



**CONSOLIDATED UNAUDITED FINANCIAL  
STATEMENTS FOR THE FIRST QUARTER  
ENDED 31 MARCH, 2020**

Julius Berger Nigeria Plc  
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RC No. 6852



**CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED MARCH 31, 2020**

**SUMMARY**

	<b>1st Quarter</b>	<b>Year to date</b>
	<b>N'000</b>	<b>N'000</b>
Turnover	<u>55,913,070</u>	<u>55,913,070</u>
Profit before tax	1,054,269	1,054,269
Taxation	<u>(641,818)</u>	<u>(641,818)</u>
Profit/(loss) after tax	<u><b>412,450</b></u>	<u><b>412,450</b></u>

**BY ORDER OF THE BOARD**

**MRS. CECILIA MADUEKE**  
**COMPANY SECRETARY**  
FRC/2017/NBA/00000017540  
April 27, 2020

*For more information please visit [www.julius-berger.com](http://www.julius-berger.com).*



**CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED MARCH 31, 2020**

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**CONSOLIDATED UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER ENDED MARCH 31, 2020**

					<b>AUDITED</b>	
		<b>2020</b>		<b>2019</b>		<b>31/12/2019</b>
		<b>3 months Jan - Mar</b>	<b>3 months Jan - Mar</b>	<b>3 months Jan - Mar</b>	<b>3 months Jan - Mar</b>	
		<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Revenue		55,913,070	55,913,070	62,924,379	62,924,379	266,430,227
Cost of sales		(45,235,730)	(45,235,730)	(48,976,160)	(48,976,160)	(206,310,783)
<b>Gross profit</b>		<b>10,677,341</b>	<b>10,677,341</b>	<b>13,948,220</b>	<b>13,948,220</b>	<b>60,119,444</b>
Other gains and losses	4	(404,057)	(404,057)	(246,504)	(246,504)	256,636
Marketing expenses		10,273,284	10,273,284	13,701,716	13,701,716	60,376,080
Administrative expenses		(250,765)	(250,765)	(53,496)	(53,496)	(139,683)
Impairment loss on trade and tax receivables		(8,832,720)	(8,832,720)	(11,597,910)	(11,597,910)	(37,029,883)
		142,969	142,969	420,499	420,499	(2,965,025)
<i>Operating profit</i>		<i>1,332,769</i>	<i>1,332,769</i>	<i>2,470,810</i>	<i>2,470,810</i>	<i>20,241,489</i>
Investment Income	5	105,966	105,966	491,402	491,402	677,530
Foreign exchange acquisition loss		-	-	-	-	-
Finance costs	6	(384,467)	(384,467)	(1,722,482)	(1,722,482)	(7,000,207)
<b>Profit/(loss) before tax</b>		<b>1,054,269</b>	<b>1,054,269</b>	<b>1,239,730</b>	<b>1,239,730</b>	<b>13,918,812</b>
Income tax expenses		(641,818)	(641,818)	(753,735)	(753,735)	(5,159,277)
<b>Profit/(loss) after taxation</b>		<b>412,450</b>	<b>412,450</b>	<b>485,995</b>	<b>485,995</b>	<b>8,759,535</b>
Profit/(loss) for the year		412,450	412,450	485,995	485,995	8,759,535
<b>Other comprehensive Income for the year:</b>						
Actuarial gains on retirement benefits		(89,544)	(89,544)	53,892	53,892	(358,174)
Related tax		28,654	28,654	(16,168)	(16,168)	114,616
		(60,890)	(60,890)	37,724	37,724	(243,558)
Exchange difference on translation of foreign operations		596,186	596,186	(258,598)	(258,598)	(957,875)
<b>Total comprehensive income</b>		<b>947,747</b>	<b>947,747</b>	<b>265,121</b>	<b>265,121</b>	<b>7,558,102</b>
<b>Attributable to:</b>						
Owners of the Company		947,634	947,634	257,665	257,665	7,554,354
Non-controlling interests		113	113	7,456	7,456	3,748
		<b>947,747</b>	<b>947,747</b>	<b>265,121</b>	<b>265,121</b>	<b>7,558,102</b>
Earnings per share (Naira)		<b>0.72</b>	<b>0.72</b>	<b>0.20</b>	<b>0.20</b>	<b>5.72</b>
Diluted earnings per share		<b>0.60</b>	<b>0.60</b>	<b>0.16</b>	<b>0.16</b>	<b>4.77</b>

The tax rate applied above is assumed based on the corporate tax rate of 30% payable by corporate entities in Nigeria on taxable profits under the Companies Income Tax Act, and 2% education tax based on the assessable profit of companies.

