



**Unilever Nigeria Plc**  
**Unaudited Interim Financial Statements**  
**For the Nine Months ended 30 September 2015**

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**Income Statement**  
**For three months ended 30 September 2015**

	Note	2015 N'000	2014 N'000
Revenue	6	13,977,292	14,351,951
Cost of sales		<u>(8,863,693)</u>	<u>(8,593,132)</u>
<b>Gross profit</b>		5,113,599	5,758,819
Selling and distribution expenses		(672,422)	(632,868)
Marketing and administrative expenses		(3,643,765)	(4,172,198)
Other income/(loss)		<u>6,325</u>	<u>(875)</u>
<b>Operating profit</b>		803,737	952,878
Finance income		87,822	32,626
Finance costs		<u>(784,264)</u>	<u>(516,450)</u>
<b>Profit before taxation</b>		107,295	469,054
Taxation		<u>(51,907)</u>	<u>(111,915)</u>
<b>Profit for the period</b>		<u><u>55,388</u></u>	<u><u>357,139</u></u>
<b>Attributable to:</b>			
Equity holders		<u><u>55,388</u></u>	<u><u>357,139</u></u>
<b>Earnings per share for profit attributable to equity holders:</b>			
Basic and diluted earnings per share (Naira)		<u><u>0.01</u></u>	<u><u>0.09</u></u>

The notes on pages 9 to 17 form an integral part of these financial statements.

**Income Statement**  
**For nine months ended 30 September 2015**

	Note	2015 N'000	2014 N'000
Revenue	6	42,699,129	43,632,084
Cost of sales		<u>(27,835,407)</u>	<u>(26,873,847)</u>
<b>Gross profit</b>		14,863,722	16,758,237
Selling and distribution expenses		(1,946,576)	(1,922,285)
Marketing and administrative expenses	7	(10,623,088)	(11,198,058)
Other income	8	<u>76,564</u>	<u>5,314</u>
<b>Operating profit</b>		2,370,622	3,643,208
Finance income	9	224,099	97,477
Finance costs	10	<u>(2,393,355)</u>	<u>(1,194,296)</u>
<b>Profit before taxation</b>		201,366	2,546,389
Taxation	11	<u>(60,404)</u>	<u>(724,677)</u>
<b>Profit for the period</b>		<u>140,962</u>	<u>1,821,712</u>
<b>Attributable to:</b>			
Equity holders		<u>140,962</u>	<u>1,821,712</u>
<b>Earnings per share for profit attributable to equity holders:</b>			
Basic and diluted earnings per share (Naira)		<u>0.04</u>	<u>0.48</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

**Statement of Other Comprehensive Income  
 For three months ended 30 September 2015**

	Note	2015 N'000	2014 N'000
<b>Items that will not be reclassified to income statement:</b>			
Remeasurement on post employment benefit obligations		-	-
Tax effect		<u>-</u>	<u>-</u>
<b>Other comprehensive income</b>		-	-
<b>Profit for the period</b>		<u>55,388</u>	<u>357,139</u>
<b>Total comprehensive income</b>		<u><u>55,388</u></u>	<u><u>357,139</u></u>
<b>Attributable to:</b>			
Equity holders		<u><u>55,388</u></u>	<u><u>357,139</u></u>

**Statement of Other Comprehensive Income  
 For nine months ended 30 September 2015**

	Note	2015 N'000	2014 N'000
<b>Items that will not be reclassified to income statement:</b>			
Remeasurement on post employment benefit obligations		-	-
Tax effect		<u>-</u>	<u>-</u>
<b>Other comprehensive income</b>		-	-
<b>Profit for the period</b>		<u>140,962</u>	<u>1,821,712</u>
<b>Total comprehensive income</b>		<u><u>140,962</u></u>	<u><u>1,821,712</u></u>
<b>Attributable to:</b>			
Equity holders		<u><u>140,962</u></u>	<u><u>1,821,712</u></u>

The notes on pages 9 to 17 form an integral part of these financial statements.

