INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

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INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020
BOARD OF DIRECTORS, PROFESSIONAL ADVISERS, ETC.

VISION: To be the foremost paper packaging company in Nigeria, delivering high quality products with excellent service to our esteemed customers

MISSION: We are driven to achieve superior packaging for our customers through consistent focus on our core values; Resilience, Integrity, Service and Excellence.

Board of Directors:

Mr. T. A. Akinshilo	Non-Executive Director and Chairman
Mrs. I. Essien-Akpan	Managing Director
Senator O.O.Ogunbanjo	Non-Executive Director
Mr. O.W. Ogbonna	Non-Executive Director
Mr. Patrick Fernandes	Non-Executive Director
Mrs. A. Adewunmi	Non-Executive Director
Mr. Victor Eromosele	Non-Executive Director

Factory/Head Office
3, Obasa Road
Ikeja
Lagos

Company Secretary
Lennap Services Limited
Toloye House, 362, Ikorodu Road/IA.Okupe Estate
Maryland
Lagos,

Independent Auditors
Victor Ogbe& Co
(Chartered Accountants)
17, Bishop Aboyade Cole
Victoria Island
Lagos

Bankers
Guaranty Trust Bank Plc
First Bank of Nigeria Plc

INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA Plc
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2020

The Directors hereby present their Report together with the audited financial statements for the year ended 31 January, 2020.

Legal Status

International Packaging Industries of Nigeria PLC is incorporated in Nigeria as a public limited liability company under the Companies and Allied Matters Act (CAPC20) Laws of the Federation of Nigeria, 2004 and is domiciled in Nigeria.

Principal Activities

The company is involved in the following activities

- Offset and Flexo Printing of Paper bags
- Light and Heavy Paper Packaging of Packs and Labels for pharmaceutical cosmetic companies
- Printing and Production of Boxes for confectioneries, shoes, jewelries
- Other Printing Products such as Calendar, jotters etc
- Importation and Sale of Printing papers

It has manufacturing site in Ikeja Industrial Estate, Lagos State.

Results

The results for the year are summarized as follows:

	N
Revenue	3,790,195.00
Other Operating Income	60,317,549.29
Operating Profit	12,071,526.99
Profit before taxation	12,071,526.99
Taxation	(5,236,111.25)
Profit after taxation	6,835,415.74
Other Comprehensive Income	
Proposed Dividends	

Future Prospects/Plans

We plan to reposition the company with a view to achieving the following:

- Developing our land at Lekki Free Trade zone
- Diversifying into production of corrugated cartons and boxes
- Purchasing modern machines in order to meet standards and satisfy our customers.

Corporate Governance Report Framework

International Packaging Industries of Nigeria Plc operates within a Corporate Governance framework established on the following:

1. Companies and Allied Matters Act (CapC2O) LFN 2004.
2. Securities and Exchange Commission (SEC) Rules for the time being in force
3. The SEC Code of Corporate Governance for Public Companies 2011 as amended
4. *The Nigerian Code of Corporate Governance 2018*
5. The Memorandum and Articles of Association of International Packaging Industries of Nigeria Plc.

From the above, the Corporate Governance Policy of International Packaging Industries of Nigeria PLC can be summed up as follows:

a. We conduct our operations with honesty, integrity and openness and with respect for the human rights and interests of the employees.
b. We shall similarly respect the legitimate interests of those with whom we have relationships.
c. As a company, we are required to comply with the laws and regulations of the country in which we operate.
d. We will conduct our operations in accordance with internationally accepted principles of good corporate governance. We will provide timely, regular and reliable information on our activities, structure, financial situation and performance to our shareholders and other stakeholders.

Compliance with the above principles is an essential element in our business success and all employees and business partners of International Packaging Industries are mandated to comply with the above principles.

During the year ended 2020, International Packaging Industries complied with all the mandatory provisions of the Securities and Exchange Commission Code of Corporate Governance for Public Companies 2011 as amended together with the requirements of other good corporate governance standards listed above. The company also took cognizance of the Nigerian Code of Corporate Governance 2018 and imbibed the principles enunciated in same in the course of 2020.

Board Composition

The Directors who held office during the year and up to the date of this report are:

Mr. T. A. Akinshilo	Non-Executive Director and Chairman
Mrs. I. Essien-Akpan	Managing Director
Senator O.O.Ogunbanjo	Non-Executive Director
Mr. O.W. Ogbonna	Non-Executive Director
Mr. Patrick Fernandes	Non-Executive Director
Mrs. A. Adewunmi	Non-Executive Director
Mr. Victor Eromosele	Non-Executive Director

In accordance with Company's Articles of Association, Mr. T.A. Akinshilo, Mr. O. W.Ogbonna, Senator O.O.Ogunbanjo, Mrs. A. Adewunmi, Mr. Victor Eromosele and Mr. Patrick Fernandes retire by rotation. Being eligible, all the retiring directors have offered themselves for re-election.

Board Meetings

During 2020 financial year, the board held four meetings. The record of members' attendance is presented below:

NAME	ROLE	21/02/'19	16/05/'19	12/09/'19	12/12/'19
Mr. T. A. Akinshilo	Chairman	P	P	AB	P
Mrs. Ifeyinwa Essien-Akpan	Managing Director	P	P	P	P
Mrs. Adekunbi Adewunmi	Non-Executive Director	P	P	P	P
Mr. Patrick Fernandes	Non-Executive Director	R	R	R	R
Senator O. O. Ogunbanjo	Non-Executive Director	R	R	P	R
Mr. O. W. Ogbonna	Non-Executive Director	R	R	R	R
Mr. Victor Eromosele	Non-Executive Director	P	P	AB	P

P – Present

AB- Absent

R – Represented

Audit committee

During 2020 financial year, the audit committee held two meetings. The record of members' attendance is presented below:

NAME	ROLE	05/09/2019	05/11/2019
Engr. M. N. Mbakwe	Chairman/Shareholder	AB	AB
Mr. J. A. O. Ogunfeso	Member/Shareholder	P	P
Mr. Patrick Fernandes	Member/Director	AB	AB
Mr. Victor Eromosele	Member/Director	P	P

P – Present

AB- Absent

Directors Shareholding

The Directors' interests in the share capital of the Company as recorded in theRegister of Members and/or as notified by them for the purpose of section 276 ofthe Companies and Allied Matters Act, CAP C20 LFN 2004 are as follows:

	As at 31/1/2020	As at 31/1/2019
	No. of shares	No of Shares
Ifeyinwa Essien-Akpan	5,158,250	5,158,250
Senator O. O. Ogunbanjo	-	-
Mr. O. W. Ogbonna	-	-
Mrs. A. Adewunmi	-	-
Mr. T. A. Akinshilo	103,860	103,860
Mr. Patrick Fernandes (Indirect)	19,908,700	19,908,700

No changes were made in the above holdings as at the date of this report.