**CONSOLIDATED UNAUDITED STATEMENT OF FINANCIAL POSITION  
FOR THE FIRST QUARTER ENDED MARCH 31, 2020**

		<b>2020</b>	<b>2019</b>	<b>AUDITED</b>
		<b>3 months Jan - Mar</b>	<b>3 months Jan - Mar</b>	<b>2019</b>
		<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>NON- CURRENT ASSETS</b>	<b>Notes</b>			
Property, plant and equipment	7	46,232,992	36,293,695	42,769,660
Right of use assets		13,136,120	14,444,959	13,457,535
Goodwill		9,338,989	9,172,757	9,268,642
Other intangible assets		2,262,821	-	2,262,821
Investment property		1,792,432	2,243,558	1,792,431
Other financial assets		2,048,547	2,045,681	2,048,547
Trade and other receivables		58,712,718	73,839,113	52,908,763
Tax receivable	9	25,714,165	20,256,701	24,400,384
Deferred tax assets		3,801,096	2,577,687	3,798,902
<b>Total noncurrent assets</b>		<b>163,039,880</b>	<b>160,874,151</b>	<b>152,707,685</b>
<b>CURRENT ASSETS</b>				
Inventories		24,540,604	16,126,535	19,520,759
Trade and other receivables		123,640,917	120,165,014	102,257,374
Current tax receivable	9	4,243,685	2,873,891	3,478,209
Contract asset		-	5,500,000	1,539,910
Non- current assets classified as held for sale		26,187	207,843	23,252
Cash and bank balances		22,393,457	16,077,888	34,133,479
<b>Total current assets</b>		<b>174,844,849</b>	<b>160,951,171</b>	<b>160,952,983</b>
<b>CURRENT LIABILITIES</b>				
Contract liabilities		(358,716)	(165,466)	(191,166)
Lease liabilities		(1,370,703)	(667,526)	(1,370,703)
Trade and other payables	8	(63,277,179)	(50,230,543)	(47,026,280)
Bank overdraft		(15,197,985)	(44,099,285)	(6,211,311)
Borrowings		(1,818,494)	-	(1,818,494)
Current tax payable		(4,402,014)	(2,072,600)	(3,927,454)
Retirement benefit liabilities	13	(191,446)	(177,773)	(148,450)
<b>Total current liabilities</b>		<b>(86,616,537)</b>	<b>(97,413,194)</b>	<b>(60,693,858)</b>
Net current assets/(liabilities)		88,228,312	63,537,978	100,259,125
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>251,268,192</b>	<b>224,412,129</b>	<b>252,966,810</b>
<b>NON- CURRENT LIABILITIES</b>				
Borrowings		(7,273,975)	-	(7,273,975)
Retirement benefit liabilities	13	(5,031,120)	(3,841,076)	(3,334,920)
Deferred tax liabilities		(8,761,227)	(7,521,667)	(8,730,298)
Contract Liabilities		(161,297,786)	(157,975,482)	(169,930,198)
Lease liabilities		(13,295,045)	(13,256,646)	(13,468,417)
Trade and other payables	8	(11,597,002)	(5,059,984)	(9,027,064)
Provisions		(2,738,185)	(1,074,808)	(873,946)
<b>NET ASSETS</b>		<b>41,273,852</b>	<b>35,682,467</b>	<b>40,327,992</b>
<b>EQUITY</b>				
Share capital		660,000	660,000	660,000
Share premium		425,440	425,440	425,440
Foreign currency translation reserve		9,899,238	10,002,329	9,303,052
Retained earnings		30,233,704	24,533,633	29,882,143
Attributable to owners of the company		41,218,382	35,621,402	40,270,635
Non-controlling interest		55,470	61,065	57,357
		<b>41,273,852</b>	<b>35,682,467</b>	<b>40,327,992</b>

