

SUMO AGROCHEM LIMITED

RC:

FINANCIAL STATEMENTS

For the period from 13th July 2018 to 31st December 2019

BOARD OF DIRECTORS AND CORPORATE INFORMATION

DIRECTORS

Mr. Abhay Nath Jha	-	Indian
Mr. Rakesh Kumar Agarwal	-	Indian

REGISTERED OFFICE

Block XI, Plot 1 - 2
Ota Industrial Estate
Ota
Ogun State.

SECRETARY

Mathmer Legal Practitioners
28 Supo Adetunji Close
Off Isolo Road
Papa Ajao, Mushin
Lagos.

AUDITORS

Adedolapo Fayomi & Co.
(Chartered Accountants)
Block B, 7 Sule Aboye Street
Off Oba Ogunnusi Road
Ojodu, Ikeja
Lagos.

BANKERS

Zenith Bank Plc

SUMO AGROCHEM LIMITED

3.

FINANCIAL HIGHLIGHTS

FOR THE PERIOD FROM 13TH JULY 2018 TO 31ST DECEMBER 2019

	<u>13 July 2018 to</u> <u>31st</u> <u>December</u> <u>2019</u> <u>=N='000</u>
Revenue	30,177
Loss before tax	(3,851)
Loss for the period	(3,851)
Other comprehensive income/loss	-
Total comprehensive loss	(3,851)
Capital expenditure	-
Total equity	31,149
No. of issued and fully paid ordinary shares of =N1.00 each	35,000
Earnings / (loss) per share - Kobo	(11)
Net assets / (liabilities) per share - Kobo	89

SUMO AGROCHEM LIMITED

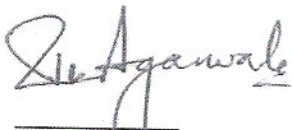
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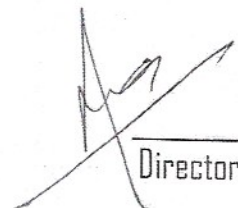
STATEMENT OF DIRECTORS' RESPONSIBILITIES ON THE FINANCIAL STATEMENTS
FOR THE EIGHTEEN MONTHS ENDED 31ST DECEMBER 2019

In accordance with the provisions of the Companies and Allied Matters Act, the Directors are responsible for the preparation of annual financial statements, which give a true and fair view of the financial position of the Company and of the profit or loss for the reporting period.

The responsibilities include ensuring that:

- Appropriate internal controls are established both to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.
- The Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which ensure the financial statements comply with the requirements of the Companies and Allied Matters Act.
- The Company has used suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all applicable accounting standards have been followed and
- the going concern basis is used, unless it is inappropriate to presume that the Company will continue in business.


Director


Director

SUMO AGROCHEM LIMITED

DIRECTORS REPORT

For Period Ended 31ST DECEMBER, 2019

The Directors submit their Annual Report together with the Audited Financial Statements for the year ended 31st December, 2019.

1. OPERATING RESULT

	₦
Loss for the year	(3,850,853)
Taxation	-
Loss After Taxation	<u>(3,850,853)</u>

2. LEGAL FORM

The Company was incorporated in Nigeria on 13th July, 2018 as a Private Limited Liability Company.

3. PRINCIPAL ACTIVITIES AND BUSINESS

The Company trades and distributes agricultural, and industrial chemicals as well as pesticides.

4. DIRECTORS

The following persons serves/served on the Company's Board:

NAME	NATIONALITY	REMARK
Mr. Abhay Nath Jha	Indian	
Mr. Patwari Bimal Kumar	Indian	Resigned
Mr. Rakesh Kumar Agarwal	Indian	

5. DIVIDEND

The Directors declared and approved no dividend for the reporting period.

6. SHAREHOLDING STRUCTURE

The Company was incorporated with an initial total share capital of ₦35,000,000 divided into 35,000,000 Ordinary Shares of ₦1 each.

However, on the 6th day of December, 2018, the Company's initial total share capital was increased from ₦35,000,000 to ₦120,000,000 by the creation of 85,000,000 Ordinary shares of ₦1.00 each.

The Company's shares are subscribed in the following order below as at the 31st December, 2019:

NAME OF SHAREHOLDER	NO. OF SHARES ALLOTTED	VALUE IN NAIRA (₦)	SHAREHOLDING %
TECHNOMET INTERNATIONAL FZE	34,999,999	₦34,999,999	29.17%
JHA ABHAY NATH	1	₦1	—
TOTAL ALLOTTED SHARES	35,000,000	₦35,000,000	29.17%
UN-ALLOTTED SHARES	85,000,000	₦85,000,000	70.83%
TOTAL SHARE CAPITAL	120,000,000	₦120,000,000	

By virtue of Section 99 (4) of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria, 2004, the law in Nigeria is that the allotted shares of any company shall not at any time be less than 25% of the total share capital.

To the best of the knowledge of the Board, the allotted shares of Sumo Agrochem Limited is above the required 25% of the total share capital.

7. EMPLOYMENT AND EMPLOYEES

a. Employees Involvement and Training

It is the Company's policy to adequately train its manpower for better results. In that regard, efforts would be made to continue to improve staff welfare and encourage staff participation in decisions affecting them.

b. Employment of Disabled Persons

It is the policy of the Company that there should be no discrimination in considering applications for employment including those from disabled persons.

8. **AUDITORS**

In accordance with Section 357(2) of the Companies and Allied Matters Act CAP C20 LFN 2004, **Messrs Adedolapo Fayomi & Co. (Chartered Accountants)**, have indicated their willingness to continue in office.