Major Shareholders

As at the date of this report, no individual shareholder other than VentureserveNigeria Limited (19,908,700 shares - 49.8%), Ifeyinwa Essien-Akpan (5,158,250 shares -12.9%), held more than 10% of the issued share capital.

Directors' Interests in Contracts

None

Donations and charitable Gifts

There were no donations during the year.

Board Responsibilities

The Board has the final responsibility for leadership, direction and performance of the company and has the powers, authorities and duties vested in it by the relevant laws and regulations of the Federal Republic of Nigeria and the Articles of Association of International Packaging Industries of Nigeria Plc. The Board has overall responsibility for the management of risk and for reviewing the effectiveness of the internal control and risk management system within the Company. The Board has delegated to the Chief Executive Officer/Managing Director some of its powers, authorities and discretions which relate to the day to day operations of International Packaging industries of Nigeria Plc.

Human Resources

Employment of Disabled Persons

The Company continues to maintain a policy of giving fair consideration to the application for employment made by disabled persons with due regard to their abilities and aptitudes. The company's policy prohibits discrimination of disabled persons in the recruitment, training and career development of its employees.

Health, Safety and Welfare at Work

The company enforces strict health and safety rules and practices at work environment which are reviewed and tested regularly.

Employee Training

The company has a policy of continuous training and development of its employees. The company ensures through various fora, that employees are informed on matters concerning them. Formal and informal channels are employed in communication with employees with an appropriate two way feedback mechanism.

Independent Auditors

Messrs. Victor Ogbe and Co (Chartered Accountants) are Independent Auditors to International Packaging Industries of Nigeria Plc and have indicated willingness tocontinue in office in accordance with Section 357(2) of the Companies and Allied Matters Act(CAPC2O) Laws of the Federation of Nigeria, 2004.

By Order of the Board

....

Nafisat Yusufu

Company Secretary

FRC/2021/002/00000023143

INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC

STATEMENT OF DIRECTORS' RESPONSIBLITIES

FOR THE YEAR ENDED 31 JANUARY 2020

The directors accept responsibility for the preparation of the annual Financial Statements set out on pages 4 to 17 and confirm that they give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act, 2011.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from, material misstatement whether due to fraud or error.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY

....	....
Mr. T. A. Akinshilo	Mrs.Ifeyinwa Essien-Akpan
Chairman	**Managing Director**
FRC No:..........................	**FRC/2014/MULTI/ 00000007269**

REPORT OF AUDIT COMMITIEE TO MEMBERS OF INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC

In accordance with the provisions of Section 359 (6) of the Companies and Allied Matters Act [CAPC 20) Laws of the Federation of Nigeria 2004, the members of the Statutory Audit Committee of International Packaging industries of Nigeria Plc hereby report as follows:

We have exercised our statutory functions under Section 359(6) of the Companies and Allied Matters Act (CAPC20) Laws of the Federation of Nigeria, 2004 and we acknowledge the cooperation of management and staff in the conduct of these responsibilities. We confirm that:

1. The accounting and reporting policies of the Company are consistent with legal requirements and agreed ethical practices.
2. The internal audit programmes are extensive and provide a satisfactory evaluation of the efficiency of the internal control systems.
3. We have considered the independent auditors' post-audit report in respect of year ended 31. January, 2020 and management responses there on, and are satisfied there to.

Members of the Audit Committee are:

1.	Mr. Dawodu Oluwaseyi	-	Chairman/Shareholder
2.	Mr. J. A. O. Ogunfeso	-	Shareholder
3.	Mr. Victor Eromosele	-	Non-Executive Director
4.	Mr. Patrick Fernandes	-	Non-Executive Director

Mr. Dawodu Oluwaseyi
Chairman
FRC No....................

CERTIFICATION OF FINANCIAL STATEMENTS BY CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER OF INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC

We hereby certify that the financial statements on pages 4 to 42 represent the results, financial position, cashflow, changes in equity of International Packaging Industries of Nigeria Plc for the year ended 31st January, 2020

01

Mrs. Ifeyinwa Essien-Akpan
Chief Executive Officer
FRC/2014/MULTI/ 00000007269CEO

Mrs. Helen Ikezue
Chief Financial Officer

VICTOR OGBE & CO
(Chartered Accountants)

REPORT OF INDEPENDENT AUDITORS
TO MEMBERS OF INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC

Opinion

We have audited the financial statements of International Packaging industries Plc which comprises of the Statement of financial position as at 31 January 2020, the statement of profit or loss, the statement of Changes in Equity and the statement of cash Flows for the year then ended and the notes comprising of significant accounting policies and other explanatory information set on pages 19 to 39

In our opinion, the accompanying financial statements give a true and fair view of the company's financial position as at 31 January 2020 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the companies and allied matters act, Cap C20 Laws of Federal Republic of Nigeria and Financial reporting Council act, 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 Auditor's responsibilities for the Audit of financial Statements section of our Report. We are independent of the company and have complied with ethical requirements that are relevant to our audit of financial statements in Nigeria. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion.

