Services Limited		34.84%	34.84%
		₦'000	**₦'000**
Accumulated balances of material non-controlling interests			
Academy Press Specialised Printing Services Limited		(94,658)	(59,681)
Profit allocated to material non-controlling interest			
Academy Press Specialised Printing Services Limited		(25,828)	(38,487)

The summarised financial information of this subsidiary is provided below. This information is based on amount before intercompany eliminations.

	APSPSL 2019 ₦'000	**APSPSL 2018 ₦'000**
Summarised statement of profit or loss		
Revenue from contract with customer	414,662	284,848
Costs of sales	(328,915)	(250,345)
Administrative expenses	(67,521)	(63,907)
Finance cost	(2,581)	(75,050)
Other income	1,629	3,392
Profit before tax	17,274	(101,062)
Income tax	(10,369)	75,526
Profit for the year	6,905	(25,536)
Other comprehensive income; net of tax	—	1,694
Total Comprehensive income; net of tax	6,905	(23,842)
Attributable to;		
Non-controlling interest	(34,977)	(38,919)
Dividends paid to non-controlling interest	—	—
Summarized statement of financial position as at 31 March		
Inventories, cash and bank balances and other current assets	264,366	202,886
Property, plant and equipment and another non-current asset	532,066	581,684
Trade and other payables	(456,400)	(644,068)
Interest bearing loans and borrowings and deferred tax	(474,463)	(281,837)
Total Equity	(134,431)	(141,335)
Attributable to;		
Equity holders of parent	(67,079)	(81,654)
Non-controlling interest	(67,352)	(59,681)
	(134,431)	(141,335)
Operating	(167,921)	211,982
Investing	(5,439)	(487)
Financing	189,127	(222,331)
	15,767	(10,836)

31. **Government grant**

	Group		Company	
	2019 ₦'000	**2018 ₦'000**	**2019 ₦'000**	**2018 ₦'000**
At 1 April	6,096	81,318	6,096	81,318
Release to profit or loss	(6,096)	(75,222)	(6,096)	(75,222)
At 31 March	—	6,096	—	6,096
Current portion	—	6,096	—	6,096
Non-current portion	—	—	—	—
	—	6,096	—	6,096

Group		2019		2018	
	Nature of Transaction	**Balance receivables ₦'000**	**Balance payables ₦'000**	**Balance receivables ₦'000**	**Balance payables ₦'000**
32. **Related parties**					
APSPSL	Subsidiary				
Lithotec Limited	Payments to Suppliers	8,085	—	3,644	—
Edcon	Interest Repayment on Commercial paper	—	(71,043)	—	(68,459)
Richware	Interest Repayment on Commercial paper	—	(2,704)	—	(2,638
WABP	Interest Repayment on Commercial paper	101,980	—	—	(5,207)
		110,065	(73,747)	3,644	(76,304)
Company					
APSPSL	Payments to Suppliers	104,632	—	93,737	—
Lithotec Limited	Payments to Suppliers	29,133	—	29,275	—
Edcon	Interest Repayment on Commercial paper	—	(12,818)	—	(11,018)
Richware	Interest Repayment on Commercial paper	—	(2,704)	—	(2,638
WABP	Payments for printing jobs	107,447	—	260	—
		241,212	(15,522)	123,272	(13,656)

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

33. Information relating to employees and directors during the year are:

		Group		Company	
		2019 ₦'000	2018 ₦'000	2019 ₦'000	2018 ₦'000
33.1	**Directors**				
	Short-term benefits	7,170	15,936	6,450	14,930
	Fees and sitting allowance	4,726	6,870	4,370	6,120
	Aggregate emoluments	11,896	22,806	10,820	21,050
	Fees and other emoluments paid to:				
	The chairman	1,680	1,080	1,680	1,080
	Other directors	10,216	21,726	9,140	19,970
	Aggregate emoluments	11,896	22,806	10,820	21,050

33.2 Emoluments of Directors and their number within the specified range are as follows:

		Group		Company	
	₦	2019 Number	2018 Number	2019 Number	2018 Number
	Below 150,000	10	11	7	6
	150,001 — 250,000	—	—	—	—
	250,001 — 7,500,000	4	4	3	3
		14	15	10	9
		2019 ₦'000	2018 ₦'000	2019 ₦'000	2018 ₦'000
33.3	**Employee benefits**				
	Salaries and wages	301,442	266,804	252,949	238,523
	Post — employment benefits	22,151	22,528	19,085	19,697
		323,593	289,332	272,034	258,220

