

# MORISON INDUSTRIES PLC

1ST QUARTER FINANCIAL REPORTS AS AT MARCH 31, 2022 (UNAUDITED)

MORISON INDUSTRIES PLC  
28/30, MORISON CRESCENT,  
OREGUN INDUSTRIAL AREA,  
OREGN, IKEJA - LAGOS.  
P. M. B. 21290, IKEJA.  
TEL: 07080574209

# MORISON INDUSTRIES PLC RC. 1274



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## MORISON INDUSTRIES PLC

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

FOR THE PERIOD ENDED 31 MARCH 2022

	Notes	JAN-'MAR 2022 N'000	JAN-'MAR 2021 N'000	DECEMBER 31 '2021 N'000
Revenue	1	55,565	29,126	140,610
Cost of sales	2	(37,907)	(20,768)	(110,638)
<b>Gross profit</b>		<b>17,658</b>	<b>8,358</b>	<b>29,972</b>
Distribution expenses	3	(8,041)	(5,993)	(25,009)
Operating expenses	4	(32,340)	(30,658)	(135,401)
Other operating income	5	14,638	10,334	52,524
<b>Loss from operations</b>		<b>(8,084)</b>	<b>(17,959)</b>	<b>(77,914)</b>
Finance income		0	-	-
Finance expenses	6	(4,759)	(1,956)	(15,548)
<b>Net finance expenses</b>		<b>(4,759)</b>	<b>(1,956)</b>	<b>(15,548)</b>
<b>Loss before taxation</b>		<b>(12,843)</b>	<b>(19,914)</b>	<b>(93,462)</b>
Tax expense		0	-	(469)
<b>Loss for the year</b>		<b>(12,843)</b>	<b>(19,914)</b>	<b>(93,931)</b>
<b>Other comprehensive income</b>				
Items that will not be reclassified to profit or loss:		0	-	-
Items that will or may be reclassified to profit or loss:		0	-	-
<b>Total other comprehensive income</b>		<b>0</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive loss</b>		<b>(12,843)</b>	<b>(19,914)</b>	<b>(93,931)</b>
Loss per share(kobo)		0.01	0.02	(0.09)

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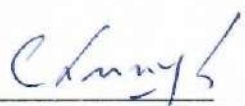
**MORISON INDUSTRIES PLC**

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## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022 (UNAUDITED)

	Notes	MARCH 2022 N'000	31ST, DECEMBER 2021 N'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	1,499,152	1,506,695
Leased assets		-	-
		<u>1,499,152</u>	<u>1,506,695</u>
<b>Current assets</b>			
Inventories	8	42,760	47,323
Trade and other receivables	9	74,409	55,217
Cash and cash equivalents	10	15,704	5,422
		<u>132,872</u>	<u>107,962</u>
<b>Total assets</b>		<u>1,632,024</u>	<u>1,614,657</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Borrowings	11	122,682	119,798
Trade and other payables	12	269,886	242,561
Income tax payables		857	857
		<u>393,425</u>	<u>363,216</u>
<b>Non-current liabilities</b>			
Employees' benefit obligations	13	516	516
Deferred tax liabilities		184,163	184,163
		<u>184,678</u>	<u>184,679</u>
<b>Total liabilities</b>		<u>578,103</u>	<u>547,895</u>
<b>Net assets</b>		<u>1,053,921</u>	<u>1,066,762</u>
<b>Equity</b>			
Share capital	14	494,580	494,580
Share premium	15	84,477	84,477
Revenue reserve	16	(644,172)	(631,329)
Revaluation reserve	17	1,119,035	1,119,035
<b>Total equity</b>		<u>1,053,920</u>	<u>1,066,763</u>

The financial statements and accompanying notes were approved by the Board of Directors on April 26, 2022 and signed on its behalf by:

