Accountants &
business advisers

UNIVERSITY PRESS PLC

FINANCIAL STATEMENTS
31 MARCH 2021

Corporate information

Directors	Mr. Obafunso Ogunkeye	-Chairman
	Mr. Samuel Kolawole	-Managing Director
	Mr. I. Chibuike Okorie	-Director
	Mallam Adamu A. Sufi	-Director
	Arc. Ayodeji Olorunda	-Director
	Mr. Yomi Aremu Adewusi	-Director
	Prof Theodora Akachi Ezeigbo	-Director
	Mr. Olayinka Lawal	-Director
	Mr. Ganiyu A. Adebayo	-Executive Director (Finance)
	Mrs. Folakemi O. Bademosi	-Executive Director (Publishing)
	Mrs. Binitie Aboyade-Cole	-Company Secretary/Legal Adviser

Registered Office

Three Crowns Building
Jericho,
Ibadan.

Registrar

Greenwich Registrars & Data Solutions Ltd
Registrars Limited 274,
Murtala Muhammed Way Yaba,
Lagos

Auditors

PKF Professional Services
PKF House
205A, Ikorodu Road,
Obanikoro,
Lagos

Bankers

Guaranty Trust Bank Plc
Zenith Bank Plc
First Bank Limited
First City Monument Bank Limited
Access Bank Plc
United Bank for Africa Plc.

UNIVERSITY PRESS PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

In accordance with the provisions of the Companies and Allied Matters Act, the directors are responsible for the preparation of financial statements which give a true and fair view of the state of affairs of the Company at the end of the year and its profit or loss.

The responsibilities include ensuring that:

i. The Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the company and comply with the requirements of the Companies and Allied Matters Act;

ii Appropriate and adequate internal controls are established to safeguard its assets and to prevent and detect fraud and other irregularities;

iii The Company prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied; and

iv It is appropriate for the financial statements to be prepared on a going concern basis.

The Directors accept responsibility for the preparation of the accompanying financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in accordance with the International Financial Reporting Standards; in compliance with the Financial Reporting Council Act No. 6, 2011 and in the manner required by the Companies and Allied Matters Act, 2020.

The Directors are of the opinion that the accompanying financial statements give a true and fair view of the state of the financial affairs of the Company, in accordance with the International Financial Reporting Standards in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011 and in the manner required by Companies and Allied Matters Act, 2020.

The Directors further accept responsibility for the maintenance of adequate accounting records as required by the Companies and Allied Matters Act, 2020 and for such internal controls as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatements

The Directors have made assessment of the company's ability to continue as a going concern and have no reason to believe that the company will not remain a going concern for at least twelve months from the date of this statements.

Signed on behalf of the Board of Directors by:

Mr. Obafunso Ogunkeye	**Mr. Samuel Kolawole**
Chairman	**MD/CEO**
FRC/2013/CITN/00000003567	**FRC/2014/IODN/00000003248**
Dated: 23 June 2021	**Dated: 23 June 2021**

Independent Auditor's Report

To the Shareholders of University Press Plc

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of University Press Plc (the Company), which comprise the statement of financial position as at 31 March 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 March 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, 2020 and the Financial Reporting Council of Nigeria Act, No 6, 2011.

Basis of 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 the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How the matter was addressed in the audit
a) Revenue recognition Revenue is a key performance indicators on which the company and its Directors are assessed. There could be pressures on margin and competition which could lead to recognising revenue in the wrong financial period.	The following audit procedures were performed among others: • Reviewed the accounting policy for consistency and management's procedures in the recognition and recording of revenue. • Evaluated the design and implementation and the operating effectiveness of internal controls over the approval of goods sold. • For sales of goods to customers during the year, we compared on a sample basis, postings into revenue ledger which is evidence by delivery notes and copy of invoice duly signed by the customers. • For bulk and normal orders, we verified on a sample basis customers' purchase order, delivery notes and signed contract agreements. • We performed data integrity check on revenue including the accuracy of sample of journal entries relating to revenue by checking them to supporting documentations, such as approved credit notes to customers. • We assessed the posting in sales ledger subsequent to year end to understand the basis of any significant/unusual entries. • We tested whether revenue transactions occurring both prior and post year end date were recognised in the correct financial period.
b) Valuation of inventory The carrying amount of inventories at year end was N1.4 billion representing 63% of the total current assets. An impairment allowance of N24.67 million has been recorded during the year to reduce the carrying value of the inventories to their estimated realisable values (See Note 20.1). The company's inventory is prone to obsolescence as a result of changes in government curriculum, technological changes, passage of time among others. There is possibility that obsolete and slow moving inventories may not be adequately written down and this may lead to overstatement of inventory.	• Reviewed management's procedures and policies relating to provision for obsolete inventories. • Reviewed age analysis of the Company's inventory and ensured that the value of obsolete and soiled inventory were adequately written down. • Reviewed and take note for action, all observations noted during the inventory physical count that could likely affect the impairment calculation of obsolete inventory. • Reviewed and challenged the reasonableness of key management's assumptions used for the impairment based on our knowledge of the business and industry.

Key audit matters	How the matter was addressed in the audit
c) Impairment of trade receivables The determination of the impairment charge for trade receivables requires the assessment of Expected Credit Loss Model (ECL) using the simplified approach on recoverable amounts in line with IFRS 9. The ECL model involves the application of considerable level of judgement and estimation in determining inputs which are derived from historical records obtained within and outside the company in formulating the financial model. The model also requires assumptions in the estimation of forward looking macro-economic variables in computing the Probability of Default (PD).	We focused our testing of impairment on the assumption made by management and in line with IFRS 9, Expected Credit Loss Model (ECL). Our audit procedures included: • We assessed and tested the design and operating effectiveness of the controls over impairment calculation. • Reviewed the age analysis of debtors and controls put in place by management on the recoverability of receivables that have been long over due. • Reviewed the impairment model adopted by management and evaluated whether the model used to calculate the recoverable amounts complies with the requirements of IFRS 9 and is in agreement with our understanding of the business and the industry in which the company operates.

Other Information

The directors are responsible for the other information. The other information comprises the Chairman's statement, Directors' Report; Audit Committee's Report, Corporate Governance Report and Company Secretary's report but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards; and in the manner required by the Companies and Allied Matters Act, 2020, and the Financial Reporting Council of Nigeria Act, No 6, 2011 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

Those charged with governance are responsible for overseeing the company's financial reporting process.

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.

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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 the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 are based 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 unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of fifth schedule of the Companies and Allied Matters Act, 2020, we confirm

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 other comprehensive income are in agreement with the books of account.

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

ii) The Company have kept proper books of account, so far as appears from our examination of those books.

iii) The statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Benson O. Adejayan, FCA
FRC/2013/ICAN/00000002226
For: PKF Professional Services
Chartered Accountants
Lagos, Nigeria

Dated: 23 June 2021

UNIVERSITY PRESS PLC

STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2021

	Notes	2021 N'000	2020 N'000
Assets			
Non-current assets			
Property, plant and equipment	18	**1,170,940**	1,170,282
Investment property	19	**314,700**	288,000
		1,485,640	1,458,282
Current assets			
Inventory	20	**1,443,250**	1,252,639
Trade receivables	21	**101,138**	115,535
Other current assets	22	**50,562**	63,026
Cash and cash equivalents	31	**704,425**	576,853
		2,299,375	2,008,053
Equity and liabilities			
Current liabilities			
Trade payables	23	**426,744**	56,074
Other payables and accruals	24	**415,481**	404,506
Unclaimed dividends	25	**151,281**	149,694
Current tax liabilities	16.2	**20,080**	75,096
		1,013,586	685,370
Net current assets		**1,285,789**	1,322,683
Non current liabilities			
Deferred taxation	16.4	**107,467**	109,397
Net assets		**2,663,962**	2,671,568
Equity			
Ordinary shares	26.1	**215,705**	215,705
Share premium	27	**146,755**	146,755
Capital reserve	28	**1,442**	1,442
Revaluation reserve	29	**772,448**	772,448
Revenue reserve	30	**1,527,612**	1,535,218
Total equity		**2,663,962**	2,671,568

The financial statements were approved by the Board on **23 June 2021** and signed on its behalf by:

Mr. Obafunso Ogunkeye	**Mr. S. Kolawole**	**Mr. G. A. Adebayo**
Chairman	**Managing Director**	**Executive Director (Finance)**
FRC/2013/CITN/00000003567	**FRC/2013/ICSAN/00000003248**	**FRC/2013/ICAN/00000003250**

The accompanying notes and significant accounting policies form an integral part of these financial statements.

UNIVERSITY PRESS PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 N'000	2020 N'000
Revenue	7	**1,419,422**	2,065,607
Cost of sales	9	**(581,158)**	(844,981)
Gross profit		**838,264**	1,220,626
Other income	10	**49,305**	17,412
Marketing and distribution expenses	11	**(370,580)**	(474,661)
Administrative expenses	12	**(456,671)**	(611,156)
Profit from operations		**60,318**	152,221
Finance income	14	**14,973**	25,835
Profit before taxation	15	**75,291**	178,056
Income tax expense	16.1	**(18,185)**	(50,870)
Profit for the year		**57,106**	127,186
Other comprehensive income: **Items that will not be reclassified subsequently to profit or loss**		**-**	-
Items that will be reclassified subsequently to profit or loss			
Total other comprehensive loss		**-**	**-**
Total comprehensive income attributable to owners of equity		**57,106**	127,186
Basic earnings per 50k share (kobo)	17	**13.24**	29.48

The accompanying notes and significant accounting policies form an integral part of these financial statements.