33.4 **The average number of persons employed by Academy Press Plc during the year are as follows**:

		2019 Number	2018 Number
	Managerial and senior staff	6	6
	Junior staff	30	30
		36	36

33.4 **The average number of persons employed by Academy Press Plc during the year are as follows — Continued**

The number of employees excluding Directors in receipt of emoluments including allowances and pension contributions within the following ranges were:

₦	2019 Number	2018 Number
<2,000,000	235	207
2,000,000 — 3,000,000	5	20
3,000,001 — 4,000,000	—	—
4,000,001 — 5,000,000	—	—
5,000,001 — 6,000,000	—	—
>6,000,000	—	—
	240	227

34. **Events after reporting period**

The board members unanimously agree in a meeting held on 30th of April 2019 that dividend should be proposed for its shareholders at 5 kobo per ordinary share representing ₦30,240,000 only. This dividend will be payable net of withholding tax approved at the Annual General Meeting (AGM).

There was no other event after reporting date which could have had a material effect on the state of affairs of the company as at 31 March 2019 and on the profit for the year ended on that date which have not been adequately provided for or recognized.

OTHER NATIONAL DISCLOSURES

Statement of Value Added

	The Group			
	31-Mar-19		31-Mar-18	
	₦'000		**₦'000**	
Revenue	2,432,783		2,177,587	
Bought in materials and services — Local	(1,753,629)		(1,297,084)	
	679,154		880,503	
Other operating income	15,479		75,739	
Value added	694,633		956,242	
		%		%
Applied as follows:				
To employees:				
— as salaries and labour related expenses	323,593	46	289,332	30
To providers of capital:				
— as interest	56,050	8	184,048	19
To Government:				
— as Group taxes	46,055	7	(54,769)	(6)
Retained for Growth & Expansion:				
— for assets replacement (Depreciation)	313,452	45	345,067	36
— Amortisation	214	—	246	—
— deferred taxation	(79,425)	(11)	128,680	14
— Profit for the period	34,694	5	63,638	7
	694,633	100	956,242	100

The value added represents the wealth created through the use of the company's assets by its own and its employees' efforts. This statement shows the allocation of wealth amongst employees, provider of capital, government and retained for future creation of wealth.

	The Company			
	31-Mar-19		31-Mar-18	
	₦'000		**₦'000**	
Revenue	2,037,092		1,892,738	
Bought in materials and services — Local	(1,388,857)		(1,044,774)	
	648,235		847,964	
Other operating income	6,096		75,222	
Value added	654,331		923,186	
		%		%
Applied as follows:				
To employees:				
— as salaries and labour related expenses	272,034	42	246,434	27
To providers of capital:				
— as interest	41,994	6	85,609	9
To Government:				
— as Group taxes	45,136	7	(54,769)	(6)
Retained for Growth & Expansion:				
— for assets replacement (Depreciation)	266,449	40	298,236	32
— Amortisation	214	—	246	—
— deferred taxation	(2,946)	—	153,412	17
— Profit for the period	31,450	5	194,018	21
	654,331	100	923,186	100