These interim financial statements were approved by the Board on April 27, 2020 and signed on its behalf by:

ENGR. DR. LARS RICHTER  
FRC/2019/COREN/00000019602  
MANAGING DIRECTOR

MARTIN BRACK  
FRC/2014/ANAN/00000006481  
FINANCIAL DIRECTOR

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED MARCH 31, 2020**

	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Attributable to owners of the Company	Attributable to non - controlling interest	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Balance at 1 January 2020</b>	660,000	425,440	9,303,052	29,882,143	40,270,635	57,357	40,327,992
Impact of change in accounting policy	-	-	-	-	-	-	-
<b>Adjusted balance at 1 January 2020</b>	660,000	425,440	9,303,052	29,882,143	40,270,635	57,357	40,327,992
Profit for the year	-	-	-	412,450	412,337	113	412,450
Other comprehensive income( net of tax)	-	-	596,186	(60,890)	535,297	-	535,297
<b>Total comprehensive income for the year</b>	-	-	596,186	351,561	947,634	113	947,747
Dividends to shareholders	-	-	-	-	-	(2,000)	(2,000)
<b>Balance at 31 March 2020</b>	<b>660,000</b>	<b>425,440</b>	<b>9,899,238</b>	<b>30,233,704</b>	<b>41,218,269</b>	<b>55,470</b>	<b>41,273,739</b>
<b>Balance at 1 January 2019</b>	660,000	425,440	10,260,927	24,009,914	35,356,281	61,609	35,417,890
Impact of change in accounting policy	-	-	-	-	-	-	-
<b>Adjusted balance at 1 January 2019</b>	660,000	425,440	10,260,927	24,009,914	35,356,281	61,609	35,417,890
Profit for the year	-	-	-	485,995	485,995	7,456	493,451
Other comprehensive income( net of tax)	-	-	(258,598)	37,724	(220,873)	-	(220,873)
<b>Total comprehensive income for the year</b>	-	-	(258,598)	523,719	265,121	7,456	272,578
Dividends to shareholders	-	-	-	-	-	(8,000)	(8,000)
<b>Balance at 31 March 2019</b>	<b>660,000</b>	<b>425,440</b>	<b>10,002,329</b>	<b>24,533,633</b>	<b>35,621,402</b>	<b>61,065</b>	<b>35,682,467</b>

**CONSOLIDATED UNAUDITED STATEMENT OF CASHFLOWS  
FOR THE FIRST QUARTER ENDED MARCH 31, 2020**

**Cashflows from operating activities**

Cash receipts from customers  
Cash paid to suppliers and employees

**Cash flows (used in)/provided by operating activities**

Interest paid  
Purchase of FOREX loss  
Tax paid

**Net cash used in operating activities**

**Cashflows from investing activities:**

Interest received  
Proceeds from sale of fixed assets  
Purchase of fixed assets

**Net cash provided by investing activities:**

**Cashflows from financing activities:**

Loan received  
Payment of Lease Liabilities  
Dividend paid

**Net cash used in financing activities:**

Net increase in cash and cash equivalents  
Cash and cash equivalent at 1st January 2020

Cash and cash equivalent at 31st March 2020

Cash and bank balances  
Bank overdrafts

	<b>2020</b>	<b>2019</b>
	<b>3 months</b>	<b>3 months</b>
	<b>Jan - Mar</b>	<b>Jan - Mar</b>
	<b>N'000</b>	<b>N'000</b>
	43,396,893	35,187,639
	(58,797,520)	(56,225,704)
	(15,400,627)	(21,038,064)
	(384,467)	(1,722,482)
	-	-
	-	-
	<b>(15,785,094)</b>	<b>(22,760,546)</b>
	105,966	491,540
	283,230	62,131
	(4,985,862)	(3,977,150)
	<b>(4,596,666)</b>	<b>(3,423,479)</b>
	-	-
	(343,138)	(363,246)
	(1,800)	(8,000)
	<b>(344,938)</b>	<b>(371,246)</b>
	(20,726,697)	(26,555,270)
	27,922,169	(1,466,127)
	<b>7,195,472</b>	<b>(28,021,397)</b>
	22,393,457	16,077,888
	(15,197,985)	(44,099,285)
	<b>7,195,472</b>	<b>(28,021,397)</b>