Key Audit matters

We have determined that there are no key audit matters to communicate in our report

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS and in the manner required by the Companies and Allied Matters Act, Cap C 20, Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council of Nigeria Act, 2011, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

17, Bishop Aboyede Cole, Victoria Island, Lagos . Tel:234-08023200017, 234- 07063942171
E-mail:vogbe@victorogbeandco.com, Website: victorogbeandco.com,

In preparing the financial statements, the directors are responsible for assessing the Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Company'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 directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on 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 financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions arebased on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee 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 Audit Committee 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 Audit Committee, We determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report or indicate as appropriate, where such matters do not exist, 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

Compliance with the requirements of ***Schedule 6*** *of the Companies and Allied Matters Act, CapC 20, Laws of the Federation of Nigeria, 2004*

In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books and the Company's statement of financial position and statement of profit or loss and statement of other comprehensive income agree with the books of account.

Signed:

Victor Ogbe FCA, ACTI
FRC No: FR/2013/ICAN/00000004194
For: Victor Ogbe& Co
(Chartered Accountants)
June 28............, 2021
Lagos

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
A1209717

INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31ST JANUARY 2020

	Notes	31 JAN. 2020 N	31 JAN. 2019 N
Revenue	31	**3,790,195.00**	**1,847,110.00**
Cost of sales	29	(3,459,075.00)	(1,076,440.00)
Gross Profit		331,120.00	770,670.00
Distribution and Admin Expenses	24	(48,577,142.30)	(39,344,274.50)
Other operating Income	26	60,317,549.29	71,140,724.24
Operating Profit Before Taxation		**12,071,526.99**	**32,567,119.74**
Taxation	12	(5,236,111.25)	(4,386,357.37)
Profit After Tax		**6,835,415.74**	**28,180,762.37**
Other Comprehensive Income			
Total Comprehensive Income For The Year		**6,835,415.74**	**28,180,762.37**
Basic Earnings Per Share	32	**17K**	**70k**

The Statement of accounting policies and notes on pages 19 to 39 form an integral part of these financial Statements

INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31ST JANUARY 2020

	Notes	31 JAN. 2020 N	31 JAN. 2019 N
ASSETS			
Non Current Assets			
Property Plant and Equipment	10	112,150,183.47	104,617,500.20
Total Non current Assets		112,150,183.47	104,617,500.20
Current Assets			
Inventories	14	1,473,300.00	1,433,100.00
Trade and Other receivables	15	135,718,317.50	161,613,914.25
Cash And Cash Equivalents	16	1,707,821.83	290,799.04
Total Current Assets		138,899,439.33	163,337,813.29
Total Assets		251,049,622.80	267,955,313.49
LIABILITIES			
Current Liabilities			
Trade and other Payables	18	21,470,130.08	39,797,164.68
Deferred Income	20.1	36,513,295.03	33,275,792.96
Dividend Payable	19	5,667,705.60	11,634,651.80
Bank Overdraft	17		1,216,572.29
Income Tax Liabilities	13	8,804,252.23	7,782,973.35
Total Current Liabilities		72,455,382.94	93,707,155.08
Non Current Liabilities			
Deferred Income	20	33,910,000.23	40,614,166.90
Deferred Tax Liabilities	11.1	25,912,101.47	21,697,269.09
Total Non Current Liabilities		59,822,101.70	62,311,435.99
Total Liabilities		132,277,484.64	156,018,591.07
Equity			
Ordinary Share capital	21	40,000,000.00	40,000,000.00
Retained Earnings	22	78,772,138.16	71,936,722.42
Total Equity		118,772,138.16	111,936,722.42
Total Equity And Liabilities		251,049,622.80	267,955,313.49

These Financial Statements were Appproved by the Board of directors on .... and Signed on Behalf of the Board by:

Chairman

Head of Account

Managing Director

The Statement of accounting policies and notes on pages 19 to 39 form an integral part of these financial Statements

INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC

STATEMENT OF CHANGES IN EQUITY
AS AT 31ST JANUARY 2020

	Share Capital N	Retained Earnings N	Total N
Balance As At 1/2/2018	**40,000,000.00**	**49,755,960.04**	**89,755,960.04**
Profit For The Year		28,180,762.38	28,180,762.38
Dividend declared		(6,000,000.00)	(6,000,000.00)
Balance As At 31/1/2019	**40,000,000.00**	**71,936,722.42**	**111,936,722.42**
Balance As At 1/2/2019	**40,000,000.00**	**71,936,722.42**	**111,936,722.42**
Profit For The Year		6,835,415.74	6,835,415.74
Balance As At 31/1/2020	**40,000,000.00**	**78,772,138.16**	**118,772,138.16**

The Statement of accounting policies and notes on pages 19 to 39 form an integral part of these financial Statements

INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC

STATEMENT OF CASHFLOW
FOR THE YEAR ENDED 31ST JANUARY 2020

	2020	2019
	N	N
CASHFLOW FROM OPERATING ACTIVITIES		
Profit Before Taxation	12,071,526.99	32,567,119.74
ADJUSTMENTS:		
Depreciation	9,992,766.44	1,435,066.19
Operating Profit Before Working Capital Changes	**22,064,293.43**	**34,002,185.93**
CHANGES IN WORKING CAPITAL		
(Increase) /Decrease in Inventory	(40,200.00)	(1,433,100.00)
(Increase) /Decrease in Receivables & Prepayments	25,895,596.75	(15,949,676.19)
Increase /(Decrease) in Trade & Other Payables	(18,327,034.60)	(5,503,635.81)
Increase /(Decrease) in deferred income	3,237,502.07	3,402,463.04
	10,765,864.22	**(19,483,948.96)**
Cash generated From operations	**32,830,157.65**	**14,518,236.97**
Tax Paid	0.00	0.00
Adjustment for movement in deferred income-long term	(6,704,166.67)	20,763,888.79
Net Cash Generated From Operations	**26,125,990.98**	**35,282,125.76**
CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(17,525,449.70)	(35,773,800.00)
Net cash Outflow From investing Activities	**(17,525,449.70)**	**(35,773,800.00)**
CASHFLOW FROM FINANCING ACTIVITIES		
Net Dividend paid	(5,966,946.20)	
Net cash Outflow From financing Activities	**(5,966,946.20)**	**0.00**
Net Increase/Decrease In cash and cash Equivalents	**2,633,595.08**	**(491,674.24)**
Cash And Cash Equivalents As At 1st February	(925,773.25)	(434,099.01)
Cash And Cash Equivalents As At 31st January	**1,707,821.83**	**(925,773.25)**
COMPRISED OF:		
Cash At Bank And In Hand	1,707,821.83	290,799.04
Bank Overdraft		(1,216,572.29)
	1,707,821.83	**(925,773.25)**

INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

1. Reporting Entity

International Packaging Industries of Nigeria Plc was incorporated in Nigeria on 26th September, 1964 as a Private limited liability company under the Companies and Allied Matters Act (CAPC2O) Laws of the Federation of Nigeria, 2004 and became a public limited liability company in March, 1996.

