Oando

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Annual reports

Consolidated and separate financial statements

31 December 2019

Oando PLC
Annual Consolidated and Separate Financial Statements
Statement of profit or loss
For the year ended 31 December 2019

	Notes	Group 2019 N'000	Group 2018 N'000	Company 2019 N'000	Company 2018 N'000
Revenue from contract with customers	8c	576,571,857	679,465,339	424,734,190	488,518,160
Cost of sales	10	(504,011,590)	(583,191,386)	(423,956,921)	(488,938,074)
Gross profit/(loss)		72,560,267	96,273,953	777,269	(419,914)
Other operating (expense)/income	9	(2,609,514)	11,006,460	1,051,421	2,652,401
Impairment of non-financial assets	10c	(169,107,318)	(5,977,191)	(27,866,166)	(3,435,951)
(Impairment of assets)/reversal of impairment of financial assets	10c	(147,570,626)	13,155,514	6,598,463	10,211,115
Administrative expenses	10b	(88,153,327)	(70,457,124)	(23,243,098)	(10,939,966)
Operating (loss)/profit		(334,880,518)	44,001,612	(42,682,111)	(1,932,315)
Finance costs	12a	(49,685,371)	(42,706,619)	(21,192,274)	(17,582,406)
Finance income	12b	8,972,892	10,265,496	1,784,166	1,819,411
Net finance costs		(40,712,479)	(32,441,123)	(19,408,108)	(15,762,995)
Share of loss of associates	18	(1,821,974)	(372,369)	-	-
(Loss)/profit before income tax		(377,414,971)	11,188,120	(62,090,219)	(17,695,310)
Income tax credit/(expense)	13(a)	170,336,677	17,609,623	(1,061,835)	(626,567)
(Loss)/profit for the year		(207,078,294)	28,797,743	(63,152,054)	(18,321,877)
(Loss)/profit attributable to:					
Equity holders of the parent		(171,821,040)	24,432,941	(63,152,054)	(18,321,877)
Non-controlling interest		(35,257,254)	4,364,802	-	-
		(207,078,294)	28,797,743	(63,152,054)	(18,321,877)
(Loss)/earnings per share attributable to ordinary equity holders of the parent during the year (expressed in Naira per share):					
Basic and diluted (loss)/earnings per share					
From (loss)/profit for the year	14	(14)	2	(5)	(1)

The statement of significant accounting policies and notes on pages 22 to 102 form an integral part of these consolidated and separate financial statements.

Statement of other comprehensive income
For the year ended 31 December 2019

	Notes	Group 2019 N'000	Group 2018 N'000	Company 2019 N'000	Company 2018 N'000
(Loss)/profit for the year		(207,078,294)	28,797,743	(63,152,054)	(18,321,877)
Other comprehensive income:					
Items that may be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations		6,462,173	9,275,443	-	-
Share of associate's foreign currency translation reserve	32	4,250	5,631	-	-
		6,466,423	9,281,074	-	-
Reclassification to profit or loss					
Reclassification of share of OWDL's foreign currency translation reserve	32	49,095	5,268	-	-
Other comprehensive income for the year, net of tax		6,515,518	9,286,342	-	-
Total comprehensive (loss)/income for the year, net of tax		(200,562,776)	38,084,085	(63,152,054)	(18,321,877)
Attributable to:					
- Equity holders of the parent		(164,907,053)	34,727,989	(63,152,054)	(18,321,877)
- Non-controlling interests		(35,655,723)	3,356,096	-	-
Total comprehensive (loss)/income for the year, net of tax		(200,562,776)	38,084,085	(63,152,054)	(18,321,877)

The statement of significant accounting policies and notes on pages 22 to 102 form an integral part of these consolidated and separate financial statements.