Five-Year Financial Summary

	Group				
	31 March 2019 ₦'000	31 March 2018 ₦'000	31 March 2017 ₦'000	31 March 2016 ₦'000	31 March 2015 ₦'000
Non-current assets					
Property, plant and equipment	1,240,475	1,482,004	1,806,019	2,171,119	2,504,851
Intangible assets	443	657	903	1,302	1,655
Deferred taxation assets	214,130	144,927	—	112,037	44,296
Emplyee benefit assets	—	19,375	—	6,491	—
Net Current liabilities	(499,383)	(739,531)	(684,590)	(853,199)	(1,153,384)
	955,665	907,432	1,122,332	1,437,750	1,397,418
Deferred taxation liabilities	—	(24,732)	—	—	—
Interest bearing loans and borrowings	(620,666)	(574,126)	(820,126)	(663,087)	(478,303)
Contract liabilities	(22,085)	—	—	—	—
Retirement Benefit Obligation	(3,501)	—	(31,294)	—	(34,222)
Government grant	—	—	(45,774)	(48,144)	(70,215)
Net Assets	309,413	308,574	225,138	726,519	814,678
Share capital	302,400	302,400	302,400	302,400	252,000
Share Premium	24,511	24,511	24,511	24,511	25,474
Retained earning	77,159	41,344	(81,011)	387,946	505,551
Attributable to equity holders of the parent	404,071	368,255	245,900	714,857	783,025
Non-controlling interest	(94,658)	(59,681)	(20,762)	11,662	31,653
Total Shareholders' equity	309,413	308,574	225,138	726,519	814,678
Revenue	2,432,783	2,117,587	2,177, 452	2,047,675	2,310,125
Profit/(Loss) before tax	1,324	(10,273)	(387,459)	(93,510)	8,969
Taxation	33,370	73,911	(125,266)	26,187	(15,842)
Profit/(Loss) after tax	34,694	63,638	(512,725)	(67,323)	(8,679)
Non-controling interest	25,828	38,487	31,770	20,299	9,974
Profit/(Loss) attributable to the parent	60,522	102,125	(480,955)	(47,024)	1,295
Declared dividend	—	—	—	—	(40,320)
Naira Per Share:					
Basic earnings/Loss per share	0.10	0.17	(0.8)	(0.8)	(0.3)
Diluted earnings/Loss per share	0.10	0.17	(0.8)	(0.8)	(0.3)

Note:
Basic earnings, dividend, and net assets per share for the five years have been calculated on the basis of ordinary shares of 50kobo each in issue at the end of the respective years.

Diluted earnings, dividend, and net assets per share for the five years have been calculated on the basis of ordinary shares of 50kobo each in issue and on profit attributable to members at 31 March 2019.

Five-Year Financial Summary

	Company				
	31 March 2019 ₦'000	31 March 2018 ₦'000	31 March 2017 ₦'000	31 March 2016 ₦'000	31 March 2015 ₦'000
Non-current assets					
Property, plant and equipment	738,580	938,545	1,220,346	1,537,770	1,774,992
Intangible assets	443	657	903	1,181	1,459
Deferred taxation assets	162,651	145,435	—	119,849	54,235
Employee benefit assets	6,037	37,701	—	22,282	—
Investment in subsidiary	—	—	—	49,550	49,550
Net Current liabilities	(27,963)	(75,108)	(81,797)	(533,964)	(412,251)
	879,748	1,047,230	1,139,452	1,196,768	1,467,985
Deferred taxation liabilities	—	—	—	—	—
Interest bearing loans and advances	(389,666)	(574,126)	(820,126)	(411,031)	(613,390)
Contract liabilities	(18,825)	—	—	—	—
Retirement Benefit Obligation	—	—	(13,077)	—	(16,912)
Government grant	—	—	(45,774)	(48,146)	(70,215)
Net Assets	471,257	473,104	260,475	737,591	767,468
Share capital	302,400	302,400	302,400	302,400	252,000
Share Premium	24,511	24,511	24,511	24,511	25,474
Retained earning	144,346	146,193	(66,436)	410,680	489,994
Total Shareholders' equity	471,257	473,104	260,475	737,591	767,468
Revenue	2,037,092	1,892,738	1,842,636	1,779,944	2,063,632
Profit/(loss) before tax	73,640	95,374	(353,426)	(34,937)	36,939
Taxation	(42,190)	98,643	(133,665)	25,052	(22,584)
Profit/(loss) after tax	31,450	194,017	(487,091)	(9,885)	14,355
Declared dividend	—	—	—	—	(40,320)
Naira Per Share:					
Basic Earnings/Loss per share	0.50	0.32	–0.81	–0.02	–0.03
Diluted Earnings/Loss per share	0.50	0.32	–0.81	–0.02	–0.03

Note:
Basic earnings, dividend, and net assets per share for the five years have been calculated on the basis of ordinary shares of 50 kobo each in issue at the end of the respective years.

Diluted earnings, dividend, and net assets per share for the five years have been calculated on the basis of ordinary shares of 50 kobo each in issue and on profit attributable to members at 31 March 2016.