## Statement of Financial Position As at 30 September 2015

	Note	30 September 2015 N'000	31 December 2014 N'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	27,538,685	24,830,779
Intangible assets		1,227,043	1,398,037
Other non- current assets		195,771	398,220
Employee loan receivable		108,781	128,348
Retirement benefit surplus	17	445,046	409,712
		<u>29,515,326</u>	<u>27,165,096</u>
<b>Current assets</b>			
Inventories	13	6,489,056	8,614,597
Trade and other receivables	14	9,475,205	8,544,431
Employee loan receivable		65,550	77,215
Cash and bank balances	15	4,043,273	1,334,916
		<u>20,073,084</u>	<u>18,571,159</u>
<b>Total assets</b>		<u>49,588,410</u>	<u>45,736,255</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	16	19,552,916	15,111,163
Income tax		31,648	212,770
Bank overdrafts	15	7,379,064	3,953,395
Loans and borrowings		8,256,541	12,060,749
Deferred income		32,756	32,756
		<u>35,252,925</u>	<u>31,370,833</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities		2,854,778	2,853,240
Retirement benefit obligations	17	2,866,690	2,756,505
Long service award obligations	17	419,008	341,871
Other employee benefits		50,734	44,104
Deferred income		103,726	128,292
Loans and borrowings		799,109	762,602
		<u>7,094,045</u>	<u>6,886,614</u>
<b>Total liabilities</b>		<u>42,346,970</u>	<u>38,257,447</u>

**Statement of Financial Position (continued)**  
**As at 30 September 2015**

	Note	30 September 2015 N'000	31 December 2014 N'000
<b>Equity</b>			
Ordinary share capital	20	1,891,649	1,891,649
Share premium	20	45,717	45,717
Retained earnings		5,304,074	5,541,442
<b>Total equity</b>		<u>7,241,440</u>	<u>7,478,808</u>
<b>Total equity and liabilities</b>		<u>49,588,410</u>	<u>45,736,255</u>

The financial statements on pages 2 to 17 were approved for issue by the Board of Directors on 15 October 2015 and signed on its behalf by:



His Majesty N.A. Achebe CFR, MNI  
 Chairman  
 FRC/2013/NIM/00000001568



Yaw Nsarkoh  
 Managing Director  
 FRC/2014/IODN/00000007035



Adesola Sotande-Peters  
 Finance Director  
 FRC/2015/ICAN/00000010834

The notes on pages 9 to 17 form an integral part of these financial statements.

**Statement of Changes in Equity  
 For nine months ended 30 September 2015**

	Share capital N'000	Share premium N'000	Retained earnings N'000	Total N'000
Balance at 1 January 2014	1,891,649	45,717	7,410,556	9,347,922
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	1,821,712	1,821,712
<b>Other comprehensive income</b>				
Remeasurement on post employment benefit obligations, net of tax	-	-	-	-
	-	-	1,821,712	1,821,712
<b>Transactions with owners</b>				
Dividend declared	-	-	(4,729,120)	(4,729,120)
Balance at 30 September 2014	<u>1,891,649</u>	<u>45,717</u>	<u>4,503,148</u>	<u>6,440,514</u>
Balance at 1 January 2015	1,891,649	45,717	5,541,442	7,478,808
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	140,962	140,962
<b>Other comprehensive income</b>				
Remeasurement on post employment benefit obligations, net of tax	-	-	-	-
	-	-	140,962	140,962
<b>Transactions with owners</b>				
Dividend declared	-	-	(378,330)	(378,330)
Balance at 30 September 2015	<u>1,891,649</u>	<u>45,717</u>	<u>5,304,074</u>	<u>7,241,440</u>

The notes on pages 9 to 17 form an integral part of these financial statements.