  
TITIOYE, Richard Olaniyi  
Chairman  
FRC/2013/ICAN/00000003887

  
OLADEJO, Adesoji Akinola  
Managing Director  
FRC/2021/003/00000022832

  
AYEGBO, Oluwafemi Olanrewaju  
Financial Controller  
FRC/2021/001/00000022831



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**MORISON INDUSTRIES PLC**  
**STATEMENT OF CHANGES IN EQUITY(UNAUDITED)**  
**FOR THE PERIOD ENDED 31 MARCH 2022**

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	Share Capital N'000	Share Premium N'000	Revenue Reserve N'000	Revaluation Reserve N'000	Total Equity N'000
Balance at 1 January 2021	494,580	84,477	(537,398)	-	41,659
Comprehensive income for the period:					
Loss for the period	-	-	(93,931)	-	(93,931)
Other comprehensive income	-	-	-	1,119,035	1,119,035
Total comprehensive income for the period	-	-	(93,931)	1,119,035	1,025,104
Transactions with owners recorded directly in equity	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-
Total transactions with equity owners	-	-	-	-	-
Balance at 31 December 2021	494,580	84,477	(631,329)	1,119,035	1,066,763
Balance at 1 January 2022	494,580	84,477	(631,329)	1,119,035	1,066,763
Comprehensive income for the year/period					
Loss for the year/period	-	-	(12,843)	-	(12,843)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year/period	-	-	(12,843)	-	(12,843)
Transactions with owners, recorded directly in equity	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-
Total transactions with equity owners	-	-	-	-	-
Balance at 31 March 2022	494,580	84,477	(644,172)	1,119,035	1,053,920

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**MORISON INDUSTRIES PLC**  
**STATEMENT OF CASH FLOW (UNAUDITED)**  
**FOR THE PERIOD ENDED 31 MARCH 2022**

MORISON INDUSTRIES PLC  
28/30, MORISON CRESCENT,  
OREGUN INDUSTRIAL AREA,  
OREGN, IKEJA - LAGOS.  
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	MARCH 2022 N'000	MARCH 2021 N'000	31ST, DECEMBER 2021 N'000
Net cash flow from Operating Activities	2,362	3,285	(42,023)
Net cash flow from Investing Activities	7,920	6,372	(1,614)
Net cash flow from Financing Activities	-	-	45,857
Cash and Cash equivalent for the year	10,282	9,657	2,220
Cash and cash equivalent at the beginning of the year	5,422	3,202	3,202
Cash and cash equivalent at the end of the year/period	15,704	12,859	5,422



Continuation Sheet

MORISON INDUSTRIES PLC  
FINANCIAL STATEMENTS, 31 MARCH 2022 ( UNAUDITED)  
NOTES TO THE FINANCIAL STATEMENTS

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	JAN-MARCH 2022			JAN-MARCH 2021		
	Revenue N'000	Cost of sales N'000	Gross profit N'000	Revenue N'000	Cost of sales N'000	Gross profit N'000
1. Revenue and Profit						
Analysis by activities:						
Pharmaceuticals	1,217	947	269	952	466	486
LMP-Consumers	39,260	34,499	4,761	21,071	20,206	864
Others/Contracts	15,089	2,460	12,628	7,103	95	7,008
	<u>55,565</u>	<u>37,907</u>	<u>17,658</u>	<u>29,126</u>	<u>20,768</u>	<u>8,358</u>
2. <u>Cost of sales</u>				2022		2021
Cost of sales includes:				N'000		N'000
Materials consumed				-		11,563
Production salaries and wages				4,890		5,353
Repairs and maintenance				1,075		1,131
Electricity				1,408		1,129
Depreciation of property, plant and equipment				1,845		549
Oil and gas				1,154		563
Laboratory Expenses				518		-
Factory Annual Registration				675		-
Technical Expenses				12		-
Office expenses				44		479
				<u>11,621</u>		<u>20,767</u>
3. <u>Distribution expenses</u>				N'000		N'000
Advertisement				2,790		160
Discount allowed and commission				86		306
Trade Samples				415		66
Salaries, bonuses and commission				2,561		4,294
Local Freight				915		465
Travelling Expenses				858		504
Application & tender fees				50		-
Transportation				366		198
				<u>8,041</u>		<u>5,993</u>
4. <u>Operating expenses</u>				N'000		N'000
Audit fees				500		500
Salaries and wages				11,371		9,022
Bank charges				112		47
Depreciation on property, plant and equipment				6,642		7,323
Directors' emoluments				425		375
Directors' fees				-		-
Electricity				604		484
Legal Expenses				150		-
Insurance, licence and fees				35		144
Computer expenses				117		67
Land use charges				121		121
Office expenses -Note 6(c)				6,591		3,000
Postages and telephones				565		500





