



GR BUILDING & CONSTRUCTION NIGERIA LIMITED

**Audited Financial Statements
For The Year Ended 31 December, 2019**

 **ADENUSI & COMPANY**
(CHARTERED ACCOUNTANTS)
AN INDEPENDENT MEMBER FIRM OF PRIMEGLOBAL

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 **PrimeGlobal**

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Corporate Information

Directors

- Mr. Neeraj Kumar Vaidya - Indian
(on behalf of G R Infraprojects Limited, India)
- Moses Benjamin - Nigerian
- Dr. Frank Omo-Odafen - Nigerian
- Jacob Thomas - Indian

Registered Address

No. 2 Abdullahi Ibrahim close,
Asokoro, Abuja, FCT, Nigeria.

Major Line of Business

Construction and General Contracting

Share Capital

80,500,000 Units of NGN1 each

Principal Bankers

Guaranty Trust Bank Plc.

Polaris bank Plc.

Zenith Bank Plc

Union Bank Plc.

Statutory Auditors

Adenusi & Co,

(Chartered Accountants)

7 Rukubu Ciose, Garki Abuja

Company Secretary

Miyetti Nominees

GR BUILDING & CONSTRUCTION NIGERIA LIMITED

Report of the Directors for the Year Ended 31 December, 2019

The Directors submit their Report together with the audited financial statements for the year ended 31 December, 2019, which disclose the state of affairs of the Company.

Legal Form

The Company was incorporated as a private limited liability Company on the 4 December 2012 and commenced operations in 2013.

Principal activities

The principal activities of the company cover Construction and General Contracting.

Directors and their interests

The Directors' direct and indirect interests in the issue and fully paid share capital of the company as recorded in the register of the Directors' shareholding and/or as notified by them for the purpose of section 275 and 276 of the Companies and Allied Matter Act 1990 are as stated below:

Shareholders	Number of Shares
G R Infraprojects Limited (Rep. by Neeraj K. Vaidya)	80,000,000
Moses Benjamin	250,000
Dr. Frank Omo-Odafen	250,000
	80,500,000


Directors' Responsibilities

The Directors are responsible for the preparation of the annual financial statements, which have been prepared using appropriate accounting policies, supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act. In doing so, the Directors have the responsibilities as described on page [5] of these financial statements.

Auditors

The auditors, Messrs. Adenusi & Co, have indicated their willingness to continue with the engagement in accordance with section 357 (2) of Company Allied Matter Act. 1990.

By Order of the Board



Company Secretary

GR BUILDING & CONSTRUCTION NIGERIA LIMITED

Statement of Directors' Responsibilities in Respect of the Financial Statements

This statement, which should be read in conjunction with the Auditors' Report, is made with a view to setting out for shareholders the responsibilities of the directors of the company with respect to the Financial Statements.

In accordance with the provisions of the Companies and Allied Matter Act, 1990, 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.

These responsibilities include ensuring that:

- (a) Appropriate internal controls are established both to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.
- (b) The company keeps accounting records which disclose with reasonable accuracy, the financial position of the company and which ensure that the Financial Statements comply with the requirements of the Companies and Allied Matter Act, 1990.
- (c) The Company prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the International Financial Reporting Standards (IFRS) and the requirements of the Companies and Allied Matters Act.

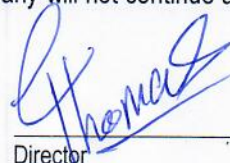
Nothing has come to the attention of the Directors to indicate that the Company will not continue as a going concern for at least twelve months from the date of this Statement



Director

18.05/2020

Mr. Neeraj Kumar Vaidya



Director

18.05/2020

Mr. Jacob Thomas

**Reports of the Auditors on the financial statements
To the members of GR Building & Construction Nigeria Limited**

We have audited the accompanying financial statements of **GR Building & Construction Nigeria Limited** which comprise the Statement of financial Position as at 31 December 2019, the Statement of profit or loss, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Companies and Allied Matters Act and for such internal control, as the directors determine necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

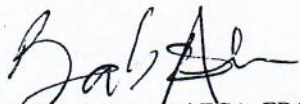
Auditors' responsibility

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the state of the company's financial affairs at 31 December 2019 and of its loss and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act.



Ahmed Tunde Adenusi FCA, FRC/2015/ICAN/00000001986
For: **ADENUSI & CO.**
(Chartered Accountants)
Abuja
20 May, 2020



Significant Accounting Policies for the Year Ended 31 December, 2019

The accounting policies set out below have been applied consistently in preparing the 2019 Financial Statements.