UNIVERSITY PRESS PLC

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Ordinary shares N'000	Share premium N'000	Capital reserve N'000	Property, plant and equipment revaluation reserve N'000	Reserve on actuarial valuation of gratuity N'000	Revenue reserve N'000	Total equity N'000
Balance at 1 April 2019	215,705	146,755	1,442	772,448	-	1,472,744	2,609,094
Changes in equity for the year:							
Profit for the year	-	-	-	-	-	127,186	127,186
	-	-	-	-	-	127,186	127,186
Other comprehensive income							
Actuarial loss on defined benefit plan	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	127,186	127,186
Transactions with owners:							
Dividend declared	-	-	-	-	-	(64,712)	(64,712)
	-	-	-	-	-	(64,712)	(64,712)
Balance at 31 March 2020	215,705	146,755	1,442	772,448	-	1,535,218	2,671,568
Balance at 1 April 2020	**215,705**	**146,755**	**1,442**	**772,448**	**-**	**1,535,218**	**2,671,568**
Changes in equity for the year:							
Profit for the year	**-**	**-**	**-**	**-**	**-**	**57,106**	**57,106**
	-	**-**	**-**	**-**	**-**	**57,106**	**57,106**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**57,106**	**57,106**
Transactions with owners:							
Dividend declared	**-**	**-**	**-**	**-**	**-**	**(64,712)**	**(64,712)**
	-	**-**	**-**	**-**	**-**	**(64,712)**	**(64,712)**
Balance at 31 March 2021	**215,705**	**146,755**	**1,442**	**772,448**	**-**	**1,527,613**	**2,663,962**

The accompanying notes and significant accounting policies form an integral part of these financial statements.

UNIVERSITY PRESS PLC

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 N'000	2020 N'000
Cash flows from operating activities			
Profit after tax		**57,106**	127,186
Adjustment for:			
Depreciation of property, plant and equipment	18	**149,566**	154,782
Gain from disposal of property, plant and equipment	10	**(6,042)**	(9,217)
Fair value gain on revaluation of investment properties	10	**(26,700)**	-
Net Finance income	14	**(14,973)**	(25,835)
Income tax expense	16.1	**20,115**	57,815
Income/education tax underprovision in prior year	16.2	**-**	17,334
		179,072	322,065
Working capital changes:			
(Increase)/decrease in inventories	20	**(190,611)**	1,366
Decrease/(increase) in trade receivables	21	**14,397**	(62,629)
Decrease in other current assets	22	**12,466**	34,024
Increase in trade payables	23	**370,670**	41,243
Increase/(decrease) in other payables	24	**10,975**	(152,929)
Decrease in deferred tax liabilities	16.4	**(1,930)**	(24,278)
Increase in unclaimed dividends	25	**1,587**	8,950
Cash generated from operations		**396,625**	167,812
Income tax paid	16.2	**(75,131)**	(28,974)
Net cash from operating activities		**321,494**	138,838
Cash flows from investing activities			
Purchase of property plant and equipment	18	**(150,277)**	(64,291)
Sales proceed from sale of property, plant and equipment		**6,093**	9,482
Finance income	14	**14,973**	25,835
Net cash used in investing activities		**(129,211)**	(28,974)
Cash flows from financing activities			
Dividend declared and paid	24.6	**(64,712)**	(64,712)
Net cash used in financing activities		**(64,712)**	(64,712)
Net increase in cash and cash equivalents		**127,572**	45,152
Cash and cash equivalents at the beginning of the year		**576,853**	531,701
Cash and cash equivalents at the end of the year	31	**704,425**	576,853

UNIVERSITY PRESS PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. The Company
1.1 Legal Form
University Press Plc (The Company) is a Company domiciled in Nigeria. It was founded in 1949 under the name Oxford University Press, Nigeria. The Company was incorporated as a limited liability Company in 1978. The Company was quoted on the Nigerian Stock Exchange on 14th August,1978. The Company's registered Office is Three Crowns Building, Jericho, Ibadan. The Company's products are mainly educational books.

1.2 Corporate office
The Company's registered Office is Three Crowns Building, Jericho, Ibadan.

1.3 Principal Activities
The Company is engaged in the business of printing, publishing and selling of educational books.

2. Basis of preparation
2.1 Statement of compliance
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the interpretations issued by International Financial Reporting Standards Interpretation Committee (IFRIC) and the requirements of the Companies and Allied Matters Act, 2020.

The financial statements comprise of the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements.

These financial statements were authorised for issue by the Directors on **23 June 2021.**

2.2 Basis of measurement
The financial statements have been prepared under the historical cost basis except for the undermentioned financial statement areas, which are measured as indicated:

a. Land and buildings are measured using the revaluation model;
b. Investment property is measured at revalued amount
c. The defined benefit asset is recognised as the net total of the plan assets plus unrecognised past service cost and unrecognised actuarial loss, less unrecognised actuarial gains and the present value of the defined benefit obligation.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company’s accounting policies. The areas involving a higher degree of judgement of complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

2.3 Going concern status
The financial statements have been prepared on a going concern basis, which assumes that the entity will be able to meet its financial obligations as at when they fall due. There are no significant financial obligations that will impact on the entity's resources which will affect the going concern of the entity. The directors assess the Company's future performance and financial position on a going concern basis and are satisfied that the entity has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in preparing the financial statements. The directors have no reason to believe that the Company will not be able to continue as a going concern in

2.4 Functional and presentation currency
The Company’s functional and presentation currency is the Nigerian Naira. The financial statements are presented in thousands of Nigerian Naira.

UNIVERSITY PRESS PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

3. Changes in accounting standards and policies
3.1 Standards Issued and Effective on or after 1 January 2020
3.1.1 IFRS 16 Leases

- New standard that introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. A lessee measures right-of-use asset similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. Therefore, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying IAS 7 Statement of Cash Flows. New standard that introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. A lessee measures right-of-use asset similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. Therefore, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying IAS 7

- IFRS 16 contains expanded disclosure requirements for lessees. Lessees will need to apply judgement in deciding upon the information to disclose to meet the objective of providing a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of the lessee.

- IFRS 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor's risk exposure, particularly to residual value risk.

- IFRS 16 supersedes the following Standards and Interpretations:
  a) IAS 17 Leases;
  b) IFRIC 4 Determining whether an Arrangement contains a Lease;
  c) SIC-15 Operating Leases – Incentives; and
  d) SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

3.2 Interpretations Issued and Effective on or after 1 January 2020
3.2.1 IFRIC 23 Uncertainty over Income Tax Treatments

The interpretation specifies how an entity should reflect the effects of uncertainties in accounting for income taxes.

- how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;
- that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
- that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;
- that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty;
- that the judgments and estimates made must be reassessed whenever circumstance have changed or there is new information that affects the judgements.

While there are no new disclosure requirements, entities are reminded of the general requirement to provide information about judgments and estimates made in preparing the financial statements.

3.3 Standards Issued and Effective on or after 1 January 2021

3.3.1 IFRS 17 Insurance Contracts

IFRS 17 creates one accounting model for all insurance contracts in all jurisdictions that apply IFRS.
This standard replaces IFRS 4 – Insurance contracts.
The key principles in IFRS 17 are that an entity:

a. identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain, future event (the insured event) adversely affects the policyholder;
b. separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts;
c. divides the contracts into groups it will recognise and measure;
d. recognises and measures groups of insurance contracts at a risk-adjusted present value of the future cash flows (the fulfilment cash flows) that incorporates all the available information about the fulfilment cash flows in a way that is consistent with observable market information plus (if this value is a liability) or minus (if this value is an asset) an amount representing the unearned profit in the group of contracts (the contractual service margin);
e. recognises the profit from a group of insurance contracts over the period the entity provides insurance coverage, and as the entity is released from risk, if a group of contracts is or becomes loss-making, an entity recognises the loss immediately;
f. presents separately insurance revenue, insurance service expenses and insurance finance income or expenses.
g. discloses information to enable users of financial statements to assess the effect that contracts within the scope of IFRS 17 have on the financial position, financial performance and cash flows of the entity. To do this, an entity discloses qualitative and quantitative information about:
   - the amounts recognised in its financial statements from insurance contracts;
   - the significant judgements, and changes in those judgements, made when applying the Standard; and
   - the nature and extent of the risks from contracts within the scope of this Standard.

4. Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future.
The estimates and underlying assumptions are reviewed on an ongoing basis. Revision of accounting estimates are recognised in the period in which the estimates are revised and any future period.