Share Capital History

Authorised share capital			Issued and fully paid				
Date	**Shares**	**Value (₦)**	**Shares Increase**	**Cumulative**	**Value (₦)**		
1964	100,000	200,000	42,837	42,837	85,674	Cash	
1965	200,000	400,000	102,104	144,941	289,882	Cash	
1976	500,000	1,000,000	257,552	402,493	804,986	Cash	
1976	500,000	1,000,000	220,900	623,393	1,246,786	Scrip issue	
1977	1,000,000	2,000,000	226,688	850,081	1,700,162	Cash	
1977	4,000,000	2,000,000					
SUB-DIVISION OF THE SHARES INTO 50K EACH FROM			**₦2**	**3,400,324**	**1,700,162**		
1986	8,000,000	4,000,000	377,814	3,778,138	1,889,069	Scrip issue	
1987	8,000,000	4,000,000	1,889,027	5,667,165	2,833,583	Scrip issue	
1989	32,000,000	16,000,000	2,883,583	8,550,748	4,275,374	Scrip issue	
1990	32,000,000	16,000,000	1,889,055	10,439,803	5,219,902	Scrip issue	
1991	40,000,000	20,000,000	3,778,110	14,217,913	7,108,957	Scrip issue	(1 for 2)
1992	40,000,000	20,000,000	8,450,747	22,668,660	11,334,330	Scrip issue	
1993	100,000,000	50,000,000	9,067,464	31,736,124	15,868,062	Scrip issue	(2 for 5)
1993	100,000,000	50,000,000	7,934,032	39,670,156	19,835,078	Scrip issue	(1 for 4)
1995	100,000,000	50,000,000	12,616,355	52,286,511	26,143,256	Rights issue	
1995	100,000,000	50,000,000	13,851,499	66,138,010	33,069,005	Public issue	
1996	100,000,000	50,000,000	8,904,800	75,042,810	37,521,406	Public issue	
1997	100,000,000	50,000,000	14,957,188	90,000,000	45,000,000	Scrip issue	(1 for 5)
1998	150,000,000	75,000,000	18,000,000	108,000,000	54,000,000	Scrip issue	(1 for 5)
2003	200,000,000	100,000,000	43,200,000	151,200,000	75,600,000	Scrip issue	(2 for 5)
2004	300,000,000	150,000,000	50,400,000	201,600,000	100,800,000	Scrip issue	(1 for 3)
2008	500,000,000	250,000,000	100,800,000	302,400,000	151,200,000	Scrip issue	(1 for 2)
2010	750,000,000	375,000,000	100,800,000	403,200,000	201,600,000	Scrip issue	(1 for 3)
2011	750,000,000	375,000,000	100,800,000	504,000,000	252,000,000	Scrip issue	(1 for 4)
2016	750,000,000	375,000,000	100,800,000	604,800,000	302,400,000	Scrip issue	(1 for 5)
2017	750,000,000	375,000,000	100,800,000	604,800,000	302,400,000	Scrip issue	
2018	750,000,000	375,000,000	100,800,000	604,800,000	302,400,000	Scrip issue	

Corporate Directory

Registered Office: 28/32, Industrial Avenue,
Ilupeju Industrial Estate,
Ilupeju, Lagos.
Tel: 09030001367, 09030001368 & 07014900034
E-mail: applc@academypress-plc.com
Website: www.academypress-plc.com

Abuja Office: Suite 308B
DBM Plaza
Aminu Kano Crescent
Wuse 2, Abuja.
Tel: 08032056677, 08053602811
E-mail: sales@academypress-plc.com

Directors:

High Chief (Sir) Simeon O. Oguntimehin, OON	– *Chairman*
Wahab B. Dabiri	– *Vice Chairman*
Olugbenga Ladipo	– *Managing Director/CEO*
Babatunde J. Fashanu	– *Non-Executive (Resigned 27th September, 2018)*
Femi Akingbe	– *Non-Executive*
Oyewole Olaoye	– *Non-Executive*
F. B. Omo-Eboh (Mrs.)	– *Non-Executive*
Omosola Sokunbi	– *Executive*
Ivor Hutchinson (British)	– *Non-Executive*
Kadaria Ahmed (Ms.)	– *Non-Executive (Appointed 3rd December, 2018)*

Auditors: **Ernst & Young**
(Chartered Accountants)
10th & 13th Floors, UBA House,
57, Marina, Lagos,
Nigeria.
E-mail: services@ng.ey.com

Secretaries: Alpha-Genasec Limited
Krestal Laurel Complex (4th Floor),
376, Ikorodu Road, Maryland,
P. O. Box 15016
Ikeja, Lagos.
Tel: 234 (0) 8062272121, 8023579949
E-mail: alphagenasec@bakertillynigeria.com

Registered Number: RC 3915

Bankers: Union Bank of Nigeria Plc,
25, Industrial Avenue,
Ilupeju.