Basis of Accounting

1. General Information

GR Building & Construction Nigeria Limited was incorporated in December 4, 2012 as a private company with limited liability. The Company is registered in Nigeria.

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

- 2.1.** This set of financial statements has been prepared in accordance with International Financial Reporting Standards (IFRS). The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The directors believe that the underlying assumptions are appropriate and that the company's financial statements therefore represent the financial position and results fairly.

The financial statements have been prepared on a historical cost basis.

These financial statements have been prepared on a going concern basis. The directors have no doubt that the Company would remain in existence after 12 months.

2.2. New standards and interpretations not yet adopted

A number of new standards, amendments to standards, and interpretations are not yet effective for the year 31 December 2019, and have not been applied in preparing these financial statements:

IFRS 15 - Revenue from Contracts with Customers, establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts, IFRS 13 Customers Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers' and SIC 31 Barter Transactions involving Advertising Services. IFRS 15 is effective for the annual reports beginning on or after 1 January 2019, with early adoption permitted.

IFRS 16 Leases published on 13 January 2016 makes a distinction between a service contract and a lease based on whether the contract conveys the right to control the use of an identified asset and introduces a single, on-balance lease sheet accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are optional exemptions for short-term leases and leases of low value items. Lessor accounting remains similar to the current standard-i.e. lessors continue to classify leases as financial or operating leases. For lessors, there is little change to the exiting accounting in IAS 17 Leases.

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IFRS 16 replaces existing leases guidance including IAS 17 leases, IFRIC 4 Determining whether an Arrangement contains a lease, SIC-15 Operating Leases-incentives and SIC-27 Evaluating the substance of Transactions involving the Legal Form of a Leases. The standard is effective for annual period beginning on or after 1 January 2019. Early adoption is permitted for entities that apply IFRS 15 Revenue from Contracts with Customers at or before the date of initial application.

As with IFRS 15, the Standard was considered in the presentation of the 2019 Financial Statements.

Till the date of approval of the 2019 Financial Statements the Company is not a lessee of equipment.

IFRS 9 Financial Instruments published in July 2014 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Management. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements, which align hedge accounting more closely with risk management. It also carries forward the guidance on recognition and de-recognition of financial instruments from IAS 39. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted.

During 2019 the Company did not use any financial derivatives.

2.3. Property, Plant and Equipment

(i) Recognition and Measurement

Items of property, plant and equipment are measured at cost or valuation less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

(ii) Subsequent Costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably.

The carrying amount of the replaced part is derecognised.

The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

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Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

ASSET CLASS	ESTIMATED USEFUL LIFE
Office Equipments	4 Years
Furniture and Fittings	4 Years
Motor Vehicle	4 Years
Industrial Plant & Machinery	3.03 Years
Buildings	50 Years

The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(iv) Derecognition

An item of property and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

2.4. Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the first-in-first-out principle and includes expenses incurred in acquiring the inventories; production and conversion costs and other costs incurred in bring them to their existing locations and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

2.5. Financial Instruments

2.5.1. Loans and Receivables: Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and equivalents, and trade and other receivables.

2.5.2. Cash and Cash Equivalents: Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

2.5.3. Financial Liabilities: The Company initially recognized debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liabilities when its contractual obligations are discharged, cancelled or expire.

Guarantees and Other Financial Commitments – The Company did not charge any of its assets to secure third party, contingent liabilities-

- ✓ During the year ended 31 December 2014, the company submitted Advance Payment Guarantee of ₦ 263,489,661 being 15% of the contract value as per the details below:

- **Issuing Bank -** Skye Bank Plc
Central Business District, Abuja, Nigeria
- **Beneficiary –** Federal Ministry of Works, Housing & Power
Mabushi, Abuja.

Issue Date – 24/12/2016

Expiry Date – Upon contract completion.

During the year ended 31 December 2019, the bond still subsisted; since the contract execution was on-going.

- ✓ During the year ended 31 December 2014, company also issued performance Guarantee of ₦ 1,756, 326,440.72 being 10% of the contract value as per below detail.

- **Issuing Bank -** Skye Bank Plc
Central Business District, Abuja, Nigeria
- **Beneficiary –** Federal Ministry of Works, Housing & Power
Mabushi, Abuja.

Issue Date – 24/12/2014

Expiry Date - Upon contract completion.