Assets	Notes	Group 2019 N'000	Group 2018 N'000
Non-current assets			
Property, plant and equipment	15	394,228,600	355,020,085
Intangible assets	16	270,871,563	432,321,760
Right of use asset	46ci	16,267,406	-
Investment properties	17	2,808,000	1,033,000
Investment in associates	18	1,782,799	6,424,732
Deferred income tax assets	19	3,595,526	45,093,156
Financial assets at fair value through profit or loss	27a	-	11,106,341
Finance lease receivables	21	73,510,965	73,612,863
Non-current receivables	22	-	13,079,187
Prepayments	26	164,568	493,705
Restricted cash	29	5,863,527	6,807,064
		769,092,954	944,991,893
Current assets			
Inventories	23	24,541,679	28,392,500
Derivative financial assets	20	1,252,965	1,853,245
Trade, other receivables and contract assets	24	122,864,452	84,791,443
Deposit for shares	25	3,098,335	3,037,619
Prepayments	26	3,488,315	4,113,394
Financial assets at fair value through profit or loss	27b	48,223	53,219
Cash and cash equivalents (excluding bank overdrafts)	29	33,576,182	10,914,741
		188,870,151	133,156,161
Total assets		957,963,105	1,078,148,054
Equity and Liabilities			
Equity attributable to equity holders of the parent			
Share capital	31	6,215,706	6,215,706
Share premium	31	176,588,527	176,588,527
Retained loss		(304,753,294)	(126,534,432)
Other reserves	32	150,856,601	144,604,935
		28,907,540	200,874,736
Non controlling interest		38,100,179	76,241,975
Total equity		67,007,719	277,116,711
Liabilities			
Non-current liabilities			
Borrowings	33	130,635,428	76,848,651
Deferred income tax liabilities	19	12,657,924	214,662,084
Decommissioning provisions	34	106,393,420	56,717,572
Lease liabilities	46cii	19,617,395	-
		269,304,167	348,228,307
Current liabilities			
Trade and other payables	35	350,043,996	268,692,378
Borrowings	33	231,531,048	134,052,667
Lease liabilities	46cii	3,344,733	-
Current income tax liabilities	13b	35,081,165	47,245,129
Dividend payable	36	1,650,277	1,650,277
		621,651,219	451,640,451
Liabilities of disposal group classified as held for sale	30	-	1,162,585
Total liabilities		890,955,386	801,031,343
Total equity and liabilities		957,963,105	1,078,148,054

The financial statements and notes on pages 15 to 105 were approved and authorised for issue by the Board of Directors on 30th May 2022 and were signed on its behalf by:

Group Chief Executive
Mr. Jubril Adewale Tinubu
FRC/2013/NBA/00000003348

Group Chief Financial Officer
Mr. Adeola Ogunsemi
FRC/2016/ICAN/00000014639

The statement of significant accounting policies and notes on pages 22 to 102 form an integral part of these consolidated and separate financial statements.

Statement of financial position
As at 31 December 2019

Assets	Notes	Company 2019 N'000	Company 2018 N'000
Non-current assets			
Property, plant and equipment	15	1,696,350	1,705,378
Intangible assets	16	613,534	-
Right of use asset	46ci	13,458,959	-
Investment properties	17	2,808,000	1,033,000
Investment in associates	18	2,716,431	2,716,431
Finance lease receivables	21	9,202,848	-
Financial assets at fair value through profit or loss	27a	-	11,106,341
Non-current receivables	22	-	2,977,040
Investment in subsidiaries	28	26,638,421	51,932,598
Prepayments	26	164,568	493,705
		57,299,111	71,964,493
Current assets			
Inventories	23	22,578,799	26,514,991
Trade, other receivables and contract assets	24	141,343,373	135,177,498
Prepayments	26	609,113	1,023,376
Financial assets at fair value through profit or loss	27b	45,644	50,716
Cash and cash equivalents (excluding bank overdrafts)	29	1,266,353	1,635,634
		165,843,282	164,402,215
Total assets		223,142,393	236,366,708
Equity and Liabilities			
Equity attributable to equity holders			
Share capital	31	6,215,706	6,215,706
Share premium	31	176,588,527	176,588,527
Retained earnings		(311,586,523)	(243,703,801)
Other reserves	32	-	-
Total Equity		(128,782,290)	(60,899,568)
Liabilities			
Non-current liabilities			
Borrowings	33	-	69,856,667
Decommissioning provisions	34	209,646	-
Lease liabilities	46cii	22,668,097	-
		22,877,743	69,856,667
Current liabilities			
Trade and other payables	35	211,754,578	185,205,478
Borrowings	33	106,199,440	39,392,034
Current income tax liabilities	13b	2,223,274	1,161,820
Lease liabilities	46cii	7,219,371	-
Dividend payable	36	1,650,277	1,650,277
		329,046,940	227,409,609
Total liabilities		351,924,683	297,266,276
Total equity and liabilities		223,142,393	236,366,708