Judgements made in applying accounting policies

Critical judgements made by management in the process of applying the Company's accounting policies on the amounts recognized in the financial statements are as follows:

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year are discussed below:

4.1 Depreciation of property, plant and equipment

The cost of property, plant and equipment for each business segment is depreciated on a straight-line basis over the assets' useful lives with no residual value assumed at the end of their respective useful lives, except as otherwise stated in the financial statements. This is due to the intention of management to continue running the operations until the end of the useful lives of the assets. Management estimates the useful lives of these property, plant and equipment based on common life expectancies of assets of similar nature in the past. Changes in the expected level of usage and technological developments could impact on the economic useful lives and residual values of these assets, therefore future depreciation charges could be revised.

4.2 Valuation of investment property and freehold land and buildings
The Company obtains valuations performed by external valuers in order to determine the fair value of its investment properties. These valuations are based upon assumptions including future rental income, anticipated maintenance costs, future development costs and the appropriate discount rate. The valuers also make reference to market evidence of transaction prices for similar properties.

4.3 Defined benefit obligation scheme
The gratuity obligation is calculated annually by Independent Actuaries using the projected unit credit method. The present value of the gratuity obligation is determined by discounting the estimated future cash outflows using market yields on Federal Government of Nigeria Bonds. The liability recognised in the statement of financial position in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the date of the statement of the financial position less the fair value of plan assets.

4.4 Legal proceedings
In accordance with IFRS, the Company recognises a provision where there is a present obligation from a past event, a transfer of economic benefit is probable and the amount of costs of the transfer can be estimated reliably. In instances where the criteria are not met, a contingent liability may be disclosed in the notes to the financial statements. Obligations arising in respect of contingent liabilities that have been disclosed, or those which are not currently recognised or disclosed in the financial statements, could have a material effect on the Company’s financial position. Application of those accounting principles to legal cases requires management to make determinations about various factual and legal matters beyond its

The Company reviews outstanding legal cases following developments in the legal proceedings and at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions in provisions are the nature of litigation, assessment, the legal process and potential level of damages, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers with experience on similar cases and any decision of the Company’s management as to how it will respond to the litigation.

5. Summary of significant accounting policies
5.1 Revenue
5.1.1 Performance obligation and timing of revenue recognition
Revenue represents the fair value of the consideration received or receivable for sales of goods in the ordinary course of the Company's activities and is stated net of value-added tax (VAT). The Company derives revenue principally from the sale of books/titles. Revenue is recognised at a point in time when control of goods has transferred, being when the products are delivered to the Customer (end users). Delivery occurs when the products have been shipped to the specific location and the control has been transferred and evidence of delivery received from the Customers and the customers has exceeded the period to return the unsold books. The Company has objective evidence that all criteria for acceptance have been satisfied. No revenue is reported if control of the goods has not been transferred to the customers.

5.1.2 Determining the transaction price
The Company has fixed unit price for each of the titles/books and the Company's revenue is derived from fixed price contract and the amount of revenue to be earned from each contract is determined by reference to those fixed prices. The Company has full discretion over the price to sell the products.

5.1.3 Allocating amounts to performance obligation
For most contracts, there is a fixed unit price for each of the title/book sold. There is no judgement involved in allocating the contact price to each unit ordered in such contract (It is the total contract price divided by the number of units ordered), Where a Customer orders more than one item, the Company is able to determine the split of the total contract price between each product by referencing to each product's stand alone selling prices.

For service contracts, revenue is recorded in the period in which the services are rendered. Revenue from contract with multiple deliverables or performance obligation is accounted for as a separate performance obligation and the transaction price will be allocated to each performance obligation based on stand-alone prices. Where these are not directly observable, they are estimated based on expected cost plus margin.

5.2 Other income
This comprises rental income, gain from disposal of property, plant and equipment, gain from sale of old books and scraps and impairment loss no longer required.

Rental income is accounted for on a time proportion basis. Income arising from disposal of items of property, plant and equipment, old books and scraps is recognised at the time when proceeds from the disposal has been received by the Company. The profit on disposal is calculated as the difference between the net proceeds and the carrying amount of the assets.

5.3 Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker has been identified as the Managing

For management purposes, the Company is organized into two operating segments. These operating segments are the basis on which the Company reports its primary and secondary segment information.

5.3.1 Geographical segments
This is an operating segment based on geographical locations which are independently managed by the respective segment managers responsible for performance of the respective segments. The segment managers report directly to the management of the Company.

The Company considers its main thrust of growth as developing local and international markets for its products. Geographical segment is based on key regions and comprises of West, East, North and Export. It is the primary segment of the Company.

All operating segments' results are reviewed regularly by the Management in order to allocate resources to the segments and to assess their performance.

5.3.2 Business segments
The Company's business is organized in three operating areas, primary, secondary and tertiary/general reference.

All operating segments' results are reviewed regularly by the Management in order to allocate resources to the segments and to assess their performance.

5.4 Foreign currencies
Transactions in foreign currencies are converted to Naira at the rate ruling on the date of the transaction. Exchange differences arising from the movement in rates between the date of transaction and the date of settlement are taken to the statement of comprehensive income as they arise.

Monetary assets and liabilities denominated in foreign currencies are converted at the rate of exchange ruling at the reporting date. Exchange differences arising in the transaction of monetary items at the reporting date are also recognised in the income statement for the period.

5.5 Property, plant and equipment
All items of property, plant and equipment are initially recorded at cost (cost comprising the acquisition cost of the asset along with any other attributable costs at the date of acquisition). Borrowing costs are capitalised as part of their cost whenever necessary.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of such item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Freehold land and buildings are however, subsequently carried at revaluation model, based on periodic valuation by a professionally qualified valuer.

The revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Changes in fair value are recognized in other comprehensive income and accumulated in the revaluation reserve except to the extent that any decrease in value in excess of the credit balance on the revaluation reserve or reversal of such a transaction, is recognized in profit or loss.

Depreciation
Depreciation is computed on a straight-line basis over the estimated useful lives of the property, plant and equipment as follows:

Freehold Buildings	2% per annum
Printing equipment	10% per annum
Furniture and fittings	15% per annum
Computer equipment	33.3% per annum
Other office equipment	10% per annum
Motor vehicles	25% per annum

Freehold land is not depreciated.

Depreciation method applied is reviewed at the end of each financial year. If there is a significant change in the expected patterns of consumption of the future economic benefit embodied in the assets, the method is changed to reflect the change in pattern of consumption.

Depreciation is not provided on all items of property, plant and equipment until they are available for use. Depreciation is also pro-rated in the year of acquisition and disposal of property, plant and equipment. The depreciation rates or useful lives are reviewed and adjusted if appropriate, at each financial year-end.

Capital work-in-progress are stated at cost and not depreciated as the assets are not yet available for use. Capital work-in-progress comprises contractor's payments, finance costs and directly attributable costs incurred in preparing these assets for their intended use. Depreciation on assets under construction commences when the assets are ready for their intended use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognized.

5.6 Investment properties
Investment Properties are properties held for long-term rental yields or for capital appreciation or both that are not significantly occupied by any of the entities within the Company.

Investment property is measured initially at cost, including related transaction costs, except when the asset is transferred from another category in the Statement of Financial Position or acquired in a share-based payment arrangement or acquired in a business combination. After initial recognition, investment property is measured using the fair value model.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company, and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Gains and losses arising from changes in fair values are included in the profit or loss in the year in which they arise. Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use, and no future economic benefit is expected from its

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Its carrying value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an item owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is treated in the same way as a revaluation under IAS 16. Any resulting increase in the carrying amount of the property is recognised in profit or loss to the extent that it reverses a previous impairment loss, with any remaining increase recognised in other comprehensive income and increase the revaluation surplus or reserve within equity directly. Any resulting decrease in the carrying amount of the property is initially charged in other comprehensive income against any previously recognised revaluation surplus, with any remaining decrease charged to profit or loss.

5.7 Inventory

Inventory includes paper, work-in-progress and bound books.
Inventory is initially recognised at cost, and subsequently at the lower of cost and net realizable value. Cost comprises costs incurred in bringing the inventories to their present location and condition and is accounted for as follows:
Raw materials (Paper) - Purchase cost and other attributable costs
Finished goods and work-in-progress - cost of direct materials, and labour together with an appropriate proportion of manufacturing overheads based on normal operating capacity.

These costs are assigned on a weighted average basis.

Goods-in- transit are valued at invoice prices plus other attributable costs.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to make the sale.
Adequate provision is made for slow moving, obsolete defective inventory to ensure that the value at which inventories is held at the reporting date is reflective of anticipated future sales patterns.

5.8 Financial Instruments

Financial instruments carried at state of financial position date include the trade and other receivables, cash and cash equivalents and trade and other payables. Financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition financial instruments are measured as described below:

5.8.1 Financial assets

Financial assets are initially recognised at fair value plus directly attributable transaction costs. Subsequent remeasurement of financial assets is determined by their designation that is revisited at each reporting

5.8.1.1 Classification as trade receivables
Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are stated at fair value and subsequently measured at fair value through profit or loss, less provision for impairment. Impairment thereon are computed using the simplified IFRS 9 Expected Credit Loss (ECL) Model, where the receivables are aged and probability of default applied on each aged bracket. Trade receivables meet the definition of financial assets and the carrying amount of the trade receivables approximates their fair value..