First Bank of Nigeria Ltd
32, Ilupeju Bye-Pass,
Ilupeju, Lagos.

Sterling Bank Plc,
235, Ikorodu Road,
Ilupeju, Lagos.

Zenith Bank Plc,
7/9, Industrial Avenue,
Ilupeju, Lagos.

Guaranty Trust Bank Plc,
1, Town Planning Way,
Ikorodu Road,
Lagos.

Insurers: Regency Alliance Insurance Plc
2, Ebun Street,
Gbagada Expressway,
Lagos.

FBN General Insurance Ltd.
298, Ikorodu Road,
Anthony Village,
Lagos.

LASACO Assurance Plc,
172, Herbert Macaulay Street,
Yaba, Lagos.

Affix Current Passport

Write your name at the back of your passport photograph

E-DIVIDEND MANDATE ACTIVATION FORM

Pace Registrars
Formerly
Sterling Registrars

Instruction

Only Clearing Banks are acceptable

Please complete all section of this form to make it eligible for processing and return to the address below

The Registrar,
Pace Registrars Limited RC: 248500
Head Office: 24, Campbell Street,
(8th Floor) knight Frank Building, P. M. B 12735 Lagos.
Tel: 01-2806987, 01-2806988, 01-2805538
Branch Office: 110, Muritala Muhammed way, kano.
Webmail: info@paceregistrar.com www. paceregisrars.com

I\We hereby request that henceforth, all my/our Dividend Payment(s) due to me/us from my/our holdings in all the companies ticked at the right hand column be credited directly to my / our bank detailed below:

Bank Verification Number

Bank Name

Bank Account Number

Account Opening Date

Shareholder Account Information

Surname / Company's Name First Name Other Names

Address :

City State Country

Previous Address (If any)

CHN (If any)

Mobile Telephone 1

Email Address

Signature(s)

Company Seal (If applicable)

Joint/Company's Signaturies

PLEASE TICK AS APPLICABLE

TICK X	NAME OF COMPANY	SHARE HOLDER'S ACCOUNT NO.
	ACADEMY PRESS PLC	
	BIG TREAT PLC	
	CAPITAL TRUST BROKERS LTD.	
	CONTINENTAL REINSURANCE PLC	
	GOLDLINK INSURANCE PLC	
	JAPAUL OIL AND MARITIME SERVICE PLC	
	NIGERIA ENERGY SECTOR FUND	
	OPR-REFINING & PETROCHEMICAL CHEMICAL PLC	
	ORIENT PETROLEUM RESOURCES LIMITED	
	SKY SHELTER FUND	
	STERLING BANK PLC	
	STUDIO PRESS (NIGERIA) PLC	
	TETRAZZINI PLC	
	THE FRONTIER FUND	
	UNION TRUSTEES	

Help Desk Telephone No/Contact Centre Information
for Issue resolution or clarification: 01-2806987, 01-2806988, 01-2805538

Pace Registrars Limited
Webmail: info@paceregistrar.com www. paceregisrars.com

To

Pace Registrars
Formerly
Sterling Registrars

Pace Registrars Limited
Head Office: 24, Campbell Street,
(8th Floor) knight Frank Building, P. M. B 12735 Lagos.
Tel: 01-2806987, 01-2806988, 01-2805538
Branch Office: 110, Muritala Muhammed way, kano.
Webmail: info@paceregistrar.com
www. paceregisrars.com

CHANGE OF ADDRESS FORM

I/We hereby request that my address be changed as follows:

(OLD ADDRESS)______________________________

____

____

____

____

(NEW ADDRESS)______________________________

____

(MOBILE NO) ______________________________

(E-MAIL ADDRESS)______________________________

____

Please indicate Post Office Box or Private Mail Bag No., if available.