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FRC/2013/NBA/00000003348

Group Chief Financial Officer
Mr. Adeola Ogunsemi
FRC/2016/ICAN/00000014639

The statement of significant accounting policies and notes on pages 22 to 102 form an integral part of these consolidated and separate financial statements.

Group	Share capital & Share premium[1] N'000	Other reserves[2] N'000	Retained earnings N'000	Equity holders of parent N'000	Non controlling interest N'000	Total equity N'000
Balance as at 1 January 2018	182,804,233	131,475,022	(138,677,099)	175,602,156	87,833,624	263,435,780
Effect of adoption of IFRS 9	-	(17,690)	(10,245,238)	(10,262,928)	(10,411,535)	(20,674,463)
Restated total equity at the beginning of the financial year	182,804,233	131,457,332	(148,922,337)	165,339,228	77,422,089	242,761,317
Profit for the year	-	-	24,432,941	24,432,941	4,364,802	28,797,743
Other comprehensive income/(loss) for the year	-	10,295,048	-	10,295,048	(1,008,706)	9,286,342
Total comprehensive income	-	10,295,048	24,432,941	34,727,989	3,356,096	38,084,085
Non controlling interest arising in business combination						
Change in ownership interests in subsidiaries that do not result in a loss of control (Note 42c)	-	2,852,555	(2,045,036)	807,519	(4,536,210)	(3,728,691)
Total transactions with owners of the parent, recognised directly in equity	-	2,852,555	(2,045,036)	807,519	(4,536,210)	(3,728,691)
Balance as at 31 December 2018	182,804,233	144,604,935	(126,534,432)	200,874,736	76,241,975	277,116,711
Balance as at 1 January 2019	182,804,233	144,604,935	(126,534,432)	200,874,736	76,241,975	277,116,711
Effect of adoption of IFRS 16 (note 46b)	-	-	(4,730,668)	(4,730,668)	-	(4,730,668)
Restated total equity at the beginning of the financial year	182,804,233	144,604,935	(131,265,100)	196,144,068	76,241,975	272,386,043
Loss for the year	-	-	(171,821,040)	(171,821,040)	(35,257,254)	(207,078,294)
Other comprehensive income/(loss) for the year	-	6,913,987	-	6,913,987	(398,469)	6,515,518
Total comprehensive income/(loss) for the year	-	6,913,987	(171,821,040)	(164,907,053)	(35,655,723)	(200,562,776)
Non controlling interest arising in business combination						
Change in ownership interests in subsidiaries that do not result in a loss of control (note 42c)	-	(662,321)	(1,667,154)	(2,329,475)	(2,486,073)	(4,815,548)
Balance as at 31 December 2019	182,804,233	150,856,601	(304,753,294)	28,907,540	38,100,179	67,007,719

[1] Share capital includes Ordinary Shares and share premium (Note 31)
[2] Other reserves include currency translation reserves and share based payment reserves (SBPR). See note 32.

The statement of significant accounting policies and notes on pages 22 to 102 form an integral part of these consolidated and separate financial statements.