The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Company's impairment policies and the calculation of the loss allowance are provided in note below.

5.8.1.2 Classification of financial assets at amortised cost
The company classified its financial assets at amortised cost only if both of the following criteria are met:
- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

5.8.1.3 Other receivables
Other receivables are initially recognized at fair value, and are subsequently measured at amortized cost using the effective interest rate method.

5.8.1.4 Cash and cash equivalents
Cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

5.8.1.5 Derecognition of financial assets
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the income statement.

5.8.2 Financial liabilities
Financial liabilities are initially recognised at fair value when the Company becomes a party to the contractual provisions of the liability. Subsequent measurement of financial liabilities is based on armotised cost using the effective interest method. The company financial liabiities include trade and other payables.

Financial liabilities are presented as if the liability is due to be settled within 12 months after the reporting date, or if they are held for the purpose of being traded. Other financial liabilities which contractually will be settled more than 12 months after the reporting date are classified as non-current.

5.8.2.1 Trade and other payables
Trade and other payables are stated at their original invoiced value. The Directors consider the carrying amount of other payables to approximate their fair value.

5.8.2.2 Dividends
Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Company's shareholders. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the Company. Dividends for the year that are approved after the statement of financial position date are disclosed as an event after reporting period.

5.8.2.3 De-recognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss and other comprehensive income.

5.8.3 Impairment of financial instruments
The assessment of impairment of trade receivables arising from the sale of inventory is computed by applying the expected credit loss model. Cash and cash equivalents are also subject to the impairment requirements of IFRS 9.

The Company applies the IFRS 9 simplified approach for measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables has been grouped based on shared credit risk characteristics and the days past due. The Company has therefore concluded that the expected loss rates for trade receivable is a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 March 2021 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP growth rate and Consumer Price Index (CPI), including the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

5.8.4 Impairment of non-financial assets
Whenever events or new circumstances indicate that the carrying amount of an asset may not be recoverable, an impairment test is performed. The purpose of this test is to compare the carrying value of the asset with its recoverable amount. The amount recoverable is determined by reference to the smallest Cash generating Unit (CGU) to which the asset belongs.

A Cash Generating Unit is the smallest group of assets that generated cash inflows from continuing use that are largely independent of cash inflows of other assets or group thereof.

The Company assesses at each reporting date whether there is any objective evidence that the property, plant and equipment is impaired.

Annual impairment testing is also conducted for goodwill and intangible assets that either are not yet available for use or have an indefinite useful life.

When an impairment loss is recognised for cash-generating unit, the loss is allocated first of reduce the carrying amount of the goodwill allocated to the CGU if any, and the, to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. After the impairment loss, the new carrying value of the asset is depreciated prospectively over its remaining life.

Assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each year-end. The carrying value of the assets, revised due to the increase of the recoverable value of the assets cannot exceed the carrying amount (net of depreciation) that would have been determined had no impairment been recognised in prior periods. Such reversal is recognised in the statement of profit or loss.

5.9 Non-current assets held for sale and discontinued operations
Non-current assets and some group of assets and liabilities are classified as held-for -sale when their carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, such asset must be available for immediate sale and must be highly probable. Such assets or group of assets are presented separately in the statement of financial position, in the line "Assets held for sale" when they are material.

Assets classified as held-for-sale are not amortised or depreciated

On initial classification as held-for-sale, these assets or group of assets are measured at the lower of their carrying value or their fair-value less costs to sell. Impairment losses on initial classification of a non-current asset or disposal group as held-for-sale are included in profit or loss even if the asset is, or the disposal group indicates assets that are, measured at a revalued amount. The same applies to gains and losses on subsequent remeasurement.

Subsequent to initial classification as held-for-sale, disposal groups and non-current assets that are measured at their fair value less costs to sell, are subject to a limit on the amount of any gain that can be recognised as a result of an increase in fair value less costs to sell before disposal.

Gains and losses on subsequent remeasurement to fair value less cost to sell are included in profit or loss regardless of whether the asset was, or the disposal group includes assets that were previously measured based on revalued amounts.

On disposal, any gain or loss not recognised before the date of sale is recognised on the derecognition of the non-current asset or disposal group.

The liabilities directly linked to the assets or group of assets held for sale are presented in the line "liabilities directly associated with assets held for sales" in the statement of financial position.

A discontinued operation is a component of the Company that earlier has been disposed of or its classified as held for sale and:
- represents a separate major line of business or geographical area of operation for the Company;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations for the Company or
- is a significant subsidiary acquired exclusively with a view to resale.

Amounts included in the statement of comprehensive income and the statement of cash flows related to these discontinued operations are presented separately for all prior periods presented in the financial statements. Assets and liabilities related to discontinued operations are shown on separate lines with no restatement for prior years.

5.10 Prepayments
Prepayments are payments made in advance relating to the following year and are recognised and carried at original amount less amounts utilised in the income statement.

5.11 Borrowing costs
Borrowing costs are capitalized as part of the cost of qualifying assets if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditure and borrowing costs are incurred. Borrowing costs are capitalized until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period they are incurred.

Borrowing costs consist of interest and other costs that the Company incurred in connection with the borrowing of funds.

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5.12 Royalty Advances to Authors
Advances to authors are written off to the extent that they are not covered by anticipated future sales.

5.13 Provisions
Provision are recognized when the Company has a present obligation,(legal or constructive) as a result of past event for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation in accordance with International Accounting Standard Number 37.

5.14 Income tax
The tax expense represents the aggregate of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the period. The Company's liability for current tax is calculated using tax rates that have been enacted or substantially enacted by the reporting date.

Current income taxes are recognised for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous

5.14.1 Current tax assets and liabilities
Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the Tax Authorities. The Company's liability for current tax is calculated using tax rates that have been enacted or substantially enacted by the reporting date.

5.14.2 Deferred 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.

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

Deferred tax assets are generally recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets 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, based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

5.15 Employees benefits
The Company operates a pension scheme for the benefit of its employees.

5.15.1 Defined contributory pension scheme
The Company operates a defined contributory pension scheme for its employees. The scheme is funded and managed by the Pension Fund Administrator of the employee's choice.

The scheme is funded by contribution from employees at 8% of their total emoluments while the Company contributes 10% of the total emoluments. This is consistent with the provisions of the applicable law, Pension Reform Act 2014.

Payments to defined contributory retirement benefit schemes are charged as an expense as they fall due to the statement of comprehensive income in the period for which the contributions are payable.

5.16 Share capital and reserves

5.16.1 Share issue costs

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction.

5.16.2 Dividend on ordinary shares

Dividend on the Company's ordinary shares is recognised in equity in the period in which it is paid or, if earlier, approved by the Company's shareholders.

In the case of interim dividend to equity shareholders, this is when declared by the directors. In the case of final dividend, this is when approved by the shareholders at the Annual General Meeting.

Dividend for the year that is declared after the date of the statement of financial position is dealt with in the subsequent events note.

5.17 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

5.18 Revenue reserve

Revenue reserve represents amount set aside out of the profits of the Company which shall at the discretion of the directors be applicable for meeting contingencies, repairs or maintenance of any works connected with the business of the Company, for equalising dividends, for special dividend or bonus, or such other purposes for which the profits of the Company may lawfully be applied.

5.19 Contingencies

Contingent assets are not recognised in the annual financial statements, but are disclosed when, as a result of past events, it is highly likely that economic benefit will flow to the Company, but this will only be confirmed by the occurrence of one or more uncertain future events which are not wholly within the Company's control. Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognised in the annual financial statements but are disclosed in the notes to the annual financial statements unless they are remote.

6. Financial risk management

6.1 General objectives, policies and processes

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance department. The Board receives periodic reports from the Company's Finance Director through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The Company's Finance Director also reviews the risk management policies and processes and report their findings to the Board.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

The Company is exposed through its operations to the following financial risks:

i) Credit risk,
ii) Market risk- This includes:
  - Fair value or cash flow interest rate risk,
  - Foreign exchange risk,
v) Liquidity risk.

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In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements. There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

6.2 Principal financial instruments
The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:
- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables

	2021	2020
	N'000	N'000
6.3 Financial instruments by category		
Financial assets		
Trade receivables	**101,138**	115,535
Other current assets (excluding prepayments)	**30,951**	41,765
Cash and cash equivalents	**704,425**	576,853
Total financial assets	**836,514**	734,153
Financial liabilities		
Trade payables	**426,744**	56,074
Other payables	**415,481**	404,506
Trade and other payables	**842,226**	460,580

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, trade and other payables approximates their fair value.

6.4 Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is mainly exposed to credit risk from services rendered on credit. It is the Company's policy to assess the credit risk of new customers before entering

The Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represents the maximum open amount without requiring approval from the Management.

The Management determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis. In monitoring the customers' credit risk, customers are grouped according to their credit characteristics. Customers that are graded as "high risk" are placed on a restricted customer list, and future credit services are made only with approval of the Management, otherwise payment in advance is required. Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Banks with good reputation are accepted by the Company for business transactions.