PLEASE TICK AS APPLICABLE	
TICK X	NAME OF COMPANY
	ACADEMY PRESS PLC
	BIG TREAT PLC
	CAPITAL TRUST BROKERS LTD.
	CONTINENTAL REINSURANCE PLC
	GOLDLINK INSURANCE PLC
	JAPAUL OIL AND MARITIME SERVICE PLC
	NIGERIA ENERGY SECTOR FUND
	OPR-REFINING & PETROCHEMICAL CHEMICAL PLC
	ORIENT PETROLEUM RESOURCES LIMITED
	SKY SHELTER FUND
	STERLING BANK PLC
	STUDIO PRESS (NIGERIA) PLC
	TETRAZZINI PLC
	THE FRONTIER FUND
	UNION TRUSTEES

Registrar Account No: ______________________________

Name of Stock/Shareholder: ______________________________

____

Date: ______________________________

Signature of Stock/Shareholder:

Signature for Joint/Corporate account only

To:

The Registrar:
Pace Registrars Limited
8th Floor, Knight Frank Building
24, Campbell Street, Lagos.
Tel:01-2806987-8, **2805538**
info@pacegregistrars.com
www.pacegregistrars.com

E –BONUS/OFFER/RIGHTS FORM

Please credit my/our account at Central Securities Clearing System Limited (CSCS) with all subsequent allotments and bonuses due to me/us in the books of:

NAME OF COMPANY: ACADEMY PRESS PLC

Personal Data

Surname: ……………………………………………………………………………………………

Other Names: ………………………………………………………………………………………

Address: ……………………………………………………………………………………………

Mobile Phone No. : …………………………………………………………………………………

Email: ………………………………………………………………………………………………

Shareholder's Signature:
(1)……………………………………………………………………………………………………

(2)……………………………………………………………………………………………………

NB: Corporate Seal/stamp required for (corporate Shareholders)

CSCS Details

Stockbroker: …………………………………………………………………………………………

Clearing House Number: **C**…………………………………………………………………………

Authorized Signature & Stamp of Stockbroker……………………………………………………

………………………………………………………………………………………………………

Please attach a copy of your CSCS statement as evidence of opening the CSCS account.

PROXY FORM

Academy Press Plc

55th Annual General Meeting to be held at 12.00 noon on Thursday 19th September, 2019 at the Registered Office of the Company, 28/32, Industrial Avenue, Ilupeju Industrial Estate, Ilupeju, Lagos.

I/We, ...

being a member/members of Academy Press Plc,

hereby appoint**... or failing him/her, the Chairman of the meeting as my/our proxy to act and vote for me/us and on my/our behalf at the 54th Annual General Meeting of the Company to be held on Thursday 19th September, 2019 and at any adjournment thereof.

Dated this 20th day of August, 2019.

Shareholder's Signature:______________________

IF YOU ARE UNABLE TO ATTEND THE MEETING
A member (shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote on a poll by a proxy. The above Proxy Form has been prepared to enable you to exercise your right to vote in case you cannot personally attend the meeting. Provision has been made on this form for the Chairman of the meeting to act as your proxy, but if you wish, you may insert in the blank space marked** on the form, the name of any person whether a member of the Company or not who will attend the meeting and vote on your behalf instead of the Chairman of the meeting.

Numbers of Shares			
No.	**Resolutions**	**For**	**Against**
1.	To receive the Financial Statements for the year ended 31st March, 2019 and the Reports of the Auditors and the Audit Committee thereon.		
2.	To declare a Dividend		
3.	To re-elect as Directors: – Mr. Ivor Hutchinson – Mrs. Folashade B. Omo-Eboh		
4.	To ratify the appointment of Ms. Kadaria Ahmed		
5.	To authorise the Directors to fix the remuneration of the Auditors		
6.	To elect Members of the Audit Committee		
SPECIAL BUSINESS: 7.	To approve the following remuneration of Directors: ₦6.870m per annum		

Please indicate with an **"X"** in the appropriate space how you wish 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.

Please stamp and sign this Proxy Form and post it so as to reach the address thereon not later than 12.00 noon of 14th September, 2019. If executed by a Corporation, the proxy should be sealed with the Common Seal.

Before posting the above Proxy Form, please tear off this part and retain it for admission to the meeting.

ADMISSION CARD
ACADEMY PRESS PLC
RC 3915

55th Annual General Meeting to be held at 12.00 noon on Thursday 19th September, 2019 at the Registered Office of the Company, 28/32, Industrial Avenue, Ilupeju Industrial Estate, Ilupeju, Lagos.