**1. GENERAL INFORMATION**

Julius Berger Nigeria Plc (the Company) was incorporated as a private limited liability company in 1970 and was converted to a public liability company in 1979 and the company's shares are quoted on the Nigerian Stock Exchange. The principal activities of the Company cover planning, design and construction of civil engineering and building works. The subsidiaries, Abumet (Nigeria) Limited in which the Company owns 90%, is involved in the manufacturing and installation of building aluminium components while Julius Berger Services Nigeria Limited a wholly owned subsidiary, is involved in port management services. Other subsidiaries include Julius Berger Medical Services Nigeria limited which is wholly owned and is into the provision of medical services while Primetech Engineering and Design Nigeria limited also wholly owned is into architectural and engineering design. Julius Berger Investments Limited is a wholly owned subsidiary and was incorporated in June 2012 as an investment company to acquire securities and act as investment managers, while Julius Berger International GmbH Wiesbaden - Germany was acquired in May 2012 as Procurement and Supporting Unit of the JB Group. JBI is now a 100% owned subsidiary of Julius Berger Nigeria Plc. Julius Berger Free Zone Enterprise is a 100% owned subsidiary of the Company and has been granted licence to operate in various free trade zones in Nigeria.

**2. Basis of preparation of financial statements**

These financial statements are the unaudited interim results (hereafter "the Interim Financial Statements") of Julius Berger Nigeria Plc for the First Quarter ended March 31, 2020 (hereafter "the interim period"). They are prepared in accordance with International Accounting Standard 34 (IAS 34), Interim Financial Reporting. These Interim Financial Statements should be read in conjunction with the audited Financial Statements for the year ended December 31, 2019 prepared under IFRS (hereafter "the Annual Financial Statements"), as they provide an update of previously reported information. The Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Annual Financial Statements. The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, comparative information has been reclassified or expanded from the previously reported Interim Financial Statements to take into account any presentational changes made in the Annual Financial Statements or in these Interim Financial Statements.

**2.1 New standards, interpretations and amendments effective 1st January 2019**

The effect of the initial application of an IFRS on the entity's accounting policies

The following new standards, amendments and interpretations are effective for the first time for periods beginning on or after 1 January 2019:

IFRS 16 on Leases mandatorily effective for periods beginning on or after 1 January 2019.

**IFRS 16 Leases**

The group has identified that the adoption IFRS 16, which replaces IAS 17 Leases from 1 January 2019, will impact its consolidated financial statements in three key areas as follows:

**2.1.1** The group will need to recognise right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments;

**2.1.2** The group have to recognise depreciation of right-of-use assets and interest on lease liabilities in the statement of profit or loss;

**2.1.2** The group will have to separate the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the cash flow statement.

**General impact of application of IFRS 16 Leases**

The group has chosen the cumulative catch-up (measuring assets at an amount equal to liability) application of IFRS 16. Consequently, the group will not opt for the restatement of the comparative information. In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. The entity will make use of the practical expedient available on transition to IFRS 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with IAS 17 and IFRIC 4 will continue to apply to those leases entered or modified before 1 January 2019.

The group will apply the definition of a lease and related guidance set out in IFRS 16 to all lease contracts entered into or modified on or after 1 January 2019, (whether it is a lessor or a lessee in the lease contract). In preparation for the first-time application of IFRS 16, the group has carried out an implementation project. The project has shown that the new definition in IFRS 16 will not change significantly the scope of contracts that meet the definition of a lease for the group.