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6.5 Market risk
Market risk arises from the Company's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (Currency risk) or other

6.6 Interest rate risk
The Company is not exposed to interest rate risk because the financial obligation were fulfilled without resorting to borrowings

6.7 Foreign currency risk
A percentage of the Company's service rendered in the ordinary course of business transactions are carried out in USD. To mitigate the Company's exposure to foreign currency risks, foreign currency cashflows are monitored regularly.

The table below summarizes the Company's exposure to foreign currency exchange rate risk at 31 March 2021 and 31 March 2020. Included in the table are the Company's financial instruments at carrying amounts categorized by currency.

	Naira N'000	GBP N'000	USD N'000	Leo N'000	Total N'000
At 31 March 2021					
Assets					
Cash and cash equivalents	**701,168**	**16**	**3,232**	**8**	**704,424**
Trade receivables	**101,138**	**-**	**-**	**-**	**101,138**
Other receivables (excluding prepayments)	**30,951**	**-**	**-**	**-**	**30,951**
	833,257	**16**	**3,232**	**8**	**836,513**
Liabilities					
Trade payables	**1,842**	**-**	**424,902**	**-**	**426,744**
Other payables	**415,481**	**-**	**-**	**-**	**415,481**
	417,323	**-**	**424,902**	**-**	**842,225**
Net exposure	**415,934**	**16**	**(421,670)**	**8**	**(5,713)**
At 31 March 2020					
Assets					
Cash and cash equivalents	574,074	12	2,756	11	576,853
Trade receivables	115,535	-	-	-	115,535
Other receivables (excluding prepayments)	41,765	-	-	-	41,765
	731,374	12	2,756	11	734,153
Liabilities					
Trade payables	53,782	-	2,292	-	56,074
Other payables	404,506	-	-	-	404,506
	458,288	-	2,292	-	460,580
Net exposure	273,086	12	464	11	273,573

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6.8 Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances to meet expected requirements for a period of at least 60 days.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

	Book Value N'000	Contractual cashflow N'000	One year or less N'000	1-5 years N'000	More than 5 years N'000
At 31 March 2021					
Trade and other payables	**842,225**	**842,225**	**842,225**	-	-
At 31 March 2020					
Trade and other payables	460,580	460,580	460,580	-	-

Capital Disclosures

The Company monitors "adjusted capital" which comprises all components of equity (i.e. share capital, and retained earnings).

The Company's objectives when maintaining capital are:
- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services that are commensurate with the level of risk.

The Company sets the amount of capital it requires in proportion to risk. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. Consistent with others in the industry, the Company monitors capital on the basis of the debt to adjusted capital ratio. This ratio is calculated as net debt adjusted capital as defined above. Net debt is calculated as total debt (as shown in the statement of financial position) less cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

The debt-to-adjusted-capital ratios at 31 March 2021 and at 31 March 2020 are as follows:

	2021 N'000	2020 N'000
Trade and other payables	**842,225**	460,580
Less: Cash and cash equivalents	**(704,425)**	(576,853)
Net debt	**137,800**	(116,273)
Total equity	**2,663,962**	2,671,568
Debt to adjusted capital ratio(%)	**5.17%**	-4.35%

7. Revenue
Revenue is derived from sales of printed books in and outside Nigeria.

7.1 Nigeria:

Analysis by zones:		
Western zone	**620,559**	918,149
Eastern zone	**329,050**	508,346
Northern zone	**469,813**	639,112
	1,419,422	2,065,607

7.2 Analysis by operations

Sales of printed books	**1,419,422**	2,065,607

7.3 Analysis by product type

Primary	**839,616**	1,207,500
Secondary	**542,260**	789,429
Tertiary/General reference	**37,546**	68,678
	1,419,422	2,065,607

7.4 Timing of transfer of goods and services

Point in time	**1,419,422**	2,065,607

NOTES TO THE FINANCIAL STATEMENTS
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The Company's operations are divided into four geographical areas, three within Nigeria and the last one as export. Results of these segments are presented below:

8. Segment reporting
8.1 Segment information - Geographical

	Western Zone N'000	Eastern Zone N'000	Northern Zone N'000	Unallocated N'000	Total N'000
31 March 2021					
Revenue	620,559	329,050	469,813	-	1,419,422
Cost of sales	(257,621)	(134,476)	(189,061)	-	(581,158)
Operating profit	362,938	194,574	280,752	-	838,264
Marketing and distribution expenses	(184,500)	(82,197)	(103,883)	-	(370,580)
Segment profit	178,438	112,377	176,869	-	467,684
Other operating income					49,305
Unallocated administrative					(456,671)
Finance income					14,973
Profit before tax					75,291
Tax					(18,185)
Profit after tax					57,106

8.2 Segment Financial Position

	Western Zone N'000	Eastern Zone N'000	Northern Zone N'000	Unallocated N'000	Total N'000
Property, plant and equipment	224,318	56,574	300,068	589,980	1,170,940
Investment property	-	-	-	314,700	314,700
Trade receivables	34,160	28,416	38,563	-	101,139
Other current assets	228,383	123,684	155,260	1,690,909	2,198,236
Current liabilities	(170,146)	(36,958)	(46,358)	(763,607)	(1,017,069)
Long term liabilities	-	-	-	(107,467)	(107,467)
Total net assets	316,715	171,716	447,533	1,724,515	2,660,479

8.3 Segment information - Geographical

	Western Zone N'000	Eastern Zone N'000	Northern Zone N'000	Unallocated N'000	Total N'000
31 March 2020					
Revenue	918,149	508,346	639,112	-	2,065,607
Cost of sales	(375,589)	(207,950)	(261,442)	-	(844,981)
Operating profit	542,560	300,396	377,670	-	1,220,626
Marketing and distribution expenses	(196,432)	(117,742)	(160,487)	-	(474,661)
Segment profit	346,128	182,654	217,183	-	745,965
Other income		-	-	-	17,412
Unallocated administrative expenses		-	-	-	(611,156)
Finance income		-	-	-	25,835
Profit before tax		-	-	-	178,056
Tax income		-	-	-	(50,870)
Profit after tax					127,186

NOTES TO THE FINANCIAL STATEMENTS
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	Western Zone N'000	Eastern Zone N'000	Northern Zone N'000	Unallocated N'000	Total N'000
8.4 Segment Financial Position					
Property, plant and equipment	236,768	51,496	324,143	557,874	1,170,281
Investment property	-	-	-	288,000	288,000
Trade receivables	21,848	25,048	68,165	474	115,535
Other current assets	290,086	132,494	134,527	1,335,412	1,892,519
Current liabilities	(181,047)	(49,274)	(61,806)	(393,243)	(685,370)
Long term liabilities	-	-	-	(109,397)	(109,397)
Total net assets	367,655	159,764	465,029	1,679,120	2,671,568

8.5 Segment information - Products

	Primary N'000	Secondary N'000	Tertiary/ General reference N'000	Total N'000
31 March 2021				
Revenue	**839,616**	**542,260**	**37,546**	**1,419,422**
Cost of sales	**(335,923)**	**(223,827)**	**(21,408)**	**(581,158)**
Operating profit	**503,693**	**318,433**	**16,138**	**838,264**
Marketing and distribution expenses	**(226,647)**	**(140,337)**	**(3,597)**	**(370,581)**
Segment profit	**277,046**	**178,096**	**12,541**	**467,683**
Other operating income				**49,305**
Unallocated administrative expenses				**(456,671)**
Finance income				**14,973**
Profit before tax				**75,290**
Tax expense				**(18,185)**
Profit for the year				**57,106**

8.6 Segment information - Products

	Primary N'000	Secondary N'000	Tertiary/ General reference N'000	Total N'000
31 March 2020				
Revenue	1,207,558	789,429	68,620	2,065,607
Cost of sales	(458,325)	(357,751)	(28,905)	(844,981)
Operating profit	749,233	431,678	39,715	1,220,626
Marketing and distribution expenses	(269,842)	(191,752)	(13,067)	(474,661)
Segment profit	479,391	239,926	26,648	745,965
Other operating income				17,412
Unallocated administrative expenses				(611,156)
Finance income				25,835
Profit before tax				178,056
Tax income				(50,870)
Profit for the year				127,186

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	2021 N'000	2020 N'000
9. Cost of sales		
Cost of books sold	**430,037**	661,634
Depreciation of property, plant and equipment (Note 18)	**3,870**	4,128
Allowance for obsolete inventory (Note 20.1)	**24,637**	10,017
Special discount	**3,465**	6,163
Royalty (Note 24.2)	**117,606**	162,164
Packaging and purchase of other book costs	**1,543**	875
	581,158	844,981
10. Other operating income		
Profit on disposal of property, plant and equipment	**6,042**	9,217
Rental and legal fees	**4,972**	4,312
Sundry income	**10,805**	117
Insurance claim	**438**	724
Fair value gain on revaluation of investment property	**26,700**	-
Provision no longer required	**348**	-
Realised/unrealised foreign exchange gain (Note 13)	**-**	3,042
	49,305	17,412
11. Marketing and distribution expenses		
Staff emoluments	**166,893**	238,494
Vehicle oil and maintenance	**33,172**	47,040
Accommodation and travels	**3,041**	7,456
Freight	**11,822**	18,886
Property maintenance	**2,714**	4,480
Equipment and furniture repair	**1,231**	1,335
Advertisement and promotions	**22,377**	26,733
Electricity and water	**3,236**	5,780
Depreciation of property, plant and equipment (Note 18)	**85,009**	81,062
Rent and rates	**18,704**	18,564
Security services	**11,378**	10,149
Computer stationery and maintenance	**3,548**	3,850
Telephone and postages	**1,871**	2,281
Inventory count expenses	**1,341**	1,493
Long service awards	**3,014**	2,812
Consultancy fees	**-**	1,506
Others	**1,229**	2,740
	370,580	474,661