The principal activity of the company is majorly the manufacture and marketing of waxed sheets, paper bags, exercise books, toilet roll wrappers and other printing materials. The company is also involved in the importation and sale of printing papers and paper products. It has manufacturing sites in Ikeja Industrial Estate, Lagos State, Nigeria.

2. Basis of Accounting

2.1a Statement of Compliance

The financial statements of International Packaging Industries of Nigeria Plc (IPI or "the Company") have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and in the manner required by the Companies and Allied Matters Act, Cap 20, Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council of Nigeria Act, 2011.

These financial statements were authorized for issue by the Company's board of directors on ....2021.

b Basis of Measurements

The financial statements have been prepared under the historical cost basis. Historical cost method is generally based on the fair value of the consideration given in exchange for assets. Except for the under mentioned areas which are measured as indicated:

- Investment properties measured at fair value
- Available for sale financial assets are measured at fair value

c Functional and Presentation Currency

The financial statements are presented in Nigerian Naira, which is the Company's functional and presentation currency.

d Going Concern

Nothing has come to the attention of the directors to indicate that IPI will not remain a going concern for at least twelve months from the date of approval of these financial statements.

3. Standards and Interpretations issued but, not yet Effective

A number of new standards are effective for annual periods beginning after 1 January 2018 and earlier application is permitted; the following amended standards and interpretations are not expected to have significant impact on the Company's financial statements:

IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis.
The amendment is effective for annual reporting periods beginning on or after January 1, 2020. Earlier application is permitted.

IAS 39 "Financial Instruments: Recognition and Measurement" outlines the requirements for the recognition and measurement of financial assets, financial liabilities, and some contracts to buy or sell non-financial items. Financial instruments are initially recognized when an entity becomes a party to the contractual provisions of the instrument, and are classified into various categories depending upon the type of instrument, which then determines the subsequent measurement of the instrument (typically amortized cost or fair value). Special rules apply to embedded derivatives and hedging instruments. The amendments are effective for annual periods beginning on or after January 1, 2020. Earlier application is permitted.

IFRS 7 "Financial Instruments: Disclosures" requires disclosure of information about the significance of financial instruments to an entity, and the nature and extent of risks arising from those financial instruments, both in qualitative and quantitative terms. Specific disclosures are required in relation to transferred financial assets and a number of other matters. The amendments are effective for annual periods beginning on or after January 1, 2020. Earlier application is permitted.

The final version of **IFRS 9 "Financial Instruments" issued in July 2014 is the IASB's replacement of IAS 39 "Financial Instruments: Recognition and Measurement".** The Standard includes requirements for recognition and measurement, impairment, de-recognition and general hedge accounting. The amendments are effective for annual periods beginning on or after January 1, 2020. Earlier application is permitted..

IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. Lessor accounting however remains largely unchanged from IAS 17 and the distinction between operating and finance leases is retained. The amendments are effective for annual periods beginning on or after January 1, 2020. Earlier application is permitted.

4. Significant Accounting Policies

4a Property, Plant and Equipment

(i) Recognition, De-recognition and Measurement

The cost of an item of property, plant and equipment is recognized as an asset if it's probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. All property, plant and equipment are stated in, the statement of financial position at cost less accumulated depreciation and any accumulated impairment loses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When significant parts of an item of property, plant and, equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The carrying amount of an item of property, plant and equipment shall be de-recognized on disposal or when future economic benefits are not expected from its use or disposal. Gains and Losses on disposal of an item of property, plant and equipment are measured by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit or loss.

(ii) Subsequent Costs

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of a replaced part is derecognized. All other repairs and maintenance are charged to the statement of profit or loss during the financial year in which they are incurred.

(iii) Depreciation

The depreciation rates of property, plant and equipment for current and comparative periods are as follows:

Buildings	2%
Plant and Machinery	25%
Furniture, Fittings and Equipment	20%
Motor Cars	25%
Motor Lorries and Van	25%

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight line method over their estimated useful lives and is generally recognized in the statement of profit or loss.

4b. Held-for-sale Assets

In general, the following conditions must be met for an asset to be classified as held for sale in line with IFRS 5.

- management is committed to a plan to sell
- the asset is available for immediate sale
- an active programme to locate a buyer is initiated
- the sale is highly probable, within 12 months of classification as held for sale.
- asset is being actively marketed for sale at a sales price reasonable in relation to its fair value
- actions required to complete the plan indicate that it is unlikely that plan will be significantly changed or withdrawn

Non-current assets held for sale are not depreciated, are measured at the lower of carrying amount and fair value less costs to sell, and are presented separately in the statement of financial position.

4c Impairment of Non-financial Assets

At each reporting period, the Company reviews the carrying amount of its non-financial assets: (other than inventories) to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated.

An impairment loss is recognized for non-financial assets when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Non-financial assets that suffer impairment are reviewed for possible reversal of the impairment at each reporting date.

Intangible assets not yet available for use are tested for impairment annually. Impairment losses are recognized in the income statement. All other non-financial assets are assessed for indicators of impairment at the end of each reporting period.

4d.Intangible Assets

Computer software

Costs associated with maintaining computer software programmes are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognized as intangible assets when the following criteria are met:

It is technically and commercially feasible to complete the software product so that it will be available for use; management intends to complete the software product and use or sell it; there is an ability to use or sell the software product; it can be demonstrated how the software product will generate probable future economic benefits; adequate technical, financial and other resources to complete the development of the software product are available; and the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software product include, the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. Computer software development costs recognized as assets are amortized on a straight line basis in the income statement over their estimated useful lives, which do not exceed eight and a half years. These costs are measured at cost less accumulated amortization and any accumulated impairment losses.