Financial Commitment – the directors in the company are of the opinion that all known liabilities and commitments have been taken into account in the preparation of the accounts under review. In the opinion of the directors, these liabilities are relevant in assessing the Company's state of affairs.

2.6. Impairment

Over the reporting period the Company did not hold any derivative financial assets. Its non-derivative financial assets are mainly in relation to trade receivables/payables and on the receivables/other payables (such as VAT balances). Over the same period the company had no goodwill or other intangible assets and its non-financial assets were basically limited to property, plant and equipment and inventories. The latter is not subject to impairment testing but to testing for "net realizable value".

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2.7. Employee Benefits

The Company do not have any defined benefit schemes or other post (and other long term) employment liabilities requiring provision.

2.8. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

2.9. Revenue

The company principally operates fixed price contracts. If the outcome of such a contract can be reliably measured, revenue associated with the construction contract is recognised by reference to the stage of completion of the contract activity at year end (the percentage of completion method).

The outcome of a construction contract can be estimated reliably when:

- (i) the total contract revenue can be measured reliably;
- (ii) it is probable that the economic benefits associated with the contract will flow to the entity;
- (iii) the costs to complete the contract and the stage of completion can be measured reliably; and
- (iv) the contract costs attributable to the contract can be clearly identified and measured reliably so that actual contract costs incurred can be compared with prior estimates.

When the outcome of a construction cannot be estimated reliably (principally during early stages of a contract), contract revenue is recognised only to the extent of costs incurred that are expected to be recoverable.

In applying the percentage of completion method, revenue recognised corresponds to the total contract revenue (as defined below) multiplied by the actual completion rate based on the proportion of total contract costs (as defined below) incurred to date and the estimated costs to complete.

Contract revenue corresponds to the initial amount of revenue agreed in the contract and any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue, and they can be reliably measured.

2.10. Income Taxes

- Income tax expense comprises current and deferred tax.
- Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous year. Current tax payable also includes any tax liability arising from the declaration of dividends.
- Deferred tax is recognized in respect for all taxable temporary between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.
- A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

GR BUILDING & CONSTRUCTION NIGERIA LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	NOTE	2019 N	2018 N
Assets			
Non Current Assets			
Property, Plant & Equipment	1	123,882,378	156,386,033
Current Assets			
Cash & Cash equivalents	3	394,016,361	311,881,208
Inventories	4	18,447,593	5,180,524
Deferred Charges	4b	556,577,165	469,844,234
Debtors & Prepayment	5	934,365,494	959,499,789
Other Debtors	6	634,273,009	514,714,297
Total Current Assets		<u>2,537,679,622</u>	<u>2,261,120,052</u>
Total Assets		<u>2,661,562,000</u>	<u>2,417,506,085</u>
Equity			
Share Capital	7	80,500,000	80,500,000
Retained Earnings	SOCE & 8	(722,655,156)	(773,271,736)
Total Equity		<u>(642,155,156)</u>	<u>(692,771,736)</u>
Liabilities			
Current Liabilities			
Trade & Other Payables	10	142,623,376	92,238,832
Accrued Tax	2	12,647,317	3,300,000
Advance received on contracts	9	2,829,224,991	2,634,489,661
Total Current Liabilities		<u>2,984,495,684</u>	<u>2,730,028,493</u>
Long Term Borrowings	11	319,221,472	380,249,328
Total Equities & Liabilities		<u>2,661,562,000</u>	<u>2,417,506,085</u>

The Financial Statements were approved by the Board of Directors on 18 May, 2020 and signed on its behalf by

.....	}	Directors
.....		

Neeraj K. Vaidya

Thomas Jacob

The notes form integral part of these Financial Statements

GR BUILDING & CONSTRUCTION NIGERIA LIMITED
STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER, 2019

	NOTE	2019 N	2018 N
Construction Income	12	1,019,870,673	1,744,416,795
Contract Cost	14	<u>(822,667,086)</u> 197,203,587	<u>(1,653,180,590)</u> 91,236,205
Other Income	13	<u>1,500,000</u> 198,703,587	<u>-</u> 91,236,205
Operating Expenses	15	<u>(184,918,196)</u> 13,785,390	<u>(221,902,802)</u> (130,666,597)
Finance Costs	16	<u>(10,076,466)</u> 3,708,924	<u>(1,625,990)</u> (132,292,587)
Operating Profit/(Loss) Before Tax			
Tax expense	2	<u>(12,647,317)</u> (8,938,394)	<u>(3,300,000)</u> (135,592,587)
Profit/(Loss) After Tax			
Other Comprehensive Income			
Foreign Exchange Gain/(Loss)		<u>7,177,856</u>	<u>(3,117,204)</u>
Total Other Comprehensive Income		<u>7,177,856</u>	<u>(3,117,204)</u>
Total Comprehensive Income		<u>(1,760,538)</u>	<u>(138,709,791)</u>
Earning/(loss) per share (kobo)	17	<u>(0.02)</u>	<u>(1.72)</u>