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	2021 N'000	2020 N'000
12. Administrative expenses		
Staff emoluments	**140,020**	194,302
Staff productivity bonus	**10,756**	16,014
Vehicle oil and maintenance	**7,643**	7,836
Accommodation and travels	**48,343**	86,913
Consultancy	**1,336**	433
Depreciation of property, plant and equipment (Note 18)	**60,687**	69,592
Statutory and corporate expenses	**17,539**	25,313
Insurance	**29,893**	39,519
Property maintenance	**6,803**	9,899
Bookfairs and workshops	**-**	29,033
Equipment and furniture repair	**2,908**	3,218
Electricity and water	**17,608**	28,225
Donations	**8,169**	725
Security services	**5,422**	5,631
Computer stationery and maintenance	**12,498**	7,450
Audit fees	**4,500**	4,500
Bad debt written off on trade and other receivable	**644**	1,285
Allowance for other receivables	**7,840**	3,783
Others	**6,680**	7,062
Bank charges	**2,316**	4,939
Directors' fees and other expenses	**33,865**	34,228
Subscriptions	**2,517**	1,389
Training	**432**	5,912
Foreign exchange loss	**17,630**	-
Telephone and postages	**3,966**	6,095
Long service awards	**6,656**	17,860
	456,671	611,156
13. Foreign exchange loss/(gain)		
Unrealised	**-**	(500)
Realised	**17,630**	(2,542)
	17,630	(3,042)
14. Finance income		
Interest received on fixed deposits	**2,990**	3,240
Interest received on treasury bills	**11,983**	22,595
	14,973	25,835

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	2021 N'000	2020 N'000
15. Profit before taxation		
15.1 Profit before taxation is arrived at after charging/crediting:		
Directors' emoluments	**73,266**	85,121
Depreciation of property, plant and equipment	**149,566**	154,782
Staff pension	**27,267**	39,051
Auditors' remuneration	**4,500**	4,500
Profit on disposal of property, plant and equipment	**6,042**	9,217
Foreign exchange loss/(gain)	**17,630**	(3,042)

15.2.1 Key Management Personnel Compensation

Key management personnel are those persons including the directors of the Company having authority and responsibility for planning, directing and controlling the activities of the Company. The emoluments are as stated

	2021 N'000	2020 N'000
Fees	**1,620**	2,160
Other emoluments including pension contributions	**71,646**	82,961
	73,266	85,121

	2021 N'000	2020 N'000
15.2.2 Chairman's emoluments (excluding pension contributions) totaled	1,898	2,641
15.2.3 Emoluments of the highest paid director (excluding pension contributions) amounted to	29,465	35,805

15.2.4 The table below shows the number of Directors (excluding the Chairman) whose remuneration (excluding pension contributions) in respect of services to the Company fell within the bands shown below:

			Number	Number
Up to		₦1,000,000	**-**	-
₦1,000,001	-	N2,000,000	**6**	-
₦2,000,001	-	₦3,000,000	**-**	6
₦3,000,001	-	₦4,000,000	**-**	-
₦4,000,001	-	₦5,000,000	**-**	-
₦5,000,001	-	₦6,000,000	**-**	-
₦6,000,001	-	₦7,000,000	**-**	-
₦7,000,001	-	₦8,000,000	**-**	-
₦8,000,001	-	₦9,000,000	**-**	-
₦9,000,001	-	₦10,000,000	**1**	-
₦10,000,001 and above			**2**	3
			9	9

NOTES TO THE FINANCIAL STATEMENTS
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	2021 Number	2020 Number
15.4 Staff numbers		
The average number of persons employed (excluding directors) in the Company throughout the year was as follows:		
Administration	**33**	37
Finance	**13**	16
Publishing	**31**	41
Marketing and distribution	**172**	187
	249	281

	N'000	N'000
15.5 Staff costs		
Staff emoluments	**279,646**	393,746
Staff productivity bonus	**8,871**	16,014
Staff pension	**27,267**	39,051
	315,784	448,811

15.6 Employees' emoluments

The table below shows the number of employees of the Company (other than directors) who earned over N300,000 during the year and which fell within the bands stated below:

	Number	Number
₦500,001 - ₦600,000	**48**	14
₦600,001 - ₦700,000	**39**	23
₦700,001 - ₦800,000	**61**	15
₦800,001 - ₦900,000	**26**	7
₦900,001 - ₦1,000,000	**13**	35
₦1,000,001 - ₦1,500,000	**49**	134
₦1,500,001 - N2,000,000	**2**	32
₦2,000,001 and above	**11**	21
	249	281

	N'000	N'000
16. Taxation		
16.1 Per statement of comprehensive income		
Charge for the year		
Income tax	**15,836**	51,528
Education tax	**4,275**	6,287
Police Trust Fund Levy	**4**	-
	20,115	57,815
Under provision in prior years		
Income tax	**-**	17,300
Education tax	**-**	34
	20,115	75,149
Deferred tax (write back)/charged in the year	**(1,930)**	(24,279)
	18,185	50,870

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	2021 N'000	2020 N'000
16.2 Per statement of financial position:		
At 1 April		
Income tax	**51,528**	24,049
Education tax	**6,287**	4,872
Under provision brought forward	**17,281**	-
	75,096	28,921
Payments during the year		
Income tax	**(68,810)**	(24,102)
Education tax	**(6,321)**	(4,872)
	(35)	(53)
Charge for the year		
Income tax	**15,836**	51,528
Education tax	**4,275**	6,287
Police Trust Fund Levy	**4**	-
	20,115	57,815
Under provision in prior year	**-**	17,334
Balance at the end of the year	**20,080**	75,096

Income tax expense is the aggregate of the charge to the statement of comprehensive income in respect of current income tax, education tax and deferred tax.

The amount provided as income tax on the profit for the year has been computed on the basis of the income tax rate of 30% in accordance with Companies Income Tax Act (CITA) CAP C21 LFN, 2004 (as amended).

Provision for education tax has been computed at the rate of 2% on the assessable profit in accordance with Education Tax Act CAP E4 LFN, 2004 (as amended).

The company utilised Withholding tax credit note totalling N10.5million as part of income tax payments.

	2021 N'000	2020 N'000
16.3 Reconciliation of tax charge		
The reasons for the difference between the actual tax charge for the year and the standard rate of corporate tax in Nigeria applied to profits for the year are as follows:		
Profit before tax	**75,291**	178,056
Expected tax charge based on the standard rate on Nigeria corporate tax at the domestic rate of 30%	**22,587**	53,417
Effect of income that is exempted from taxation	**(13,418)**	(9,694)
Effect of expenses that are not deductible in determining taxable profit	**54,968**	50,575
Balancing charge	**1,828**	2,350
Investment allowance	**(1,312)**	(160)
Capital allowances absorbed	**(48,818)**	(44,961)
Education tax	**4,275**	6,287
Underprovision in prior years:		
- Income tax	**-**	17,300
- Education tax	**-**	34
Deferred tax (write back)/charged in the year	**(1,930)**	(24,279)
Tax expense recognised in profit or loss	**18,181**	50,869
Effective rate	**0.24**	0.29

The tax rate used for 2021 and 2020 reconciliation above is the corporate tax rate of 30% and tertiary education tax at 2% payable by corporate entities in Nigeria on taxable profits under tax laws in the country, for the year ended 31 March 2021.