**3. Segmental Analysis of Continuing operations**

Julius Berger Nigeria Plc has three segment which offer construction, civil engineering, building and facility management services to third parties across Nigeria. Julius Berger Nigeria Plc is organised by segments, each of which is managed separately and considered to be a reportable segment. The Managing Director together with senior executive management constitute the chief operating decision maker and they regularly review the performance of these segments. Details of the services offered by these segments are provided in the business and financial review in the Annual financial statement.

**Disaggregation of revenue**

	Government		Private		Total Reportable Segments			
	2020	2019	2020	2019	2020		2019	
	3 months	3 months	3 months	3 months	3 months	3 months	3 months	3 months
	Jan - Mar	Jan - Mar	Jan - Mar	Jan - Mar	Jan - Mar	Jan - Mar	Jan - Mar	Jan - Mar
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Primary geographical markets</b>								
Nigeria	41,422,346	46,616,568	13,058,447	14,663,183	54,480,793	54,480,793	61,279,751	61,279,751
Europe & Asia	-	-	1,432,277	1,644,628	1,432,277	1,432,277	1,644,628	1,644,628
	<b>41,422,346</b>	<b>46,616,568</b>	<b>14,490,724</b>	<b>16,307,811</b>	<b>55,913,070</b>	<b>55,913,070</b>	<b>62,924,379</b>	<b>62,924,379</b>
<b>Major product/services lines</b>								
Civil works	31,551,054	35,507,449	7,588,096	8,539,617	39,139,149	39,139,149	44,047,066	44,047,066
Building works	7,684,904	8,648,565	6,137,767	6,907,422	13,822,670	13,822,670	15,555,986	15,555,986
Services	2,186,389	2,460,555	764,862	860,773	2,951,251	2,951,251	3,321,327	3,321,327
	<b>41,422,346</b>	<b>46,616,568</b>	<b>14,490,724</b>	<b>16,307,811</b>	<b>55,913,070</b>	<b>55,913,070</b>	<b>62,924,379</b>	<b>62,924,379</b>
<b>Timing of revenue recognition</b>								
At a point in time	21,373	680,824	2,286,098	1,882,800	2,307,471	2,307,471	2,563,624	2,563,624
Over time	41,400,973	45,935,744	12,204,626	14,425,011	53,605,600	53,605,600	60,360,756	60,360,756
	<b>41,422,346</b>	<b>46,616,568</b>	<b>14,490,724</b>	<b>16,307,811</b>	<b>55,913,070</b>	<b>55,913,070</b>	<b>62,924,379</b>	<b>62,924,379</b>



**Disaggregation of Profit/(Loss)**

	Government		Private		Total Reportable Segments			
	2020	2019	2020	2019	2020		2019	
	3 months Jan - Mar	3 months Jan - Mar	3 months Jan - Mar	3 months Jan - Mar	3 months Jan - Mar	3 months Jan - Mar	3 months Jan - Mar	3 months Jan - Mar
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Major product/services lines</b>								
Civil works	752,065	1,394,247	180,873	335,319	932,938	932,938	1,729,567	1,729,567
Building works	183,181	339,597	146,303	271,229	329,483	329,483	610,827	610,827
Services	52,116	96,617	18,232	33,799	70,347	70,347	130,416	130,416
Foreign exchange acquisition loss	987,362	1,830,462	345,407	640,348	1,332,769	1,332,769	2,470,810	2,470,810
Investment Income	-	-	-	-	-	-	-	-
Net financing (costs)/income	(284,826)	(1,276,074)	(99,640)	(446,407)	(384,467)	(384,467)	(1,722,482)	(1,722,482)
<b>Profit before income tax</b>	<b>702,535</b>	<b>554,387</b>	<b>351,733</b>	<b>685,342</b>	<b>1,054,269</b>	<b>1,054,269</b>	<b>1,239,730</b>	<b>1,239,730</b>

**4. Other gains and losses**

 Profit from sales of PPE  
 Foreign exchange gains/(losses)

2020		2019	
3 months Jan - Mar	3 months Jan - Mar	3 months Jan - Mar	3 months Jan - Mar
N'000	N'000	N'000	N'000
283,230	283,230	10,777	10,777
(687,287)	(687,287)	(257,281)	(257,281)
<b>(404,057)</b>	<b>(404,057)</b>	<b>(246,504)</b>	<b>(246,504)</b>