The notes form integral part of these Financial Statements

GR BUILDING & CONSTRUCTION NIGERIA LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	SHARE CAPITAL ₦	RETAINED EARNINGS ₦	TOTAL EQUITY ₦
Balance At 1 January 2019	80,500,000	(773,271,736)	(692,771,736)
Total Comprehensive Income			
Profit/(Loss) On Continuing Operations		(8,938,394)	(8,938,394)
Other Comprehensive Income			
Total Other Comprehensive Income		7,177,856	7,177,856
Adjustment (Note 8)		52,377,118	52,377,118
Balance At 31 December 2019	80,500,000	(722,655,156)	(642,155,156)

The notes form integral part of these Financial Statements

GR BUILDING & CONSTRUCTION NIGERIA LIMITED
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER, 2019

	NOTE	2019 N	2018 N
Cash Flows From Operating Activities			
Profit/(Loss) Before Tax		3,708,924	(132,292,587)
Adjustments For Items Not Involving Flow of Cash :			
Adjustment		(3,649,454)	(7,156,019)
Depreciation		101,685,388	159,792,587
		<u>101,744,858</u>	<u>20,343,981</u>
Changes In Current Assets :			
Inventories & deferred expenses		(100,000,000)	348,063,397
Debtors & Prepayments		25,134,295	(67,058,505)
Other Receivables		(119,558,712)	(170,478,527)
		<u>(194,424,417)</u>	<u>110,526,365</u>
Changes In Current Liabilities :			
Trade & Other Payables		50,384,544	83,455,461
Loans & Advances		194,735,330	302,805,451
Tax Paid		(1,532,705)	-
		<u>243,587,168</u>	<u>386,260,912</u>
Net Cash From Operating Activities		<u>150,907,609</u>	<u>517,131,258</u>
Cashflow From Investing Activities			
Purchase of Fixed Asset		(7,744,600)	(138,922,227)
Net Cash From Investing Activities		<u>(7,744,600)</u>	<u>(138,922,227)</u>
Cashflow From Financing Activities			
Share Capital		-	-
Longterm Borrowing		(61,027,856)	(129,208,931)
		<u>(61,027,856)</u>	<u>(129,208,931)</u>
Net Cash flow		82,135,153	249,000,100
Cash & Cash Equivalents @ 1 January 2019		311,881,208	62,881,108
Cash & Cash Equivalents @ 31 December 2019		<u>394,016,361</u>	<u>311,881,208</u>
Represented By			
Cash		1,758,522	2,933,008
GTBank		32,604,588	106,143,617
Polaris Bank Dom Acct		1,691,224	1,703,060
Polaris Bank Plc		349,575,044	170,632,534
Union Bank		7,602,676	29,684,682
Zenith Bank Plc		784,308	784,308
	3	<u>394,016,361</u>	<u>311,881,208</u>

The notes form integral part of these Financial Statements

GR BUILDING & CONSTRUCTION NIGERIA LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER, 2019

1 NON CURRENT ASSETS

PROPERTY, PLANT & EQUIPMENT	Plant & Machinery N	Office Equipment N	Furniture & fittings N	Motor Vehicles N	Total N
At 1 January, 2019	480,252,011	4,807,681	8,641,710	105,883,500	599,584,902
Additions	4,920,000	1,124,000	1,700,600	-	7,744,600
Adjustment	(68,810,420)	6,592,520	(3,592,520)	6,405,000	(59,405,420)
At 31 December, 2019	416,361,591	12,524,201	6,749,790	112,288,500	547,924,082
Depreciation:					
At 1 January, 2019	363,446,598	3,909,625	8,154,277	67,688,369	443,198,869
Charge for the year	85,362,813	2,088,114	1,659,274	12,575,187	101,685,388
Adjustment	(89,419,719)	4,646,430	(5,197,817)	(30,871,447)	(120,842,553)
At 31 December, 2019	359,389,692	10,644,169	4,615,734	49,392,109	424,041,704
Carrying Amount:					
As @ 31 December 2019	56,971,899	1,880,032	2,134,056	62,896,391	123,882,378
As @ 31 December 2018	116,805,413	898,056	487,433	38,195,131	156,386,033