## Statement of Cash Flows For nine months ended 30 September 2015

	Note	2015 N'000	2014 N'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	18	10,452,458	702,954
Retirement benefits paid		(429,656)	(154,896)
Long service award obligations paid		(600)	-
Tax paid		(239,989)	(1,288,122)
<b>Net cash flow from/(used in) operating activities</b>		<u>9,782,213</u>	<u>(740,064)</u>
<b>Cash flows from investing activities</b>			
Interest received		224,099	97,477
Purchase of intangible assets		(4,027)	-
Purchase of property, plant and equipment	12	(4,266,578)	(2,545,282)
Proceeds from sale of property, plant and equipment		86,367	18,005
<b>Net cash used in investing activities</b>		<u>(3,960,139)</u>	<u>(2,429,800)</u>
<b>Cash flows from financing activities</b>			
Drawdown of long-term loan		13,400	423,340
Drawdown of short-term loan		-	6,500,000
Repayment of long-term loan		(141,101)	(28,963)
Repayment of short-term loan		(3,640,000)	-
Interest payment		(2,393,355)	(1,194,296)
Dividend paid		(378,330)	(4,729,120)
<b>Net cash flow (used in)/from financing activities</b>		<u>(6,539,386)</u>	<u>970,961</u>
Decrease in cash and cash equivalents		(717,312)	(2,198,903)
Cash and cash equivalents at the beginning of the period		(2,618,479)	613,200
<b>Cash and cash equivalents at the end of the period</b>	15	<u>(3,335,791)</u>	<u>(1,585,703)</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

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**1. General information**

Unilever Nigeria Plc is incorporated in Nigeria under the Companies and Allied Matters Act 1990 as a public limited liability company and is domiciled in Nigeria. The Company's shares are listed on the Nigerian Stock Exchange (NSE). The Company is principally involved in the manufacture and marketing of foods and food ingredients, and home and personal care products. It has manufacturing plants in Lagos and Agbara.

**2. Basis of preparation**

These interim financial statements for the nine months ended 30 September 2015 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with IFRS.

**3. Significant accounting policies**

The accounting policies adopted are consistent with those of the previous financial year.

**4. Estimates**

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2014.

**5. Financial risk management**

**Financial risk factors**

Unilever's activities expose it to a variety of financial risks: market risk (foreign exchange risk), credit risk and liquidity risk. Unilever's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on Unilever's financial performance.

Risk management is carried out by a Treasury Department under policies approved by the Finance Director. Unilever's Treasury Department identifies, evaluates and manages financial risks in close co-operation with Unilever's operating units. These policies are mostly Unilever Global Policies adapted for local use.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the company's annual financial statements as at 31 December 2014. There have been no changes in the risk management structure since year end or in any risk management policy.

**5.1. Financial risk factors**

*(a) Market risk*

*(i) Foreign exchange risk*

Unilever is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro and USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities.

The company manages this risk mainly by hedging foreign exchange currency contracts. At 30 September 2015, the unhedged financial assets and liabilities amounted to N1 billion (2014: N3 billion).

**5. Financial risk management (continued)**

**5.1. Financial risk factors**

(i) Cash flow and fair value interest rate risk

Unilever's interest rate risk arises from bank overdrafts. Overdrafts issued at variable rates expose Unilever to cash flow interest rate risk. Borrowings issued at fixed rates expose Unilever to fair value interest rate risk.

Unilever analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, Unilever calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

The following table shows the split in fixed and floating rate exposures:

	<b>2015</b> <b>N'000</b>	<b>2014</b> <b>N'000</b>
Fixed rate (bank loans)	9,055,649	12,823,351
Floating rates (bank overdrafts)	<u>7,379,064</u>	<u>3,953,395</u>
	<u><u>16,434,713</u></u>	<u><u>16,776,746</u></u>

(b) *Credit risk*

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only parties classified as "International Golden Circle" (preferred choice for the Unilever group) are accepted. Exposure limit with the banks is set at a maximum of N6.2 billion. Risk control assesses the credit quality of wholesale customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

Concentration of credit risk with respect to trade receivables is limited, due to the company's customer base being large and diverse. Credit terms for customers are determined on individual basis. Credit risk relating to trade receivables is managed by reference to the customers' credit limit, inventory balance, cash position and secondary sales to final consumers.

(c) *Liquidity risk*

Liquidity risk is the risk that Unilever will face difficulty in meeting its obligations associated with its financial liabilities. Unilever's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine Unilever's credibility, impair investor confidence and also restrict the Unilever's ability to raise funds.

Where current liabilities exceed current assets, the company seeks to manage its liquidity requirements by maintaining access to bank lending which are renewable annually.

At the reporting date, Unilever held cash in bank of N4 billion (2014: N1.3 billion) that are expected to readily generate cash inflows for managing liquidity risk. Unilever also had N7.4 billion overdraft.