Company	Share Capital & Share premium N'000	Other reserves [1] N'000	Retained earnings N'000	Equity holders of parent/ Total equity N'000
Balance as at 1 January 2018	182,804,233	17,690	(193,330,038)	(10,508,115)
Effect of adoption of IFRS 9	-	(17,690)	(32,051,886)	(32,069,576)
Restated total equity at the beginning of the financial year	182,804,233	-	(225,381,924)	(42,577,691)
Loss for the year	-	-	(18,321,877)	(18,321,877)
Total comprehensive loss	-	-	(18,321,877)	(18,321,877)
Balance as at 31 December 2018	182,804,233	-	(243,703,801)	(60,899,568)
Balance as at 1 January 2019	182,804,233	-	(243,703,801)	(60,899,568)
Effect of adoption of IFRS 16 (note 46b)	-	-	(4,730,668)	(4,730,668)
Restated total equity at the beginning of the financial year	182,804,233	-	(248,434,469)	(65,630,236)
Loss for the year	-	-	(63,152,054)	(63,152,054)
Total comprehensive loss for the year	-	-	(63,152,054)	(63,152,054)
Balance as at 31 December 2019	182,804,233	-	(311,586,523)	(128,782,290)

[1] Other reserves comprise financial assets at fair value through profit or loss. See note 32.

The statement of significant accounting policies and notes on pages 22 to 102 form an integral part of these consolidated and separate financial statements.

	Notes	Group 2019 N'000	Group 2018 N'000	Company 2019 N'000	Company 2018 N'000
Cash flows from operating activities					
Cash generated from operations	37	(97,439,499)	115,337,318	1,609,788	9,446,037
Interest paid		(24,298,886)	(28,172,017)	(6,955,889)	(11,889,679)
Income tax paid	13b	(1,436,642)	(29,096,210)	(381)	(365)
Net cash (used in)/generated from operating activities		(123,175,027)	58,069,091	(5,346,482)	(2,444,007)
Cash flows from investing activities					
Purchases of property plant and equipment	15	(27,871,027)	(37,861,804)	(310,110)	(528,824)
Proceeds from disposal of subsidiary, net of cash (OML 125 &134)		-	1,092,000	-	-
Proceeds from disposal of investment in associate	18, 22d	288,578	-	-	-
Deposit for shares	25	(4,869,758)	(3,037,619)	-	-
Payment with regards to investment property	17	(6,650)	-	(6,650)	-
Acquisition of software	16	(669,310)	-	(669,310)	-
Purchase of intangible exploration assets	16	(1,189,475)	(871,605)	-	-
Proceeds from sale of property, plant and equipment		-	2,402,219	-	13,957
Proceeds from early hedge settlement	20	5,422,940	-	-	-
Recoveries on non-current receivables		8,189,842	3,646,531	-	-
Finance lease received	21iii	8,157,159	7,947,069	4,303,157	-
Interest received		79,985	61,600	79,892	61,537
Net cash (used in)/generated from investing activities		(12,467,716)	(26,621,609)	3,396,979	(453,330)
Cash flows from financing activities					
Proceeds from long term borrowings	37b	129,160,737	-	-	-
Repayment of long term borrowings	37b	(803,167)	(5,683,766)	-	-
Proceeds from other short term borrowings	37b	39,186,536	17,900,337	-	3,318,633
Repayment of other short term borrowings	37b	(17,492,181)	(43,333,273)	(2,843,790)	-
Lease payments		(4,765,827)		(7,618,855)	
Proceeds from loan note from Helios with respect to the sale of the gas & power entities	22d	12,335,222	-	12,335,222	-
Acquired minority interest		-	(3,575,048)	-	-
Restricted cash		953,074	5,795,940	-	-
Net cash generated from/(used in) financing activities		158,574,394	(28,895,810)	1,872,577	3,318,633
Net change in cash and cash equivalents		22,931,651	2,551,672	(76,926)	421,296
Cash and cash equivalents at the beginning of the year		10,620,544	7,895,061	1,341,437	915,653
Exchange gain on cash and cash equivalents		23,987	173,811	1,842	4,488
Cash and cash equivalents at end of the year		33,576,182	10,620,544	1,266,353	1,341,437
Cash and cash equivalent at year end is analysed as follows:					
Cash and bank balance	29	33,576,182	10,914,741	1,266,353	1,635,634
Bank overdrafts	33	-	(294,197)	-	(294,197)
		33,576,182	10,620,544	1,266,353	1,341,437

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