The notes form integral part of these Financial Statements

GR BUILDING & CONSTRUCTION NIGERIA LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2 Tax Expense

	2019	2018
	N	N
Company Income Tax	10,539,431	2,750,000
Education Tax	2,107,886	550,000
Minimum Tax	-	-
	<u>12,647,317</u>	<u>3,300,000</u>
Accrued Tax	N	N
Balance Brought Forward	3,300,000	2,264,685
Current Year Cit & Edt/Minimum tax	12,647,317	3,300,000
Prior Year Adjustment-Government assessment	5,760,015	-
Payment During The Year- With Credit notes	(7,527,310)	-
Payment During The Year- With Cheque	(1,532,705)	(2,264,685)
Balance Carried Forward	<u>12,647,317</u>	<u>3,300,000</u>

The notes form integral part of these Financial Statements

GR BUILDING & CONSTRUCTION NIGERIA LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
3 Cash & Cash Equivalents	N	N
Cash	1,758,522	2,933,008
GTBank-0124593696	20,419,211	106,143,617
GTBank/DOM	12,185,377	-
Polaris Bank Plc-1920010857	29,561,112	-
Polaris Bank Dom Acct-1771626898	1,691,224	1,687,974
Polaris Bank Plc-4010011497	220,427,929	170,647,621
Polaris Bank Plc-OD	(413,998)	-
Polaris Bank Plc-Term Deposit	100,000,000	-
Union Bank	7,602,676	29,684,682
Zenith Bank Plc	784,308	784,308
	<u>394,016,361</u>	<u>311,881,208</u>
4 Inventory		
Raw materials and Spare parts	<u>18,447,593</u>	<u>5,180,524</u>
4a Deferred Expenses		
Charges at 1 January	469,844,233	820,652,089
Current year	<u>86,732,932</u>	<u>-</u>
	556,577,165	820,652,089
Written down in the year	<u>-</u>	<u>(350,807,856)</u>
	<u>556,577,165</u>	<u>469,844,233</u>
5 Debtors & Prepayment		
Contract Debtors	932,271,818	952,249,342
Prepaid expenses	2,093,675	7,250,447
Retention	-	-
	<u>934,365,494</u>	<u>959,499,789</u>
6 Other Debtors	2019	2018
	N	N
Withholding Tax	260,071,248	209,603,128
VAT Receivable	228,073,315	167,327,884
Pre-Operational Expenses	106,574,579	106,574,579
G.R. Infrastructure Limited, Nigeria	37,353,867	29,108,706
Advances	2,200,000	2,100,000
	<u>634,273,009</u>	<u>514,714,297</u>
7 Share Capital		
Authorised	N	N
100,000,000 Ordinary Shares @ NGN1.00	<u>100,000,000</u>	<u>100,000,000</u>
Issued & paid-up		
80,500,000 Ordinary Shares @ NGN1.00	<u>80,500,000</u>	<u>80,500,000</u>
8 Retained Earnings	N	N
Revenue Reserve Brought Forward	(773,271,736)	(630,523,130)
Current Period Profit/(Loss)	(1,760,538)	(138,709,791)
Adjustment	<u>52,377,118</u>	<u>(4,038,815)</u>
	<u>(722,655,156)</u>	<u>(773,271,736)</u>

The notes form integral part of these Financial Statements

GR BUILDING & CONSTRUCTION NIGERIA LIMITED
NOTES TO THE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2019

9 Loan & Advances	2019	2018
	N	N
Project Advance payment	2,829,224,991	2,634,489,661
	<u>2,829,224,991</u>	<u>2,634,489,661</u>
10 Trade & Other Payables		
Basic Trade Limited	10,200,400	-
Staff Salary	-	2,184,000
Audit Fees	2,500,000	2,500,000
Withholding Tax payable	33,419	-
Duties & charges	128,298,947	87,220,840
Other Payables	1,590,609	333,992
	<u>142,623,376</u>	<u>92,238,832</u>
11 Long Term Borrowings	N	N
G R Infraprojects Limited, India	127,768,100	185,159,400
Goodluck Building Material Trading Establishment, UAE	175,742,347	179,169,078
King Industries Limited, Nigeria	4,950,000	4,950,000
Renish Petrochem FZE UAE	10,761,025	10,970,850
	<u>319,221,472</u>	<u>380,249,328</u>
The amount represents cost of equipment financing from Parent company in India and other loans obtained.		
12 Construction income	N	N
Contract Certificates	1,019,870,673	1,744,416,795
	<u>1,019,870,673</u>	<u>1,744,416,795</u>
13 Other Income	N	N
Insurance claim	-	-
Other Income	1,500,000	-
	<u>1,500,000</u>	<u>-</u>