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	Opening balance at 1 April 2020 N'000	Recog-nized in net income N'000	Recognized in Other Comprehen sive income N'000	Closing Balance at 31 March 2021 N'000
16.4 Calculation of deferred tax				
Surplus on valuation of property, plant and equipment	34,834	-	-	34,834
16.4.1 Deferred tax liabilities:				
Excess of carrying amount over TWDV	86,443	(875)	-	85,568
Current year's unrealised exchange gain	3,000	1,660	-	4,660
Unrealised foreign exchange gain	-	-	-	-
	124,277	785	-	125,062
16.4.2 Deferred tax assets:				
Unrealised foreign exchange loss	-	-	-	-
Provision for bad and doubtful debts	(14,880)	(2,715)	-	(17,595)
Gratuity provision	-	-	-	-
	(14,880)	(2,715)	-	(17,595)
Net deferred tax liabilities	109,397	(1,930)	-	107,467

17. Basic earnings per ordinary share

Basic earnings per share is calculated by dividing the net profit attributable to owners of the entity by the weighted average number of ordinary shares in issue during the

	2021 N'000	2020 N'000
Profit for the year attributable to owners of the entity	57,106	127,186
Weighted average number of ordinary shares in issue (thousands)	431,410	431,410
Basic earnings per share (kobo)	13.24	29.48

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18. Property, plant and equipment

	Land N'000	Buildings N'000	Computer equipment N'000	Printing and other office equipment N'000	Furniture and fittings N'000	Motor vehicles N'000	Total N'000
Cost/valuation							
At 1 April 2019	421,634	494,708	121,772	138,399	42,776	913,558	2,132,847
Additions	-	-	4,586	746	945	58,014	64,291
Disposals	-	-	(45,411)	(13,158)	(3,154)	(47,006)	(108,729)
At 31 March 2020	421,634	494,708	80,947	125,987	40,567	924,566	2,088,409
At 1 April 2020	421,634	494,708	80,947	125,987	40,567	924,566	2,088,408
Additions	-	-	19,267	24,061	1,739	105,210	150,277
Disposals	-	-	(7,386)	(1,047)	(138)	(26,860)	(35,431)
At 31 March 2021	**421,634**	**494,708**	**92,828**	**149,001**	**42,168**	**1,002,916**	**2,203,254**
Accumulated depreciation and impairment							
At 1 April 2019	-	72,857	101,688	101,432	38,501	557,330	871,808
Charge for the year	-	9,894	11,533	7,836	2,192	123,327	154,782
On disposals	-	-	(45,408)	(12,896)	(3,154)	(47,006)	(108,464)
At 31 March 2020	-	82,751	67,813	96,372	37,539	633,651	918,126
At 1 April 2020	-	82,751	67,813	96,372	37,539	633,651	918,125
Charge for the year	-	9,894	8,339	7,266	889	123,178	149,566
On disposals	-	-	(7,384)	(995)	(140)	(26,859)	(35,378)
At 31 March 2021	**-**	**92,645**	**68,768**	**102,643**	**38,288**	**729,970**	**1,032,314**
Carrying values at:							
31 March 2021	**421,634**	**402,063**	**24,060**	**46,358**	**3,880**	**272,946**	**1,170,940**
31 March 2020	421,634	411,957	13,134	29,615	3,028	290,915	1,170,282

	2021 N'000	2020 N'000
Analysis of depreciation charged is as follows:		
Cost of sales (Note 9)	**3,870**	4,128
Marketing and distribution expenses (Note 11)	**85,009**	81,062
Administrative expenses (Note 12)	**60,687**	69,592
	149,566	154,782

Land and building were also professionally valued by Messrs. Jide Taiwo & Co (Estate Surveyors and Valuers) as at 31 March 2016 on the basis of their open market value. The total revised value of the properties was N1,179,949,574 resulting in the revaluation surplus of N145,937,896 and this has been credited to the property, plant and equipment revaluation account as at 31 March 2016, which increased the balance on property, plant and equipment revaluation surplus to N986,214,046 before deferred capital gain tax of N14,593,789.

Included as part of land is a landed property amounting to N6,367,532 that was purchased by the Company but which the title documents are yet to be perfected.

There were no restrictions on title and no item of property, plant and equipment was pledged as securities for any payable.

No impairment was recognised in the year.

There is no contractual commitments for acquisition of property, plant and equiment.

NOTES TO THE FINANCIAL STATEMENTS
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	2021 N'000	2020 N'000
19. Investment properties		
Balance at the beginning of the year	**288,000**	288,000
Fair value gain on revaluation (Note 10)	**26,700**	-
Balance at the end of the year	**314,700**	288,000

i) Investment properties comprise of land held currently by the Company for capital appreciation and buildings held for lease. The Company's Investment property is located along Bank Road, Opposite Union Bank Plc, Dugbe, Ibadan, Oyo State. The title documents on this Property have been perfected by the Company.

ii) Restrictions and obligations
There were no restrictions on the realisability of investment property at 31 March 2021. There are currently no obligations to develop the existing investment property. At 31 March 2021, there was no contractual obligation to purchase investment property.

iii) Valuation of the investment properties
Leasehold land and buildings were revalued by Jide Taiwo and Co. Estate Surveyors & Valuers, Chartered Surveyors with Financial Reporting Council of Nigeria (FRCN) registration number FRC/2012/000000000254. The valuation was carried out on current open market valuation basis and it produced a fair value gain of N26.7 million (31 March 2020: Nil) which has been recognised in the statement of comprehensive income.

iv) Fair value hierarchy
Open market basis', the valuation technique used in the determination of the fair value of Investment properties as at the reporting date is unobservable and categorised under level 3 of the fair value hierarchy.

	2021 N'000	2020 N'000
20. Inventory and work-in-progress		
Books	**1,335,729**	1,136,175
Papers	**25,589**	37,409
Work-in-progress	**30,024**	49,767
Consumables	**1,619**	1,216
	1,392,961	1,224,567
Goods in transit	**50,289**	28,072
	1,443,250	1,252,639
20.1 Allowance for obsolete inventory		
Balance at the beginning of the year	**107,002**	96,985
Provision for the year (Note 9)	**24,637**	10,017
Balance at the end of the year	**131,639**	107,002

Inventories to the value of N1.4 billion (2020 : N1.3 billion) are carried at net realisable value. The amount charged to statement of profit or loss in respect of written down of inventories to net realisable value is N24.64 million (2020 : N10.02 million).

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	2021 N'000	2020 N'000
21. Trade receivables		
Trade receivables	**114,782**	121,339
Allowance for trade receivables (Note 21.1)	**(13,644)**	(5,804)
	101,138	115,535

Trade receivables are stated at fair value and subsequently measured at fair value through profit or loss, less provision for impairment. Impairment thereon are computed using the simplified IFRS 9 Expected Credit Loss (ECL) Model, where the receivables are aged and probability of default applied on each aged bracket. Trade receivables meet the definition of financial assets and the carrying amount of the trade receivables

21.1 Allowance for trade receivables

The movement in allowance for trade receivables is as follows:

	2021	2020
Balance at the beginning of the year	**5,804**	5,506
Addition in the year	**7,840**	298
	13,644	5,804

	2021	2020
22. Other current assets		
Prepayments (Note 22.1)	**19,611**	21,261
Other sundry receivables (Note 22.2)	**30,951**	41,765
	50,562	63,026
22.1 Prepayments		
Rent	**8,791**	8,090
Insurance	**10,063**	13,069
Other prepaid expenses	**757**	102
	19,611	21,261
22.2 Other sundry receivables		
Recoverable workshop expenses	**1,999**	5,927
Withholding tax recoverable	**5,436**	6,551
Withholding tax received	**6,602**	10,015
Receivables from ex-staff (Note 22.3)	**42,093**	55,935
Interest receivable	**1,433**	4,034
Advance payment to supplier	**14,730**	-
	72,293	82,462
Bad debts written off (Note 12)	**-**	-
Allowance for other receivables (Note 22.4)	**(41,342)**	(40,697)
	30,951	41,765

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 N'000	2020 N'000
22.3 Receivables from ex-staff are in respect of debts owed by ex-staff of the Company with ongoing litigation.		
22.4 Movement in allowance for other receivables		
The movement in allowance for other receivables is as follows:		
Balance at the beginning of the year	**40,697**	37,212
Allowance for the year (Note 12)	**645**	3,485
Balance at the end of the year	**41,342**	40,697

23. Trade payables

Trade payables	**426,744**	56,074

Trade and other payables are stated at their original invoiced value. The Directors consider the carrying amount of other payables to approximate their fair value.

24 Other payables

Deposit for special publications	**47,871**	28,936
Staff pension fund (Note 24.1)	**14**	3,376
Royalty payable (Note 24.2)	**219,110**	225,483
Staff incentives	**14,258**	25,601
WHT payable	**28,619**	45,180
Provision for audit fees and expenses (Note 24.3)	**4,500**	2,584
Corporate social responsibility (Note 24.4)	**8,620**	8,620
Other suppliers (Note 24.5)	**68,279**	13,556
Fieldsmen mandatory deposit	**4,745**	5,154
Accrual for consultancy	**1,825**	823
Payables to suppliers	**9,789**	11,673
Special discount	**3,465**	6,228
Others	**4,386**	27,292
	415,481	404,506

24.1 Staff pension fund

Balance at the beginning of the year	**3,376**	3,191
Addition for the year	**27,267**	39,051
Payments during the year	**(30,629)**	(38,866)
Balance at the end of the year	**14**	3,376

Contributions to staff pension fund is payable to Pension Fund Administrators.

	2021 N'000	2020 N'000
24.2 Royalty payable		
Balance at the beginning of the year	**225,483**	233,322
Charge for the year (Note 9)	**117,606**	162,164
Payments during the year	**(123,979)**	(170,003)
Balance at the end of the year	**219,110**	225,483

24.2.1 Inclusive in the royalty is amount payable to related parties in person of Professor Akachi Eziogbo and Mr. Innocent Okorie.

	2021 N'000	2020 N'000
24.3 Provision for audit fees and expenses		
Balance at the beginning of the year	**2,584**	5,610
Addition for the year	**4,500**	5,201
Payments during the year	**(2,584)**	(8,227)
Balance at the end of the year	**4,500**	2,584
24.4 Corporate Social Responsibility		
Balance at the beginning of the year	**8,620**	10,799
Payment during the year	**-**	(2,179)
Balance at the end of the year	**8,620**	8,620

No provision was made during the year for corporate social responsibility.