Amortization method, assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

4e Financial Instruments

Recognition and Initial Measurement

Financial instruments (i.e. Financial Assets and Liabilities) are recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not carried at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and Subsequent Measurement

Management determines the classification of its financial instruments at initial recognition. This classification depends on the nature and purpose of the financial asset. Financial assets are classified into the following categories:

- Financial assets at fair value through profit and loss
- Loans and receivables
- Held-to- maturity and
- Available for sale financial assets

De-recognition

Financial Assets

Financial assets are derecognized when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset or the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial Liabilities

Financial Liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expired. The company also derecognizes a financial Liability when its terms are modified and the cash flows of the modified Liability are substantially different, in which case a new financial Liability based on the modified terms is recognized at fair value. On de-recognition of a financial Liability, the difference between the carrying amount extinguished and the consideration paid including any non-cash assets transferred Liabilities assumed) is recognized in the statement of profit or Loss.

Offsetting Financial Instruments

Financial assets and financial Liabilities are offset and then amount presented in the statement off in financial position when the Company has an equally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Impairment off in Financial Assets

Non-derivative Financial Assets

The Company recognizes loss allowances for ECLs (Expected credit losses) on financial assets measured at amortized cost.

The Company measures loss allowances at an amount equal to Life time ECLs, except for other debt securities and bank balances for which credit risk has not increased significantly since initial recognition which are measured at 12 month ECL.

The ECL for trade and other receivables are estimated using a provision matrix that is based on the Company's historical creditor's experience adjusted for factors that are specific to the debtors' general economic conditions and an assessment of both current as well, as forecast direction of conditions as at reporting date.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full without recourse by the Company to actions such as realizing security [if any is held) or
- the financial asset is more than 180 days past due.

Life time ECLs are the ECLs that result from all possible default events over the expected life of the financial asset. The Company considers intercompany receivables to have a lower credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade".

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash short falls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive) ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired Financial Assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is "credit impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset has occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract, such as a default or being mere than 180 day past due.
- The restructuring of loan or advance by the Company on terms that the Company would not consider otherwise
- It is probable that the borrower will enter bankruptcy or other financial reorganization, or
- The disappearance of an active market for that financial asset because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at a mortised cost are deducted from the gross carrying amount of the assets. An impairment loss is recognized if the gross carrying amount of the assets exceeds its estimated recoverable amounts. Impairment losses are recognized in profit or loss.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Fair Value Measurement

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. All assets and liabilities for which fair value is measured or disclosed in the financial sta1tements are categorized within the fair value hierarchy, described as follows, based on the best level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices inactive markets for identical assets or liabilities

Level 2- Valuation techniques for which the best level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the best level input that is significant to the fair value measurement is unobservable.

The Company recognizes transfers between levels of the fair value hierarchy at the end of their porting period during which the change has occurred.

4f Inventories

Inventories are measured at the lower of cost and estimated net realizable value less allowance for obsolete and damaged inventories. A detailed review of slow moving and obsolete stocks is carried out on a monthly basis and an allowance is booked based on a realistic estimate. Net realizable value represents the estimated selling price less all estimated costs of selling expenses.

4g Cash and Cash Equivalents

Cash and cash equivalents in the statement of cash flows include cash at bank and in hand plus short-term deposits less over drafts and short- term working capital loans. Short-term deposits have maturity of three months or less, from the date of acquisition, are readily convertible to cash and are subject to an insignificant risk of change in value. Bank overdrafts are repayable on demand and form an integral part of the Company's cash management.

4h Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The present value is derived by discounting the expected future cash flows at a pre-tax rate. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as finance cost.

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event and it is probable that the Company will be required to settle that obligation and the amount has been reliably estimated. Provisions for restructuring costs are recognized when the Company has a detailed formal plan for the restructuring that has been communicated to affected parties. Provisions are not recognized for future operating Losses.

4i Employee Benefits

Pension Fund Obligations

A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity - Pension fund administrator (PFA) and has no legal or constructive obligations to pay further contributions.

International Packaging Industries PLC deducts and remits to the pension fund administrator at the following statutory rates;

Employer 10%
Employee 8%

Being a defined contribution plan, the company's obligation is limited to the statutory and agreed contribution it makes and as such, the issue of period actuarial valuations do not arise.

Obligations for contribution plans are recognized as personnel expenses in profit or loss in the periods during which related expenses are rendered.

Short Term Employee Benefits

The cost of short term employee benefits (those payable within 12 months after service is rendered) such as paid vacation , leave pay, sick leave and bonuses are recognized in the period in which the service is rendered and is not discounted. The expected cost of bonus payments is recognized as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Provisions for leave pay, bonuses and other entitlements are recognized as a liability in the financial statements.

4j Income Tax

Income tax expense comprises of current tax and deferred tax. It is recognized in profit or Loss except to the extent that it relates to a business combination, or items recognized directly inequity or in other comprehensive income.

I) Current Income Tax

Current tax comprises the expected tax payable or receivable on the taxable income or Loss for the year and any adjustment to tax payable or receivable in respect of previous years.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates, enacted or substantively enacted at the reporting date and is assessed as follows:

- Company income tax is computed on taxable profits
- Tertiary education tax is computed on assessable profits.

Total amount of tax payable under Company Income Tax Act is determined based on the higher of two components namely Company Income Tax (based on taxable income or Loss for the year); and minimum tax. Taxes based on profit for the period and are treated as income tax in line with IAS12.

The Company off sets the tax assets arising from withholding tax [WHT) credits and current tax liabilities if and only if the entity has a Legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the Liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no Longer probable that future economic benefit would be realized.

ii) Deferred Income Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and Liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet Liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and Liabilities are not recognized if the temporary difference rises from good will or from the initial recognition (other than in a business combination) of other assets and Liabilities in a transaction that affects neither the tax profit nor the accounting profit.

- The carrying amount of deferred tax assets is reviewed ateach reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the Liability is settled or the asset is realized. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited to equity, in which case the deferred tax is also dealt with inequity.