**5. Investment income**

Other interest income

2020		2019	
3 months Jan - Mar	3 months Jan - Mar	3 months Jan - Mar	3 months Jan - Mar
N'000	N'000	N'000	N'000
105,966	105,966	491,402	491,402
<b>105,966</b>	<b>105,966</b>	<b>491,402</b>	<b>491,402</b>

**6. Finance costs**

 Bank Commission  
 Guaranty and Financing Cost  
 Interest on overdraft  
 Interest on loan  
 Other finance charges

2020		2019	
3 months Jan - Mar	3 months Jan - Mar	3 months Jan - Mar	3 months Jan - Mar
N'000	N'000	N'000	N'000
(14,745)	(14,745)	(12,597)	(12,597)
(1,373)	(1,373)	(2,547)	(2,547)
(365,100)	(365,100)	(1,172,371)	(1,172,371)
(3,249)	(3,249)	(492,699)	(492,699)
-	-	(42,268)	(42,268)
<b>(384,467)</b>	<b>(384,467)</b>	<b>(1,722,482)</b>	<b>(1,722,482)</b>

**7. Property Plant and Equipment**

Property, plant and equipment' comprise owned and leased assets that do not meet the definition of investment property.

 Property, plant and equipment owned  
 Right-of-use assets, except for investment property  
 Balance at 31 March

2020	2019
N'000	N'000
46,232,992	36,293,695
13,136,120	14,444,959
<b>59,369,112</b>	<b>50,738,654</b>

The Group leases many assets including buildings, vehicles, machinery and equipment. Information about leases for which the Group is a lessee is

**7.1 Right-of-use assets**
**Cost**

 Balance at 1 January 2019  
 Additions  
 Balance at 1 January 2020  
 Additions  
**Balance at 31 March 2020**
**Accumulated amortisation:**

 Balance at 1 January 2019  
 Charge for the period  
 Balance at 1 January 2020  
 Charge for the year  
**Balance at 31 March 2020**
**Carrying Value at 31 March 2019**
**Carrying Value at 31 March 2020**

	Plant & machinery		Total
	Buildings		
	N'000	N'000	N'000
Balance at 1 January 2019	14,236,921	523,615	14,760,536
Additions	-	-	-
Balance at 1 January 2020	14,236,921	523,615	14,760,536
Additions	-	-	-
<b>Balance at 31 March 2020</b>	<b>14,236,921</b>	<b>523,615</b>	<b>14,760,536</b>
Balance at 1 January 2019	-	-	-
Charge for the period	(291,592)	(23,984)	(315,577)
Balance at 1 January 2020	(1,279,017)	(23,984)	(1,303,001)
Charge for the year	(321,415)	-	(321,415)
<b>Balance at 31 March 2020</b>	<b>(1,600,432)</b>	<b>(23,984)</b>	<b>(1,624,416)</b>
<b>Carrying Value at 31 March 2019</b>	<b>13,945,329</b>	<b>499,630</b>	<b>14,444,959</b>
<b>Carrying Value at 31 March 2020</b>	<b>12,636,489</b>	<b>499,630</b>	<b>13,136,120</b>

**7.2 Lease liabilities**
*Maturity analysis - contractual undiscounted cash flows:*

 Less than one year  
 One to five years  
 More than Five Years

**Total undiscounted lease liabilities at 31 March**

2020	2019
N'000	N'000
1,253,076	1,253,076
7,344,477	7,344,477
12,555,385	12,555,385
<b>21,152,938</b>	<b>21,152,938</b>

**7.2 Lease liabilities (Continued)**

Lease liabilities included in the statement of financial position at 31 March

 Lease Liabilities as at January 1  
 Amortisation to March 31

 Current  
 Non-current

**Total Lease liabilities recognised in the statement of financial position at March 31**

2020	2019
N'000	N'000
14,839,120	14,118,677
(173,372)	(194,505)
<b>14,665,748</b>	<b>13,924,172</b>
1,370,703	667,526
13,295,045	13,256,646
<b>14,665,748</b>	<b>13,924,172</b>