The notes form integral part of these Financial Statements

GR BUILDING & CONSTRUCTION NIGERIA LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

14 CONTRACT COST

	2019	2018
	₦	₦
Construction material cost	429,873,384	668,817,216
Site workers wages and allowances	-	121,500
Other construction cost	66,451,671	133,869,966
Machine maintenance cost	52,675,949	64,868,366
Fuel	132,371,500	190,903,766
Lubricants	13,080,000	3,721,187
Staff safety & Welfare	1,810,650	3,171,127
Transportation	31,434,086	92,480,065
Import Clearing Charges	9,607,033	10,042,405
Deferred cost	-	350,807,856
Depreciation	85,362,813	134,377,137
	<u>822,667,086</u>	<u>1,653,180,590</u>

15 Operating Expenses

	2019	2018
	₦	₦
Staff costs	108,869,950	123,911,513
Auditors' Remuneration	2,625,000	2,625,000
Professional Charges	500,000	500,000
Water & Electricity	662,000	800,000
Office expenses	1,989,028	2,258,052
Rent and Rates	14,157,601	9,666,667
Medicals Expenses	1,224,630	961,075
Newspapers, Books and Periodicals	119,400	117,800
Fueling	11,054,823	27,156,575
Security	1,427,083	1,200,000
Postage and Telecoms	2,755,100	2,378,170
Social Security	1,392,212	1,697,796
Transport & Travelling Expense	13,422,574	13,434,793
Printing & Stationery	1,180,770	2,150,977
Repair & Maintenance	757,700	1,676,400
Insurance	6,112,651	5,116,035
Hotel & Accommodation	345,100	836,500
Depreciation	16,322,575	25,415,450
	<u>184,918,196</u>	<u>221,902,802</u>

GR BUILDING & CONSTRUCTION NIGERIA LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	N	N
16 Finance Cost		
Finance and other Bank Charges	7,421,513	1,625,990
Performance Bond-Baro gulu	1,061,982	-
APG-Baro Gulu	1,592,972	-
	<u>10,076,466</u>	<u>1,625,990</u>
Foreign Exchange Revaluation		
Financing of PPE	3,541,300	(5,139,865)
Foreign Loans	3,636,556	(3,117,204)
	<u>7,177,856</u>	<u>(8,257,069)</u>
Foreign exchange gain/(loss) due to cost of financing Plants and machineries was capitalised.		
17 Earnings Per Share Basic & Diluted		
Profit/(Loss) After Tax	<u>(1,760,538)</u>	<u>(138,709,791)</u>
Number Of Ordinary Shares Issued	<u>80,500,000</u>	<u>80,500,000</u>
Earnings/(Loss) Per Share (NGN)	<u>(0.02)</u>	<u>(1.72)</u>

18 Comparative Figures

Some comparative figures have been reclassified in line with the current year presentation.

19

Events after statement of financial position date

Apart from the general economic effect of COVID-19, there were no significant events that occurred subsequent to the statement of financial position date. The various preventive measures ranging from isolation of infected persons, lockdown to social distancing e.t.c introduced by Government to curtail the virus and protect the citizens disrupted the company's operations in the first quarter of year 2020. It has no effect on the 2019 financial statements. Thus, it is hereby disclosed as a nonadjusting event during the period.

The notes form integral part of these Financial Statements

GR BUILDING & CONSTRUCTION NIGERIA LIMITED
VALUE ADDED STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019		2018	
	₦	%	₦	%
Contract income	1,019,870,673		1,744,416,795	
Bought in good and services	(788,041,440)		(1,594,374,997)	
Other Income	231,829,233		150,041,798	
Total value Added	233,329,233	100	150,041,798	100
Applied as follows				
Employees	110,680,600	47	124,033,013	83
Government Taxation	12,647,317	5	3,300,000	2
Financial Charges/ Interest	10,076,466	4	1,625,990	1
Depreciation	101,685,388	44	159,792,587	106
Retained Profit/(Loss)	(1,760,538)	(1)	(138,709,791)	(92)
	233,329,233	100	150,041,798	100

The notes form integral part of these Financial Statements



ADENUSI & COMPANY
(CHARTERED ACCOUNTANTS)

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