- Deferred tax assets and liabilities are off set when there is a legally enforceable right to set off current tax assets against current tax Liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax Liabilities on a net basis.

- Deferred tax assets and Liabilities are presented as non-current in the statement of financial position.

4k Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue at appoint in time when it transfers control over a product or service to a customer. The Company principally generates revenue from the sale and delivery of its products. The sale and delivery of products are identified as one performance obligation and are not separately identifiable. The Company recognizes revenue when the customer takes possession of the goods. This usually occurs when the customer signs the invoice.

4l Dividend Distribution

Dividend distribution to the Company's shareholders is recognized as a Liability in the financial statements in the period in which the dividends are approved by the shareholders.

4m Finance Income and Finance Cost

Finance income and finance costs are recognized using the effective interest rate method.
Finance income includes interest received or receivable on balances and deposits with banks.
Finance cost includes interest on borrowings.

4n. Share Capital and Share Premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over their par value is recorded in the share premium reserve.

All ordinary shares rank equally with regard to the Company residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. Incremental assets directly attributable to the issue of ordinary shares are recognized as a deduction from equity net of any tax effects.

4o. Earnings Per Share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all diluted potential ordinary shares.

5. Critical Accounting Estimates and Judgments

Estimates and accounting judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates. Estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected.

The following are significant management judgments in applying the accounting policies of the entity that have the most significant effect on the financial statements:-

i) Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on assessment of the probability of the company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

ii) Estimation Uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

iii) Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

iv) Useful Lives of Depreciable Assets

Management reviews its estimates of the useful lives of depreciable assets at each reporting date, based on expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

v) Inventories

Inventories are measured at the lower of cost and net realizable value. Cost includes the directly related costs and estimated realizable value as determined using the replacement cost of the assets or similar assets. Any write-downs are eliminated in subsequent years when the reasons therefore are no longer valid.

6 CONTINGENCIES

Contingent Assets are possible assets whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the entity's control.

Contingent liabilities are possible obligations whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the entity's control.

In line with IAS 37, contingent assets and liabilities are not recognized in the financial statements but where they exist, are described in note to the financial statements.

7 RELATED PARTIES

The company's related parties are Ventureserve Nigeria Limited by the virtue of 49.8% shareholding in the company, the directors, key management staff of the company and their close family members.

Transactions with related parties where they exist are disclosed in the financial statements in line with the requirements of IAS 24.

8. Foreign Currency Transactions and Balances

Foreign Currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions. The functional currency is the currency of the primary economic environment in which the entity operates which is the Nigerian Naira.

Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year-end closing exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss account.

At the year end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items of historical cost in foreign currency are not translated

9. Financial Risk Management

The company uses financial skills to provide competitive product pricing and delivery to a broad range of customers.

Risk management is essential in other to help ensure business sustainability thereby providing customers and shareholders with a long term value proposition.

Key Elements of Risk Management are:

- Strong corporate governance including relevant and reliable management information and internal control processes.
- Ensuring significant and relevant skills and services are available consistently in the company.
- Influencing the business and environment by being an active participant in the relevant regulatory and business forum and

- Keeping abreast of technology and consumer trends and investing capital and resources where required.

The overall company focus within the appropriate risk framework is to give value to the customers through effective and efficient execution of transactions.

The board of directors acknowledges its responsibility for establishing, monitoring and communicating appropriate risk and control policies.

The company has exposure to significant risks which are under control. They are categorized as follows:

i) Regulatory (capital adequacy, legal, accounting and taxation)
ii) Business environment (reputation and strategic)
iii) Operational (people, information technology and internal control processes)
iv) Market (Equity Prices, interest rate and currency); and
v) Liquidity

INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

10) PROPERTY, PLANT & EQUIPMENT

	Land	Buildings	Plant & Machinery	Motor Vehicles	Fixtures & Equipment	Total
COST		N	N	N	N	N
AT 1st February 2019	20,460,000.00	47,828,240.00	67,711,766.00	26,424,846.00	20,798,034.00	183,222,886.00
Additions	1,350,000.00	4,740,000.00	10,000,000.00		1,435,449.70	17,525,449.70
At 31st January 2020	**21,810,000.00**	**52,568,240.00**	**77,711,766.00**	**26,424,846.00**	**22,233,483.70**	**200,748,335.70**
DEPRECIATION						
AT 1st February 2019	-	17,306,431.80	16,667,286.00	26,424,723.00	18,206,945.00	78,605,385.80
Charge for The Year	-	1,222,122.86	8,023,966.67	0.00	746,676.00	9,992,765.53
At 31st January 2020	**0.00**	**18,528,554.66**	**24,691,252.67**	**26,424,723.00**	**18,953,621.00**	**88,598,151.33**
NET BOOK VALUE						
At 31st January 2020	**21,810,000.00**	**34,039,685.34**	**53,020,513.33**	**123.00**	**3,279,862.70**	**112,150,184.37**
At 31st January 2019	**20,460,000.00**	**30,521,808.20**	**51,044,480.00**	**123.00**	**2,591,089.00**	**104,617,500.20**

Fixtures and Equipment include Accounting Software acquired in the year at the cost of N380,000. This forms an integral part of the computer equipment of the company.

	2020 N	2019 N
11. Deferred Taxation		
Movement in temproary differences during the year		
Opening balance	(21,697,269.09)	(18,567,393.15)
Tax income/(expense) during the period recognised:in profit or loss	(4,214,832.38)	(3,129,875.94)
Effect of deferred tax	**(25,912,101.47)**	**(21,697,269.09)**
11.1. Reflected in the statement of financial position		
Deferred Tax Assets		
Deferred Tax Liabilities	(25,912,101.47)	(21,697,269.09)
11.2 The deferred tax are attributable to the following:		
Property, Plant and Equipment	(25,912,101.47)	(21,697,269.09)
Unutilisation of unused tax credit		
12. Income Tax		
Minimum Tax	(579,993.02)	(576,437.71)
Education Tax	(441,285.85)	(680,043.72)
Deferred Tax(see note 11)	(4,214,832.38)	(3,129,875.94)
Total in Profit or Loss Statement	**(5,236,111.25)**	**(4,386,357.37)**