**Amounts recognised in profit or loss**

 Expense on discounting of lease liabilities  
 Amortisation of right-of-use assets  
 Variable lease payments not included in the measurement of lease liabilities

**Amounts recognised in the statement of cash flows**

Total cash outflow for leases

2020	2019
N'000	N'000
169,766	168,740
321,415	315,577
-	-
2020	2019
N'000	N'000
<b>343,138</b>	<b>363,246</b>

**8. Trade and other payables**
**8.1 Current**

 Trade Payable  
 Lease liabilities

**Total current trade and other payables recognised in the statement of financial position**

2020	2019
N'000	N'000
63,277,179	50,230,543
1,370,703	667,526
<b>64,647,882</b>	<b>50,898,069</b>

**8.1 Non-Current**

 Trade Payable  
 Lease liabilities

**Total non-current trade and other payables recognised in the statement of financial position**

2020	2019
N'000	N'000
11,597,002	5,059,984
13,295,045	13,256,646
<b>24,892,047</b>	<b>18,316,629</b>

**9. Tax receivable**

 Amounts expected to be recovered within one year  
 Amounts expected to be recovered after more than one year

2020	2019
N'000	N'000
4,243,685	2,873,891
25,714,165	20,256,701
<b>29,957,850</b>	<b>23,130,593</b>

This represents withholding and value added taxes recoverable from clients and the Federal Inland Revenue Service.

**10. Risk Management**

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

- Ø Credit risk
- Ø Fair value or cash flow interest rate risk
- Ø Foreign exchange risk
- Ø Market price risk, and
- Ø Liquidity risk.

There have been no substantive changes in the Group'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.

### 11. Transaction Price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

	2020 N'000	2021 N'000	Total N'000
Civil Works	155,600,000	157,000,000	312,600,000
Building Works	85,800,000	88,000,000	173,800,000
Services	34,200,000	35,000,000	69,200,000
<b>Total</b>	<b>275,600,000</b>	<b>280,000,000</b>	<b>555,600,000</b>

All contracts with customers has been considered in the amounts presented above.

The Group applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

Management expect that incremental fees to intermediaries as a result of obtaining contracts with customers are receivables. There were no incremental fees recognised in the period to 31 March 2020.

### 12. Changes in accounting policies.

Except for the change below, the Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements.

The Group has adopted IFRS 16 on Leases with a date of initial application of 1 January 2019. As a result, the Group has changed its accounting policy by recognising right-of-use assets and lease liabilities in the statement of financial position as detailed below.

The Group has assesses whether a contract is or contains a lease, at inception of the contract. The group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

#### 12.1 Lease Liability Measurement

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the entity uses its incremental borrowing rate.

#### 12.2 Right-of-Use Asset Measurement

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. The right-of-use assets are presented as a separate line in the statement of financial position. The entity applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, plant and equipment' policy.

### 13. Retirement benefit liabilities

Obligations under defined benefit plans are calculated separately for each plan by estimating the benefit amount that employees have earned in return for their service in the current and prior periods which represent employees' terminal gratuities based on qualifying years of service and applicable emoluments as per operating collective agreement. Management has decided to settle the obligations and it is probable that the amounts due will be paid. Consequently this had been incorporated in the preparation of these interim financial statements.

### 14. Related party transactions

The Company entered into various transactions with related parties ranging from purchase of goods or services, to expenses incurred by the related party on behalf of the Company. Related parties to the Company are as listed:

- Abumet (Nigeria) Limited: Subsidiary Company in which Julius Berger Nigeria PLC owns 90% stake.
- Julius Berger Services Nigeria Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Medical Services Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger International GmbH: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Investments: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Primetech Design and Engineering Nigeria Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Free Zone Enterprise: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been completed at arms length.

In accordance with the requirement of IAS 24 on related parties, Key management includes Executive Directors and members of Management Committees and the following directors serves on the Board of the Company as at 31 March 2020.