## 6. Segment reporting

The chief operating decision-maker has been identified as the Leadership Team (LT) of Unilever Nigeria Plc. The Leadership Team reviews Unilever's monthly financial and operational information in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The Leadership Team consider the business from a product category perspective. Unilever is segmented into Food Products (FP), Personal Care (HC) and Home Care (PC) products.

Foods – including sale of tea, savoury and spreads.

Personal Care – including sale of skin care and oral care products.

Home Care – including sale of fabric care, dish wash and water purifier.

There are no intersegmental sales and Nigeria is the company's primary geographical segment as it comprises 97% of the company's sales.

The Leadership Team assesses the performance based on operating profits for each operating segment that is reviewed. Total financing (including interest income and expense), income taxes and retirement benefit obligations are managed on an entity-wide basis and are not allocated to operating segments.

	<b>Food Products N'000</b>	<b>Personal Care N'000</b>	<b>Home Care N'000</b>	<b>Total N'000</b>
<b>3 months ended 30 September 2015</b>				
Revenue	7,371,058	3,834,103	2,772,131	13,977,292
Depreciation and amortisation	253,222	131,715	95,232	480,169
Segmental operating profit	427,117	222,168	160,632	809,917
Amortisation of prepaid benefit on employee loan				(6,180)
Finance income				87,822
Finance cost				(784,264)
Profit before taxation				<u>107,295</u>
<b>3 months ended 30 September 2014</b>				
Revenue	7,037,723	4,535,087	2,779,141	14,351,951
Depreciation and amortisation	212,488	136,926	83,909	433,323
Segmental operating profit	471,183	303,628	186,066	960,877
Amortisation of prepaid benefit on employee loan				(7,999)
Finance income				32,626
Finance cost				(516,450)
Profit before taxation				<u>469,054</u>
<b>9 months ended 30 September 2015</b>				
Revenue	21,165,723	12,774,498	8,758,908	42,699,129
Depreciation and amortisation	772,676	466,345	319,752	1,558,773
Segmental operating profit	1,184,882	715,131	490,334	2,390,347
Amortisation of prepaid benefit on employee loan				(19,725)
Finance income				224,099
Finance cost				(2,393,355)
Profit before taxation				<u>201,366</u>
<b>9 months ended 30 September 2014</b>				
Revenue	21,343,178	12,885,712	9,403,194	43,632,084
Depreciation and amortisation	768,577	464,020	338,613	1,571,210
Segmental operating profit	1,791,770	1,081,761	789,402	3,662,933
Amortisation of prepaid benefit on employee loan				(19,725)
Finance income				97,477
Finance cost				(1,194,296)
Profit before taxation				<u>2,546,389</u>

**6. Segment reporting (continued)**

**Turnover by geographical location**

	<b>Domestic (within Nigeria) N'000</b>	<b>Export (outside Nigeria) N'000</b>	<b>Total N'000</b>
3 months ended 30 September 2015	13,554,463	422,829	13,977,292
3 months ended 30 September 2014	13,976,865	375,086	14,351,951
9 months ended 30 September 2015	41,430,222	1,268,907	42,699,129
9 months ended 30 September 2014	42,237,491	1,394,593	43,632,084

The company has 106 customers, and no single customer accounted for more than 10% of the company's revenue.

**7. Marketing and administrative expenses**

	<b>2015 N'000</b>	<b>2014 N'000</b>
Brand and marketing	4,861,444	5,423,824
Overheads	4,689,496	4,629,078
Service Fees	1,072,148	1,145,156
	<u>10,623,088</u>	<u>11,198,058</u>

**8. Other income**

Other income represents profit on disposal of property, plant and equipment.

**9. Finance income**

	<b>2015 N'000</b>	<b>2014 N'000</b>
Interest on call deposits and bank accounts	142,783	23,531
Exchange differences - gain	61,591	49,229
Interest income from employee loans	19,725	24,717
	<u>224,099</u>	<u>97,477</u>

**10. Finance cost**

	<b>2015 N'000</b>	<b>2014 N'000</b>
Interest on third party bank loans	2,022,380	900,256
Exchange differences - loss	67,120	26,631
Net interest cost on defined benefit plans	303,855	267,409
	<u>2,393,355</u>	<u>1,194,296</u>

**11. Income Taxes**

Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the period. The estimated average tax rate used for the nine months ended 30 September 2015 is 30% (2014: 28.5%).