Continuation Sheet

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	2022 N'000	2021 N'000
Professional fees	188	5,000
Rent and rates	230	220
Repairs and renewals- Offices & premises	315	213
Products Registration and Licences	-	-
Environment Development Charge	151	-
Fine & Penalties	50	-
Secretariat expenses	2,328	2,102
Security expenses	509	496
Obsolete and damaged inventory written off	7	0
Vehicle running expenses	1,329	1,044
	<u>32,340</u>	<u>30,658</u>
<b>5 Other operating income</b>		
(a) This comprises:	N'000	N'000
Bad debts recovered	-	-
Sales of empty drums and scraps	-	-
Rental and freight	14,171	10,102
Profit on disposal of property, plant and equipment	-	-
Obsolete materials sold	467	232
	<u>14,638</u>	<u>10,334</u>
<b>6 Finance income/ expenses</b>		
(a) Finance income	N'000	N'000
	-	-
Finance expenses comprise:		
Interest on borrowings	(4,759)	(1,956)
<b>Net finance expenses</b>	<u>(4,759)</u>	<u>(1,956)</u>
(b) <b>Directors</b>	N'000	N'000
The aggregate emoluments of the Directors were:		
Fees	-	-
Other emoluments	425	375
	<u>425</u>	<u>375</u>
(c) <b>Office expenses</b>		
Canteen expenses	983	1,120
Donations	80	-
Subscriptions	135	122
Recruitment expenses	-	-
Meals & Entertainment	223	122
Newspaper & magazines	-	-
Printing & stationery	304	180
Staff welfare	4,867	1,456
Training expenses	-	-
	<u>6,591</u>	<u>3,000</u>

MORISON INDUSTRIES PLC  
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# Continuation Sheet

## 7 Property, plant and equipment

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### Cost

At 1 January 2021

Additions

Disposals

Revaluation Surplus

At 31 December 2021

At 1 January 2022

Additions

Disposals

At 31 March 2022

### Accumulated depreciation

At 1 January 2021

Charge for the year

On disposals

Write back on revaluation

At 31 December 2021

At 1 January 2022

Charge for the period

Disposals

At 31 March 2022

### Impairment

At 1 January 2021

Impairment

At 31 December 2021

At 1 January 2022

Impairment

Deferred Expenses

At 31 March 2022

Carrying amounts at:

31 March 2022

31 December 2021

	Leasehold land and buildings N'000	Plant, machinery and equipment N'000	Computer equipment N'000	Motor Vehicles N'000	Capital work in progress N'000	Total N'000
At 1 January 2021	387,019	55,689	2,227	86,937	7,598	539,470
Additions	-	3,238	425	-	227	3,890
Disposals	-	-	-	(20,853)	-	(20,853)
Revaluation Surplus	1,086,481	-	-	-	-	1,086,481
At 31 December 2021	1,473,500	58,927	2,652	66,084	7,825	1,608,988
At 1 January 2022	1,473,500	58,927	2,652	66,084	7,825	1,608,988
Additions	-	567	-	-	-	567
Disposals	-	-	-	-	-	-
At 31 March 2022	1,473,500	59,494	2,652	66,084	7,825	1,609,555
At 1 January 2021	139,802	34,502	2,227	71,783	-	248,314
Charge for the year	17,089	4,497	35	9,726	-	31,347
On disposals	-	-	-	(20,852)	-	(20,852)
Write back on revaluation	(156,891)	-	-	-	-	(156,891)
At 31 December 2021	-	38,999	2,262	60,657	-	101,918
At 1 January 2022	-	38,999	2,262	60,657	-	101,918
Charge for the period	5,298	2,102	72	1,013	-	8,485
Disposals	-	-	-	-	-	-
At 31 March 2022	5,298	41,101	2,334	61,670	-	110,403
At 1 January 2021	-	375	-	-	-	375
Impairment	-	-	-	-	-	-
At 31 December 2021	-	375	-	-	-	375
At 1 January 2022	-	375	-	-	-	375
Impairment	-	-	-	-	-	-
Deferred Expenses	-	-	-	-	-	-
At 31 March 2022	-	375	-	-	-	375
Carrying amounts at:						
31 March 2022	1,468,202	18,393	318	4,414	7,825	1,499,152
31 December 2021	1,473,500	19,553	390	5,427	7,825	1,506,695