13. Income Tax Liabilities

Balance Brought forward	7,782,973.36	6,526,491.93
Minimum Tax	579,993.02	576,437.71
Education Tax	441,285.85	680,043.72
Payment		
Adjustment		
Balance carried forward	**8,804,252.23**	**7,782,973.36**

14. Inventories

Finished Goods	1,473,300.00	1,433,100.00
Work-in-Progress	-	-
	1,473,300.00	**1,433,100.00**

15. Trade and other Receivables

Packaging Material Customers	-	57,748,785.76
Related Parties(see note 30)	125,531,795.00	53,717,018.48
Staff Advances	67,000.00	
Others	25,199,335.56	50,148,110.01
	150,798,130.56	161,613,914.25
Less: Provision for impaired Receivables	(15,079,813.06)	-
	135,718,317.50	**161,613,914.25**

A provision of 10% of the total receivables in respected impaired receivables has been made in the accounts

16. Cash and Cash Equavalents

Cash at Bank	1,681,492.99	204,875.50
Cash in Hand	26,328.84	85,923.54
	1,707,821.83	**290,799.04**

17. GTB(Overdrawn)	-	205,029.95
FBN(Overdrawn)	-	1,011,542.34
	-	**1,216,572.29**

18. Trade and other Payables

Packaging materials Vendors	-	2,683,734.35
Rela ted Parties	-	-
Staff Advances	9,456.00	422,000.00
Others	21,460,674.08	36,691,430.33
	21,470,130.08	**39,797,164.68**

19. Dividends Payable

Balance Brought Forward	11,634,651.80	5,634,651.80
Unclaimed Dividend Returned	1,333.30	-
Declared in the Year	-	6,000,000.00
Payments in the Year	(5,968,279.50)	-
Balance Carried Forward	**5,667,705.60**	**11,634,651.80**

20. Deferred Income-Long Term

Rent	30,166,801.97	40,417,690.70
Facility Fee	3,743,198.26	196,476.20
	33,910,000.23	40,614,166.90

This represents unearned portion of rental inome due after more than one year

20.1 Deferred Income-Current

Rent	36,513,295.03	33,275,792.96

This represents unearned portion of rental inome due withn one year

Grand total Current and long Term	**70,423,295.26**	**73,889,959.86**

20.2 Deferred Income-Rent		
Balance Brought Forward	73,693,483.66	49,024,426.05
Receipts during the Year	46,453,688.00	81,582,928.53
Earned during the Year	(53,467,074.66)	(56,913,870.92)
Balance Carried Forward	**66,680,097.00**	**73,693,483.66**
20.3 Deferred Income-Facility Fee		
Balance Brought Forward	196,476.20	699,181.98
Receipts during the Year	6,279,195.32	1,167,026.70
Earned during the Year	(2,732,473.26)	(1,669,732.48)
Balance Carried Forward	**3,743,198.26**	**196,476.20**
20.4 Deferred Income-By Nature		
Factory Tenants	**9,648,333.34**	**10,860,267.00**
Warehouse Tenant	**22,330,332.40**	**13,317,063.33**
Office Tenant	**38,444,629.52**	**49,712,629.53**
	70,423,295.26	**73,889,959.86**

The above Deferred Income represents unearned rent and facility fees received in advance from tenants in the company's premises, the last of which would expire ist April 2033

21. Authorised Share Capital

One Hundred Million Ordinary Shares of N1.00 each	**100,000,000.00**	**100,000,000.00**

The Authorised Share Capital was increased to 100million ordinary shares as at 31st January 2010

Issued and Fully Paid 40,000,000	**40,000,000.00**	**40,000,000.00**

22. Retained Earnings

Balance B/Forward	71,936,722.42	49,755,960.04
Dividends Declared		(6,000,000.00)
Retained Profit/(Loss) for the year	6,835,415.74	28,180,762.38
Balance C/Forward	**78,772,138.16**	**71,936,722.42**

23. Staff Cost

Salaries and Wages	12,811,373.72	13,009,252.33
Pension Funds & Welfare	1,699,536.40	679,684.00
	14,510,910.12	**13,688,936.33**

24. Expenses by Nature

Transport/Trav	923,750.00	567,857.11
Professional Fees		390,000.00
Entertainment/PR	20,000.00	
Pension-Employers' Contribution	626,836.40	679,684.00
Electricity	493,565.88	625,000.00
Wemaboard-Grount Rent	368,742.78	368,741.60
Security Services	975,000.00	750,000.00
Repairs/Replacement-Office Furn	88,570.00	368,000.00
Repairs/Replacement-Office Equipt		906,730.00
AGM Exp	473,888.00	
Repairs/Refurbishment-Factory Mach	2,609,400.00	198,900.00
Repairs/Maint-MV	923,863.92	1,161,850.00
Repairs/Renovation-W/house & Buildings	847,300.00	575,780.00
Subscriptions	521,900.00	210,000.00
Staff Training	80,000.00	

Medical Bills	167,650.00	160,910.00
Consultancy Fees	300,000.00	691,625.00
Insurance, Renewals & Licences	406,800.20	245,000.00
LAWMA	620,000.00	240,000.00
Deisel-Gen	629,000.00	458,850.00
Sal/Wages	12,811,373.72	11,908,521.33
Leave Allowance/Annual Bonus		1,100,731.00
Audit Fees	600,000.00	600,000.00
Legal Expenses	510,000.00	7,900,000.00
Land Use Charge	1,313,921.92	358,725.84
Impaired Receivables	4,564,042.04	
Audit Committee Sitting Allow	140,000.00	
Directors Annual Allow	3,920,000.00	3,750,000.00
Fuel for Car/Jeep	856,900.00	1,055,530.00
Secretarial Fees	903,312.00	735,793.00
Bank Charges	111,049.91	115,277.49
Loan Interest		197,621.94
Staff Welfare	825,050.00	
Entertainment	209,670.00	329,160.00
Cleaning/Sanitation	131,470.00	104,650.00
R.Card/Internet	201,100.00	180,300.00
Printing/Stationery	311,720.00	370,270.00
Gifts/Donations	62,000.00	241,600.00
Agency Fees		50,000.00
Advert/Publicity	36,500.00	267,100.00
Annual Dues/ Subscription		45,000.00
Depreciation- Buildings	1,222,122.86	1,163,756.19
Depreciation-Plant/Mach	8,023,966.67	7,073.00
Depreciation-motor vehicle		112,490.00
Depreciation- F, F & Equip.	746,676.00	151,747.00
	48,577,142.30	**39,344,274.50**