- |   |  |
|---|--|
| - Mr. Mutiu Sunmonu, CON                | - Chairman                                   |
| - Mr. George Marks (German)             | - Vice Chairman                              |
| - Engr. Dr. Lars. Richter (German)      | - Managing Director (Executive)              |
| - Martin Brack (German)                 | - Financial Director (Executive)             |
| - Alhaji Zubairu Ibrahim Bayi           | - Director Administration (Executive)        |
| - Mr. Tobias Meletschus (German)        | - Director Corporate Development (Executive) |
| - Engr. Jafaru Damulak                  | - Director                                   |
| - Dr. Ernest Nnaemeka Azudialu-Obiejesi | - Director                                   |
| - Mrs Belinda Ajoke Disu                | - Director                                   |
| - Mrs Gladys Olubusola Talabi           | - Director                                   |
| - Engr. Goni Musa Sheikh                | - Director                                   |
| - Mr. Ernest C. Ebi, MFR, FCIB          | - Independent Director                       |
| - Mr. Karsten Hensel (German)           | - Director                                   |

## 15. Significant events

The whole world and therefore the whole Group is affected by the COVID-19 pandemic which started to impact on its operations as from middle of March 2020. As such the Q1 results are not severely impacted, but need to consider a changed outlook on the business activities in subsequent quarters, as long as the pandemic persists to affect the economic life in Nigeria.

The Company's turnover has been affected, since Governmental regulations on curfews in some states and on the shutdown of some Federal Ministries and Agencies led to the non-certification of some invoices raised for progress.

Due to the shutdown of activities at the end of March 2020, Company incurred additional costs for demobilization, being included in the Cost of Sales of Q1 2020.

Assuming a longer period of curfews and the Company being shut down, we have considered expected future impacts on the basis of the following accounting standards:

### 1. Expected credit losses under IFRS 9 'Financial instruments'

COVID-19 can affect the ability of the Group to receive payments as and when due which is an indication of a significant increase in credit risk. For this, the Group reviewed its impairment assessment of trade receivables.

### 2. Impairment of tangible and intangible assets under IAS 36 'Impairment of non-financial assets'

As a result of the impact of COVID-19, the Group performed an impairment assessment of assets (in addition to the requirement to perform an impairment test at least annually of goodwill and intangible assets with an indefinite useful life).

### 3. The net realisable value of inventory under IAS 2 'Inventories'

Since the company's construction level is abnormally (temporary shutdown of construction sites), the Group has reviewed the costing of inventories to ensure that unallocated fixed overheads are recognised in profit or loss in the period in which they are incurred in accordance with IAS 2.

### 4. Deferred tax assets in accordance with IAS 12 'Income taxes'

Tax considerations, e.g. the impact of a reduced flow of goods and services on transfer pricing agreements; recoverability of deferred tax assets, emergency economic stimulus by tax authorities in the form of special tax rebate has been assessed by the Group.

As a result of the assessments mentioned above, Company has included into the Statement of Comprehensive Income an extraordinary provision for COVID-19 related impacts amounting to Naira 2,357 Billion.

The Board of Directors is taking all necessary steps to ensure business continuity for the Group and to protect its turnover, results and cash-flow as much as possible against the impacts from the COVID-19 pandemic and its impact on the Nigerian economy.

Nevertheless, it must be assumed, that the Group's turnover, results and cash-flow will substantially reduce in the Financial Year 2020. The forecasts in Note 11 are based on the business environment in January 2020 and shall be reviewed in due course.

## 16. Comparative figures

Certain prior year balances have been reclassified to conform with current year's presentation for a more meaningful comparison.

## 17. Events after the reporting period

Except as disclosed above, there were no other material events after the reporting period which could have had material effect on the state of affairs of the Company as at March 31, 2020 and the result for the period that has not been adequately provided for or recognised in the Financial Statements.

## 18. Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of The Exchange 2015 (Issuers' Rule), Julius Berger Nigeria Plc maintains a Security Trading Policy (Policy) which guides Directors, Audit Committee members, employees and all individuals categorized as insiders in relation to their dealings in the Company's shares. The Policy undergoes periodic review by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the Policy during the period.