Name of Shareholder {______________________________________} Number of Shares { _______________}

Signature of person attending: ____

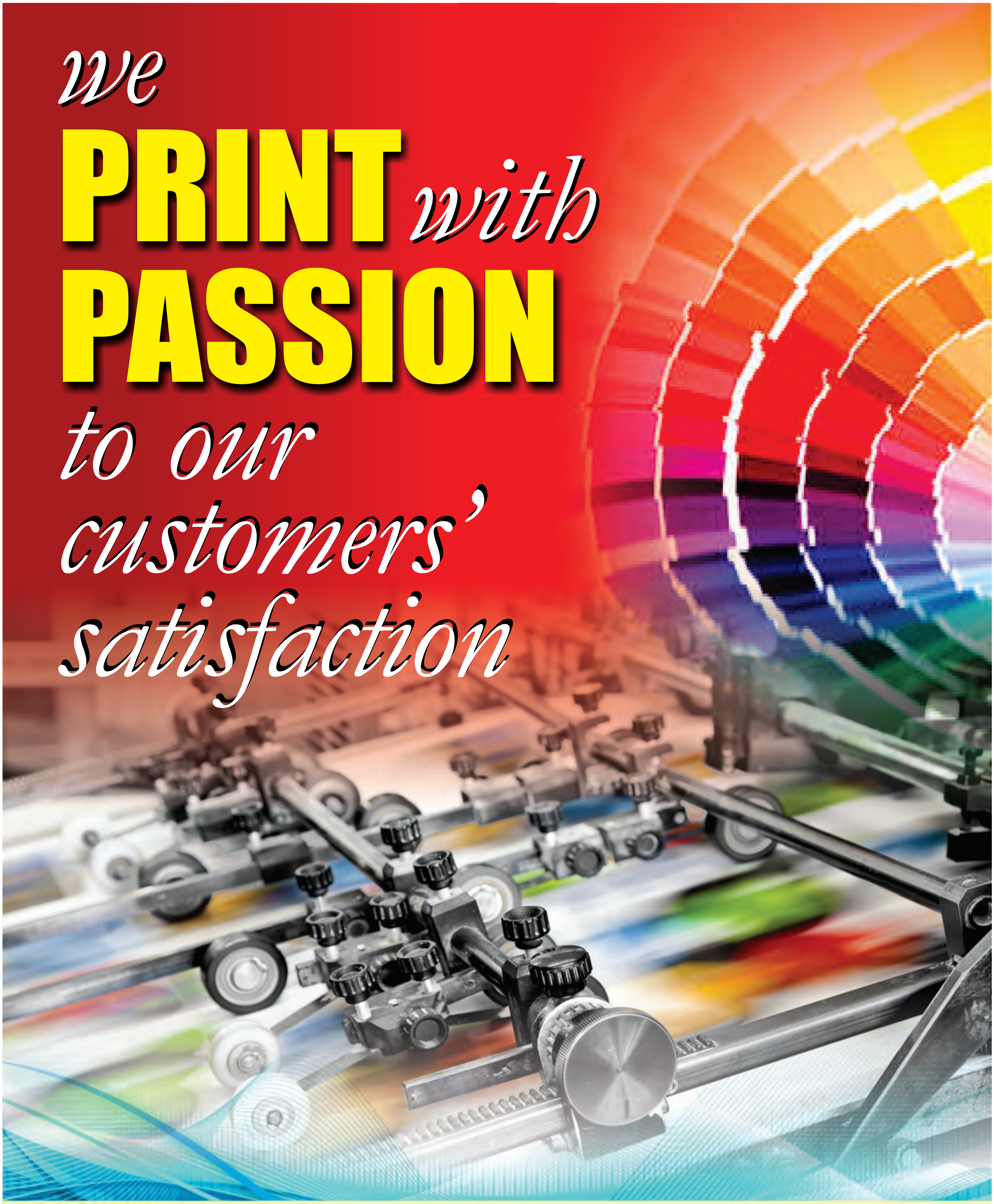
NOTE: This admission card must be produced by the shareholder or his/her proxy in order to be admitted at the meeting. Shareholders or their proxies are requested to sign the admission card before attending the meeting.

Please affix
stamp

The Registrar,
Pace Registrars Limited,
Knight Frank Building (8th Floor),
24, Campbell Street,
Lagos.

Notes

Notes


we
PRINT with
PASSION
to our
customers'
satisfaction