**12. Property, plant and equipment (PPE)**

	Capital work-in- progress N'000	Lease hold land N'000	Buildings N'000	Plant and machinery N'000	Furniture and equipment N'000	Motor vehicles N'000	Total N'000
<b>Cost</b>							
At 1 January 2014	6,542,174	67,615	3,713,522	21,326,483	701,586	690,744	33,042,124
Reclass. between PPE captions	-	-	(263,994)	264,339	(345)	-	-
Additions	4,023,867	-	-	-	-	-	4,023,867
Transfers	(7,521,516)	-	3,631,340	3,239,395	477,510	173,271	-
Disposals	-	-	-	(10,682)	(14,923)	(35,794)	(61,399)
Write off	(29,223)	-	-	-	-	-	(29,223)
<b>At 31 December 2014</b>	<b>3,015,302</b>	<b>67,615</b>	<b>7,080,868</b>	<b>24,819,535</b>	<b>1,163,828</b>	<b>828,221</b>	<b>36,975,369</b>
Reclass. between PPE captions	-	(21,872)	7,753	14,697	(365)	(213)	-
Additions	4,266,578	-	-	-	-	-	4,266,578
Transfers	(4,326,558)	1,706,203	366,375	1,932,678	230,563	90,739	-
Disposals	-	(20,350)	(432,747)	(1,372,654)	(21,304)	(185,344)	(2,032,399)
Write off	(6,044)	-	-	-	-	-	(6,044)
<b>At 30 September 2015</b>	<b>2,949,278</b>	<b>1,731,596</b>	<b>7,022,249</b>	<b>25,394,256</b>	<b>1,372,722</b>	<b>733,403</b>	<b>39,203,504</b>
<b>Depreciation / impairment</b>							
At 1 January 2014	-	31,532	714,549	8,394,305	207,988	468,812	9,817,186
Depreciation charge for the year	-	750	156,256	1,506,737	101,771	138,405	1,903,919
Impairment	-	-	-	466,445	-	-	466,445
Disposals	-	-	-	(7,594)	(10,045)	(25,321)	(42,960)
<b>At 31 December 2014</b>	<b>-</b>	<b>32,282</b>	<b>870,805</b>	<b>10,359,893</b>	<b>299,714</b>	<b>581,896</b>	<b>12,144,590</b>
Reclass. between PPE captions	-	-	(2,586)	2,589	202	(205)	-
Depreciation charge for the period	-	3,301	144,044	1,069,981	90,957	75,469	1,383,752
Impairment	-	-	-	159,074	-	-	159,074
Disposals	-	(12,204)	(248,925)	(1,564,503)	(19,174)	(177,791)	(2,022,597)
<b>At 30 September 2015</b>	<b>-</b>	<b>23,379</b>	<b>763,338</b>	<b>10,027,034</b>	<b>371,699</b>	<b>479,369</b>	<b>11,664,819</b>
<b>Net book value:</b>							
At 1 January 2014	6,542,174	36,083	2,998,973	12,932,178	493,598	221,932	23,224,938
At 31 December 2014	3,015,302	35,333	6,210,063	14,459,642	864,114	246,325	24,830,779
At 30 September 2015	2,949,278	1,708,217	6,258,911	15,367,222	1,001,023	254,034	27,538,685

(i) *Leasehold land on finance lease*

The Company has non - cancellable finance lease agreements with the Federal Government of Nigeria which was paid once and in advance. There are no finance lease liabilities and no future finance charges to the income statement. The lease terms are between 50 and 99 years. The following amounts represents owned land where the Company is a lessee under a finance lease:

	2015 N'000	2014 N'000
<b>Cost</b>		
At 1 January	67,615	67,615
Additions	1,706,203	-
Reclass./Disposal	(42,222)	-
At 30 September/31 December	1,731,596	67,615
<b>Accumulated depreciation</b>		
At 1 January	32,282	31,532
Depreciation charge for the period	3,301	750
Disposal	(12,204)	-
At 30 September/31 December	23,379	32,282
<b>Net book value:</b>		
At 1 January	35,333	36,083
At 30 September/31 December	1,708,217	35,333