INDUSTRIAL AREA,  
NORTH CREEK, LAGOS,  
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	31/03/2022	31/12/2021
8. <u>Inventories</u>	N'000	N'000
Raw materials	31,716	38,264
Finished goods	21,104	19,236
	52,820	57,500
Provision for obsolete inventory	(10,177)	(10,177)
	42,643	47,323

(a) No inventory was pledged as security for borrowings.

9. <u>Trade and other receivables</u>	N'000	N'000
Trade receivables	134,566	123,259
Provision for trade receivables	(96,339)	(96,339)
<b>Total financial assets other than cash and cash equivalents</b>	38,227	26,920
Other receivables and prepayments	36,182	28,297
	74,409	55,217

(a) <u>Provision for trade receivables</u>	N'000	N'000
Balance at the beginning of the year	96,339	82,340
Provision for the period	-	13,999
Write back during the year	-	-
Balance at the end of the period	96,339	96,339

Trade receivables represents receivables from customers for goods sold and other trading services rendered to them. Trade receivables are stated at amortised cost as at the statement of financial position date.

(b) <u>The age analysis of trade receivables is as follows:</u>	N'000	N'000
Past due < 90days	5,461	15,708
Past due 91-180 days	8,460	6,198
Past due 181-360 days	7,670	5,014
Past due 360days and above	112,974	96,339
	134,565	123,259

(c) The carrying value of trade and other receivables classified as loans and receivables approximates fair value.

	N'000	N'000
Neither past due nor impaired	21,591	26,920
Past due but not impaired	16,635	-
Collectively impaired	96,339	96,339
	134,565	123,259

(d) <u>Other receivables and prepayments:</u>	N'000	N'000
Staff receivables	1,002	65
Withholding tax receipts	14,911	14,911
Withholding tax receivables	19,121	18,419
Provision for WHT and other receivables	(16,045)	(17,423)
Advance to suppliers	3,792	3,686
Unpaid invoices	4,278	-
Receivable from Unosource	-	500
Other receivables	5,586	1,595
	32,644	21,753
Prepayments	3,538	6,544
	36,182	28,297

(f) <u>Prepayments</u>	N'000	N'000
Insurance and Rates	3,538	6,544
	3,538	6,544

10. <u>Cash and cash equivalents</u>	N'000	N'000
Cash and cash equivalents comprise:		
Cash at bank	15,512	5,279
Cash in hand	192	143
Cash and cash equivalents for the purpose of cash flows	15,704	5,422