24.5 Other suppliers represents non trade vendors.

	2021 N'000	2020 N'000
24.6 Dividend payable		
Balance at the beginning of the year	**-**	-
Declared dividend (Note 31)	**64,712**	64,712
Payments during the year	**(64,712)**	(64,712)
Balance at the end of the year	**-**	-
25. Unclaimed dividends		
Balance at the beginning of the year	**149,694**	140,744
Additions during the year	**1,587**	8,950
Balance at the end of the year	**151,281**	149,694

Unclaimed dividends are the amounts payable to Nigerian shareholders in respect of dividends previously declared by the Company which have been outstanding for more than 15 months after the initial payment. Additions during the year represent amount which remains unclaimed for 15 months and thereafter returned to the Company.

	2021		2020	
	Number '000	Value N'000	Number '000	Value N'000
26. Share capital				
26.1 Authorised:				
2,000,000,000 Ordinary shares of 50 kobo each	2,000,000	1,000,000	2,000,000	1,000,000
26.2 Issued and fully paid				
431,410,000 Ordinary shares of 50k each	431,410	215,705	431,410	215,705

26.3 In line with the company's regulations of 2020 released by the Corporate Affairs Commission in December 2020, a company that has unissued shares in its capital shall not later than 30th June 2021 fully issue such shares. However, based on the communique issued by the Corporate Affairs Commission the date has been extended till 31 December 2022.

	2021 N'000	2020 N'000
27. Share premium		
Balance at the end of the year	**146,755**	146,755
28. Capital reserve		
Balance at the end of the year	**1,442**	1,442

This represents 40% of profits retained on cessation of the Nigerian Branch of Oxford University Press. The amount is not remittable but is to be spent in Nigeria.

	2021 N'000	2020 N'000
29. Property, plant and equipment revaluation reserve		
At 31 March	**772,448**	772,448
30. Revenue reserve		
At 1 April	**1,535,218**	1,472,744
Dividend declared (Notes 24.6)	**(64,712)**	(64,712)
Transfer from profit or loss account	**57,106**	127,186
At 31 March	**1,527,612**	1,535,218

On 5th November 2020, the shareholders declared a dividend of 15k per 50k share amounting to N64,711,425 during the Annual General Meeting. The sum of N64,711,425 has been paid to the shareholders whose names were registered in the Company's register of members at close of business on

For the current year, a dividend of 5kobo (2020:15k) per 50k share held has been proposed. This is subject to shareholders' ratification. No provision would be made for dividend until ratification at the Annual General Meeting. The payment of this dividend is subject to withholding tax at appropriate rate.

UNIVERSITY PRESS PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 N'000	2020 N'000
31. Cash and Cash equivalents		
For the purpose of the statement of cash flows, cash comprises cash at bank, cash in hand and short term deposits. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash in hand	**2,365**	1,467
Bank balance	**557,883**	24,621
Cash and bank balance	**560,248**	26,088
Short term deposits	**144,177**	550,765
As per statement of financial position	**704,425**	576,853

32. Capital commitments

The Directors are of the opinion that all known commitment and liabilities, which are relevant in assessing the state of affairs of the company has been taken into consideration in the preparation of these financial statements.

33. Contingent liabilities

There were no contingent liabilities at 31 March 2021 (2020: Nil) in respect of legal claims. This was based on Directors opinion and the company's solicitors.

34. Impact of COVID 19 on Company's operation.

The spread of the COVID-19 pandemic has reduced in Nigeria compared to the same period in 2020. However, more cases have been confirmed by the Nigerian Centre for Disease Control after the reporting period to show the continued existence of the pandemic in the country. In addition, the disease has reduced social interactions significantly, and these have adverse effects on business activities.

The pandemic affected the academic session in Nigeria, schools in the States and Federal Government Colleges, resumed at different times for the 2020/2021 academic year. The demand for books is not helped by the generally poor economic conditions in the country, as the pandemic affected the revenues of all economic participants in Nigeria. The demand for education is poorly ranked in the country. Nigeria’s economy has not fully recovered to the pre-COVID-19 era; the market demand for the Company’s product is still low. The Company may not tap the export market soon as it faces the same problem as others; non-Nigerian residents do not demand Nigeria’s outputs. The existence of restrictions in many countries has also affected international trades.

The Company’s inventories remained high due to poor sales. As a result, inventories increased by N191m or 15% at the end of the year ended 31st March 2021 to increase its risk of obsolescence. The Company will avoid the past ugly experience in the 2021/2022 academic year as existing inventories are in saleable conditions and will be sold to increase the Company’s revenue.

Recovery of debt also suffered in 2020/2021 due to the impact of COVID-19 on the business of the Company’s customers. Though there has been significant improvement in debt recovery after the end of the year under review, it could have been better without the adverse effects of the pandemic.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

The forex crisis persists; the publishing industry relies on foreign countries for its inputs. The cost of inputs remains very high due to high and volatile foreign exchange rates in Nigeria. The Company could not pay its suppliers promptly due to lack of access to forex, and this poses a significant risk to its supply chains. Production of goods to meet customers' demand for the 2021/2022 financial year could not commence promptly due to inadequate access to dollars from CBN. Foreign exchange loss will increase in the new financial year, having failed to pay the Company's suppliers in 2020/2021 and high foreign exchange rates.

Nigeria's dependence on crude oil for its earnings affected the supply of forex. However, crude oil sales dropped significantly due to external and uncontrollable factors, such as the impact of COVID-19 on some countries and intense competition by other oil-producing countries in the world.

35. Events after the reporting period
The Directors are of the opinion that there are no significant transactions that has occurred subsequent to the reporting date, which could have had a material effect on these financial statements as at 31 March 2021 that have not been adequately provided for or disclosed in these financial statements.

36. Comparative figures
Where necessary comparative figures have been reclassified to ensure proper disclosure and uniformity in the current year's presentation. However, this re-classification have no net impact on these financial statements.

Other National Disclosures

UNIVERSITY PRESS PLC

STATEMENT OF VALUE ADDED
FOR THE YEAR ENDED 31 MARCH 2021

	2021 N'000	%	2020 N'000	%
Revenue	**1,419,422**		2,065,607	
Other income	**49,305**		17,412	
	1,468,727		2,083,019	
Bought in materials and services:				
- Local	**(586,833)**		(905,260)	
- Import	**(338,957)**		(396,110)	
Value added	**540,641**	**100**	781,649	100
Applied as follows:				
To pay employees:				
Salaries, wages and fringe benefits	**315,784**	**58**	448,811	57
To pay Government:				
Company income tax	**18,185**	**3**	50,870	7
Retained for maintenance of assets and future expansion of business:				
Depreciation of property, plant and equipment	**149,566**	**28**	154,782	20
Retained earnings for company's growth and payment of dividend to shareholders	**57,106**	**11**	127,186	16
	540,641	**100**	781,649	100

Valued added represents the additional wealth which the company has been able to create as a result of its own and the employees efforts. This statement shows the allocation of that wealth among employees, providers of capital, government and that retained for the future creation of more wealth.

UNIVERSITY PRESS PLC

FINANCIAL SUMMARY

31 MARCH	**2021**	2020	2019	2018	2017
	N'000	N'000	N'000	N'000	N'000
Statement of financial position					
Assets					
Non-current assets	**1,485,640**	1,458,282	1,549,039	1,514,170	1,440,662
Current assets	**2,299,375**	2,008,053	1,935,661	1,898,822	2,077,837
Total liabilities	**(1,121,053)**	(794,767)	(875,606)	(848,189)	(1,046,354)
Net assets	**2,663,962**	2,671,568	2,609,094	2,564,803	2,472,145
Equity					
Share capital	**215,705**	215,705	215,705	215,705	215,705
Share premium	**146,755**	146,755	146,755	146,755	149,397
Capital reserve	**1,442**	1,442	1,442	1,442	1,442
Revaluation reserve	**772,448**	772,448	772,448	772,448	772,448
Reserve on Actuarial valuation	**-**	-	-	(38,304)	30,666
Revenue reserve	**1,527,612**	1,535,218	1,472,744	1,466,757	1,302,487
Shareholders funds	**2,663,962**	2,671,568	2,609,094	2,564,803	2,472,145
Statement of profit or loss and other comprehensive income					
Revenue	**1,419,422**	2,065,607	2,315,705	1,801,315	1,608,370
Profit before taxation	**75,291**	178,056	165,534	354,625	164,941
Taxation	**(18,185)**	(50,870)	(56,531)	(147,214)	(46,523)
Profit after taxation	**57,106**	127,186	109,003	207,411	118,418
Dividend declared	**64,712**	64,712	64,712	43,141	21,570
Basic earnings per share	**13.24**	29.48	25.27	48.08	27.45
Net assets per share	**6.18**	6.19	6.05	5.95	5.73

Earning per share are based on the profit after taxation and the number of issued and fully paid ordinary shares at the end of each financial year.

Net assets per share is based on the net assets and the number of ordinary shares in issue at end of each financial year.