**13. Inventories**

	<b>2015</b> <b>N'000</b>	<b>2014</b> <b>N'000</b>
Raw and packaging materials	2,669,854	3,811,735
Work in progress	508,385	389,386
Finished goods	2,485,722	3,702,760
Engineering spares and other inventories	825,095	710,716
	<u>6,489,056</u>	<u>8,614,597</u>

**14. Trade and other receivables**

	<b>2015</b> <b>N'000</b>	<b>2014</b> <b>N'000</b>
Trade receivables: gross	3,947,443	4,518,493
Less impairment	<u>(311,626)</u>	<u>(1,099,795)</u>
Trade receivables: net	3,635,817	3,418,698
Advances and prepayments	1,063,921	1,588,646
Other receivables	620,720	385,914
Due from related parties (Note 19(iii))	<u>4,154,747</u>	<u>3,151,173</u>
	<u>9,475,205</u>	<u>8,544,431</u>

Advances and prepayments include prepaid warehouse rents, insurance premium and advances to vendors.

**15. Cash and cash equivalents**

	<b>2015</b> <b>N'000</b>	<b>2014</b> <b>N'000</b>
Cash at bank and in hand	1,504,309	1,136,998
Fixed deposit	<u>2,538,964</u>	<u>197,918</u>
Cash and bank balances	4,043,273	1,334,916
Bank overdrafts	<u>(7,379,064)</u>	<u>(3,953,395)</u>
Cash and cash equivalents	<u>(3,335,791)</u>	<u>(2,618,479)</u>

Included in cash and cash equivalents are unclaimed dividends amounting to N2.3 billion (2014: nil) held in a separate bank account in accordance with guidelines issued by the Securities and Exchange Commission. This amount is restricted from use by the Company.

For the purposes of the statement of cash flows, cash and cash equivalents include bank overdrafts.

**16. Trade and other payables**

	<b>2015</b> <b>N'000</b>	<b>2014</b> <b>N'000</b>
Trade payables	4,889,347	5,083,218
Amount due to related companies (Note 19(iii))	6,222,392	4,308,103
Unclaimed dividend (Note 16(i))	2,739,741	414,560
Accrued liabilities	1,482,252	1,552,037
Accrued brand and marketing expenses	1,881,879	611,527
Accrued shipping and freight charges	354,045	728,848
Non trade payables	<u>1,983,260</u>	<u>2,412,870</u>
	<u>19,552,916</u>	<u>15,111,163</u>



**16. Trade and other payables (continued)**

	<b>2015</b> <b>N'000</b>	<b>2014</b> <b>N'000</b>
(i) Unclaimed dividend		
As at 1 January	414,560	414,560
Dividend declared	378,330	4,729,120
Dividend paid during the year	(378,330)	(4,729,120)
Unclaimed dividend transferred from registrar	<u>2,325,181</u>	<u>-</u>
As at 30 September/31 December	<u><u>2,739,741</u></u>	<u><u>414,560</u></u>

**17. Retirement benefit obligations**

The amounts recognised in the statement of financial position are determined as follows:

	<b>2015</b> <b>N'000</b>	<b>2014</b> <b>N'000</b>
Present value of funded retirement benefit obligations	(1,107,448)	(1,105,641)
Fair value of plan assets	<u>1,552,494</u>	<u>1,515,353</u>
Retirement benefit surplus	445,046	409,712
Present value of unfunded retirement benefit obligations	(2,866,690)	(2,756,505)
Long service award obligations	<u>(419,008)</u>	<u>(341,871)</u>
Net liability in the statement of financial position	<u><u>(2,840,652)</u></u>	<u><u>(2,688,664)</u></u>

The amounts recognised within the income statement were as follows:

	<b>Current</b> <b>Service Cost</b> <b>N'000</b>	<b>Net</b> <b>Interest</b> <b>Cost</b> <b>N'000</b>	<b>Total</b> <b>N'000</b>
3 months ended 30 September 2015	<u>94,349</u>	<u>97,124</u>	<u>191,473</u>
3 months ended 30 September 2014	<u>78,030</u>	<u>87,254</u>	<u>165,284</u>
9 months ended 30 September 2015	<u>278,387</u>	<u>303,855</u>	<u>582,242</u>
9 months ended 30 September 2014	<u>234,091</u>	<u>267,409</u>	<u>501,500</u>