25. Non-Audit Services

The External Auditors Messrs Victor Ogbe and Co., did not provide any other services outside audit in the year

26. Other Operating Income

Sale of Scrap	146,500.00	0.00
Rent Receivable	60,122,347.92	71,056,978.87
Interest Receivable	48,701.37	83,745.37
	60,317,549.29	**71,140,724.24**

Other Income is made up principally of Rental Income earned from the letting of office spaces to third parties out of spaces available in the company's business premises

27. Staff Number

Average numbers employed:		
Management	1	1
Senior	3	3
Junior	10	10
	14	**14**

28. Emoluments of Employees

Emoluments of Employees other than executive directors whose emoluments fell within the following range:		
N100,000 and above	3	3
Emoluments of Employees/ Fees paid		
Emoluments paid to Executive Director	6,000,000.00	6,000,000.00
Emoluments of Chairman	540,000.00	540,000.00
Emolument of highest paid Director	6,000,000.00	6,000,000.00

The number of directors whose emoluments fell within the following ranges was:

N		N		
40,000	to	50,000	-	-
50,001	to	60,000	-	-
2,460,001	and above		1	1

28b.Emoluments of Key Management Staff

Managing Director	**6,000,000.00**	**6,000,000.00**

29. Cost of Sales By Nature

Opening Stock(Packaging products)	1,433,100.00	-
Purchases (Additives, paper, glue, folding packs)	3,499,275.00	2,509,540.00
	4,932,375.00	2,509,540.00
Closing Stock (Packaging products)	(1,473,300.00)	(1,433,100.00)
Packaging products	**3,459,075.00**	**1,076,440.00**

30. Related Party Transactions

Trade and other Receivables (Related Paties)		
Mr. Partrick Fernandes	**125,531,795.00**	**53,717,018.48**

This represents the amount due from the Director's rent of the company's office space at the rate of N5.604m per annum, facility fees for the office space and other receivables by the Director

31. Revenues

The company's revenues are basically from the manufacture and sales of packaging products

32. Earnings Per Share

There were no potentially dilutive shares as at the reporting date, thus the basic earnings per share and diluted earnings per share have the same value.

Profit attributable to ordinary Shaholders	6,835,415.74	28,180,762.37
No of issued ordinary Shares	40,000,000	40,000,000
Basic Earnings Per Share	**17K**	**70k**

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of approval of these financial statements

OTHER NATIONAL DISCLOURES

INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC

VALUE ADDED STATEMENT
FOR YEAR ENDED 31 JANUARY 2020

	2020	%	2019	%
	N		N	
REVENUE	3,790,195.00		1,847,110.00	
Less: Cost of Bought in goods and services				
Foreign				
Local	(27,532,541.65)		(25,135,801.98)	
	(23,742,346.65)		(23,288,691.98)	
Other Income	60,317,549.29		71,140,724.24	
Value Added	**36,575,202.64**	100.00	**47,852,032.26**	100.00
Applied as follows:				
- Employee Salaries, Pension and Welfare	(14,510,910.12)	(39.67)	(13,849,846.33)	(28.94)
Government				
- Taxes	(1,021,278.87)	(2.79)	(1,256,481.42)	(2.63)
Provider of Capital				
- Dividend for the year	-	-	(6,000,000.00)	(12.54)
Provided for Asset Replacement				
- Depreciation of Property, Plant & Equipment	(9,992,765.53)	(27.32)	(1,435,066.19)	(3.00)
Deferred tax	(4,214,832.38)	(11.52)	(3,129,875.94)	(6.54)
Retained Profit	(6,835,415.74)	(18.69)	(22,180,762.38)	(46.35)
	36,575,202.64	**(100.00)**	**(47,852,032.26)**	**(100.00)**

NOTE: "Value Added" represents the additional wealth which the company has been able to create by its own and its employees' efforts. This statement shows the allocation of that wealth amongst employees, capital providers, government and that retained for future creation of wealth.

INTERNATIONAL PACKAGING INDUSTRIES OF NIGERIA PLC
FIVE YEAR FINANCIAL SUMMARY
YEAR ENDED 31 JANUARY 2020

	2020 N'000	2019 N'000	2018 N'000	2017 N'000	2016 N'000
Statement Of Financial Position					
ASSETS EMPLOYED					
Property, Plant And Equipment	112,150	104,618	70,279	62,793	54,227
Investment Property					
Deferred Tax	(25,912)	(21,697)	(18,567)	(7,042)	524
Current Assets	138,899	163,338	146,005	151,475	143,687
Current Liabilities	(72,455)	(93,707)	(88,110)	(52,467)	(41,586)
Long Term Liabilities	(33,910)	(40,614)	(19,850)	(76,966)	(91,763)
NET ASSETS	**118,772**	**111,937**	**89,756**	**77,794**	**65,089**
FUNDS EMPLOYED:					
EQUITY					
Share Capital	40,000	40,000	40,000	40,000	40,000
General Reserve	78,772	71,937	49,756	37,794	25,089
SHAREHOLDERS' FUND	**118,772**	**111,937**	**89,756**	**77,794**	**65,089**
Statement of Profit or Loss					
Revenue	3,790	1,847	9,015	4,543	4,718
Profit before taxation	12,072	32,567	24,629	25,218	27,201
Taxation	(5,236)	(4,386)	(12,667)	(8,514)	(8,770)
Profit For The Year	6,835	28,181	11,962	16,705	18,431
Issued Share Capital of N1 each-number	40,000	40,000	40,000	40,000	40,000
Basic Earnings per share	17k	70k	30K	42k	46k
Dividend per share		15k		10K	

The earnings per share are based on profit after tax and shareholding of 40,000,000 shares of N1.00 each