## Continuation Sheet

MORISON INDUSTRIES PLC  
25/30, MOUNTAIN VIEW RESIDENT,  
OREGON, ALABAMA  
OREGON, ALABAMA  
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11. <u>Borrowings</u>	N'000	N'000	10
(a) The book value and fair value of			
Balance at the beginning of the year	119,798	58,393	
Additions during the year	2,884	50,000	
Interest charged during the year	-	15,548	
Interest paid during the year	-	(4,143)	
Balance at the end of 31/3/2022	122,682	119,798	
12. <u>Trade and other payables</u>	N'000	N'000	
Trade payables	26,206	30,139	
Other payables	216,966	187,046	
Due to related company	9,800	9,800	
Total financial liabilities, excluding loans and borrowings, classified as	252,973	226,985	
Other payables - Tax	16,914	15,576	
	269,886	242,561	
(a) <u>Other payables</u>	N'000	N'000	
Unclaimed dividend	5,632	5,632	
Accruals	37,927	37,420	
Pension payable -Note 12 c	93,832	92,758	
Rent received in advance	30,871	8,945	
Advance deposit by customers	1,733	1,007	
Other payables	46,972	41,284	
	216,966	187,046	
(b) <u>Accruals</u>	N'000	N'000	
Wages	10,849	8,198	
Sundry accruals	17,234	3,192	
Audit fees	1,790	2,650	
Secretarial expenses	1,617	-	
Chairman's Allowance	6,375	6,000	
Nigerian Stock Exchange	-	3,927	
Professional Fees	-	4,082	
Lease charge	121	2,418	
Directors' fees	862	862	
Backduty assessments	-	3,778	
Interest expense	2,313	2,313	
	37,927	37,420	
(c) <u>Pension payable</u>	N'000	N'000	
Balance at the beginning of the period	92,758	84,271	
Contributions for the period	1,074	8,844	
Remittances	-	(357)	
Balance at the end of the period	93,832	92,758	
The Company operates a defined contributory pension scheme for eligible employees. Both employer and employees contribute 10% and 8% respectively of the employees' basic, housing and transport allowances in line with the provisions of the Pension Reform Act, 2014 (as amended).			
(d) <u>Other payables-tax</u>	N'000	N'000	
Value Added Tax	8,892	7,760	
Withholding Tax	2,540	2,309	
PAYE	5,482	5,507	
	16,914	15,576	
13. <u>Employees' benefits obligations</u>	N'000	N'000	
Balance at the beginning of the year	516	516	
Provision for the year	-	-	
Payments during the year	-	-	
Balance at the end of 31/3/2022	516	516	

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14	<b>Share capital</b>	31/3/2022	31/12/2021
	Authorised	N'000	N'000
	Value		
	Ordinary shares of N0.50 each at beginning of the year	500,000	500,000
	Ordinary shares of N0.50 each as at 31, March 2022	500,000	500,000
	Number		
	Ordinary shares of N0.50 each at beginning of the year	1,000,000	1,000,000
	Ordinary shares of N0.50 each as at 31, March 2022	1,000,000	1,000,000
	Issued and fully paid:		
	Value		
	Ordinary shares of N0.50 each at beginning of the year	N494,580	N494,580
	Ordinary shares of N0.50 each as at 31, March 2022	N494,580	N494,580
	Number		
	Ordinary shares of N0.50 each at beginning of the year	989,160	989,160
	Ordinary shares of N0.50 each as at 31, March 2022	989,160	989,160
15	<b>Share premium</b>		
	Balance at the beginning of the year	84,477	84,477
	Balance as at 31, March 2022	84,477	84,477
16	<b>Revenue reserve</b>	N'000	N'000
	Balance at the beginning of the year	(631,329)	(537,398)
	Transfer from statement of comprehensive income	(12,843)	(93,931)
	Balance as at 31, March 2022	(644,172)	(631,329)
17	<b>Revaluation reserve</b>	N'000	N'000
	Balance at the beginning of the year	1,119,035	-
	Revaluation surplus - Cost	-	1,086,481
	Revaluation surplus - Depreciation	-	156,891.00
	Balance as at 31, March 2021	1,119,035	1,243,372
	Less: Tax on revaluation surplus	-	(124,337)
	Balance at the end of the year	1,119,035	1,119,035

Incompliance with Rule 17.15 Disclosure of Dealings in Issuers, Shares, Rules of Exchange 2015 (Issuers' Rule), Morison Industries Plc (the Company) is currently updating and finalising its Securities Trading Policy as mandated by the Issuers Rule. The Policy when becomes effective Applies to all Directors, Audit Committee, employees of the Company and any other person in possession of insider information from the dealing in the Company's shares during the Non-Authorised Trading Period, in accordance with the Investment and Security Act, 2007 and Post Listing Rules of The Nigerian Stock Exchange.