**18. Cash flows from operating activities**

	<b>2015</b> <b>N'000</b>	<b>2014</b> <b>N'000</b>
Profit before tax	201,366	2,546,389
Adjustment for non-cash items:		
- Depreciation of fixed assets	1,383,752	1,396,799
- Impairment charge	159,074	-
- Assets write off	6,044	22,773
- Amortisation of intangible assets	175,021	174,411
- Profit on disposals on fixed assets	(76,564)	(5,314)
- Finance income (Note 9)	(224,099)	(97,477)
- Finance costs (Note 10)	2,393,355	1,194,296
- Net charge in retirement benefit obligations	504,507	501,500
- Change in employee loan receivable	31,232	944
- Long service award obligations	77,737	-
- Deferred income	(24,566)	60,970
- Other employee benefits	6,630	-
Changes in working capital:		
- Increase in trade and other receivables	(930,774)	(1,881,512)
- Decrease/(increase) in inventory	2,125,541	(1,312,472)
- Increase/(decrease) in trade and other payables	4,441,753	(1,966,117)
- Decrease in other non-current assets	<u>202,449</u>	<u>67,764</u>
Cash flows from operating activities	<u><u>10,452,458</u></u>	<u><u>702,954</u></u>

**19. Related party transactions**

**(i) Sale of finished goods to related parties**

	<b>2015</b> <b>N'000</b>	<b>2014</b> <b>N'000</b>
Unilever Ghana Limited	772,244	783,557
Unilever Cote D'Ivoire	496,663	611,036
	<u>1,268,907</u>	<u>1,394,593</u>

**(ii) Purchases of finished goods for resale from related parties**

	<b>2015</b> <b>N'000</b>	<b>2014</b> <b>N'000</b>
Unilever Ghana Limited	1,570,381	1,888,393
Unilever Market Development (Pty) Limited	194,945	465,033
Unilever Gulf FZE	-	210,888
Unilever Phillipines	157,455	159,184
Unilever Supply Chain Company, UK	-	73,604
	<u>1,922,781</u>	<u>2,797,102</u>

**(iii) Outstanding related party balances as at 30 September were:**

	<b>2015</b> <b>N'000</b>	<b>2014</b> <b>N'000</b>
<i>Receivables from related parties:</i>		
Unilever UK Plc	300,347	-
Unilever Cote D'Ivoire	1,670,068	1,342,622
Unilever Ghana Limited	1,993,691	1,584,259
Other related parties	190,641	224,292
	<u>4,154,747</u>	<u>3,151,173</u>

	<b>2015</b> <b>N'000</b>	<b>2014</b> <b>N'000</b>
<i>Payables to related parties:</i>		
Unilever UK Plc	2,178,754	1,390,543
Unilever Cote D'Ivoire	55,238	55,375
Unilever Ghana Limited	3,323,752	2,184,838
Unilever Asia Private	18,271	31,281
Other related parties	646,377	646,066
	<u>6,222,392</u>	<u>4,308,103</u>

**20. Share capital and share premium**

	<b>Number of ordinary shares (thousands)</b>	<b>Ordinary shares N'000</b>	<b>Share premium N'000</b>
Balance as at 30 September 2015 and 31 December 2014	<u>3,783,296</u>	<u>1,891,649</u>	<u>45,717</u>

The authorised number of ordinary shares is 6,053,274,000 with a par value of 50kobo per share. Of these, 3,783,296,250 ordinary shares have been issued and fully paid.

**Disclosures on securities transactions by Directors**

In accordance with the provisions of Section 14.4 of the Amended Post-Listings Rules of the Nigerian Stock Exchange (2014), the Directors of Unilever Nigeria Plc. hereby confirm that:

- 1.** A code of conduct regarding securities transactions by all Directors has been adopted by the Company.
- 2.** Specific enquiry of all Directors has been made during the reporting period and there is no incidence of non-compliance with the listing rules of the Nigerian Stock Exchange, and Unilever Nigeria's code of conduct, regarding securities transactions by Directors.