Dated this 9th day of June 2020

By Order of the Board


MATHMER LEGAL PRACTITIONERS
Secretaries



Adedolapo Fayomi & Co.

(Chartered Accountants)

Block B, 7 Sule Abore Street, Off Oba Ogunnusi Road, Ojodu, Ikeja, Lagos.

P.O. Box 3090, Surulere Lagos.

Tel: 07088565020, E-mail: adedolapofayomi1@gmail.com

Our Ref: _____

Your Ref: _____

Date: _____ 20____

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUMO AGROCHEM LIMITED

5.

Report on the audit of the Financial Statements

Our Opinion

In our opinion, the Financial Statements of Sumo Agrochem Limited give a true and fair view of the Financial Position of the Company as at 31st December 2019 and of its Financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards, the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria Act.

What we have audited:

The Financial Statements of SUMO Agrochem Limited comprise:

- The Statement of Financial Position as at 31st December 2019;
- The Statement of Comprehensive Income for the period then ended;
- The Statement of Changes in Equity for the period then ended;
- The Statement of Cash Flows for the period then ended; and
- The Notes to the Financial Statements, which include a summary of Significant Accounting Policies.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the Institute of Chartered Accountants of Nigeria (ICAN) Professional Code of Conduct and Guide for Accountants, which is consistent with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

The Directors are responsible for the other information. The other information comprise the Directors' Report, Statement of Directors' Responsibilities, Statement of Value Added and Five-Year Financial Summary. It does not include the Financial Statements and the 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SUMO AGROCHEM LIMITED (CONT'D)**

6.

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 appears to be materially misstated.

Based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, if 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, the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria Act, and for such internal control as they 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 and/or to cease operations, or has 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.

As part of an audit in accordance with ISAs, we exercise professional judgement 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SUMO AGROCHEM LIMITED (CONT'D)**

7.

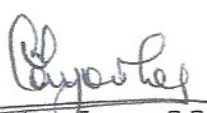
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 those charged with governance 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.

Report on Other Legal Requirements

In accordance with Schedule 6 of the Companies and Allied Matters Act, we hereby confirm that:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) The Company has kept proper books of account, so far as appears from our examination of those books;
- iii) The Company's Statement of Financial Position and the Statement of Comprehensive Income are in agreement with the books of account.


For: Adedolapo Fayomi & Co.
Chartered Accountants
Lagos, Nigeria



09 June 2020

Engagement Partner: Mrs. Adedolapo M. Fayomi
FRC/2013/ICAN/00000005590

SUMO AGROCHEM LIMITED

8.

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 13TH JULY 2018 TO 31ST DECEMBER 2019

	<u>Notes</u>	<u>2019</u> <u>=N=</u>
Revenue		
Cost of Sales	4	30,176,750
Gross profit		(20,531,984)
Other income		9,644,766
	5	453,133
Distribution expenses		10,097,899
Administration expenses		(139,250)
Operating Loss		(13,809,502)
Finance costs		(3,850,853)
Loss before tax for the period		-
Taxation	6	(3,850,853)
Loss for the period		-
Other comprehensive income for the period		(3,850,853)
Total comprehensive loss for the period		-
		<u>(3,850,853)</u>

The accompanying notes on pages 13 to 20 are an integral part of these financial statements.

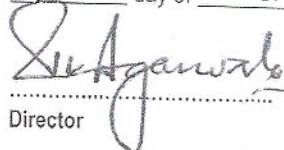
SUMO AGROCHEM LIMITED

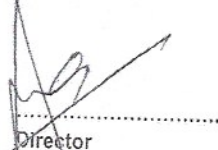
9.

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2019

	NOTES	2019 =N=
ASSETS		
Non-current assets		
Prepayments		6,131,277
		6,131,277
Intangible assets		
Preliminary expenses		2,788,000
Current assets		
Inventories		73,314,537
Trade and other receivables	7	15,351,072
Cash and cash equivalents	8	18,373,875
		107,039,484
Total assets		115,958,761
EQUITY AND LIABILITIES		
Share capital	9	35,000,000
Retained earnings		(3,850,853)
Total equity		31,149,147
Current liabilities		
Trade and other payables	10	84,809,614
Current tax liabilities		-
		84,809,614
Total liabilities		84,809,614
Total equity and liabilities		115,958,761

These financial statements were approved and authorised for issue by the Board of Directors on the 9th day of June 2020. They were signed on its behalf by:


Director


Director

The accompanying notes on pages 13 to 20 are an integral part of these financial statements.

SUMO AGROCHEM LIMITED

10.

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 13TH JULY 2018 TO 31ST DECEMBER 2019

	<u>Share capital</u> =N=	<u>Retained earnings</u> =N=	<u>Total equity</u> =N=
Share capital - Paid up	35,000,000	-	35,000,000
Loss for the period	-	(3,850,853)	(3,850,853)
Total other comprehensive income	-	-	-
Total comprehensive income for the period	-	(3,850,853)	(3,850,853)
At 31st December 2019	<u>35,000,000</u>	<u>(3,850,853)</u>	<u>31,149,147</u>

The accompanying notes on pages 13 to 20 are an integral part of these financial statements.

SUMO AGROCHEM LIMITED

11.

STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 13TH JULY 2018 TO 31ST DECEMBER 2019

	<u>2019</u>
	=N=
Operating activities:	
Loss Before Tax	(3,850,853)
Non-current prepayments	(6,131,277)
Preliminary expenses	(2,788,000)
Inventories	(73,314,537)
Trade and other receivables	(15,351,072)
Trade and other payables	84,809,614
Cash used in operations	<u>(12,775,272)</u>
Payment of Tax	<u>(16,626,125)</u>
Net cash used in operating activities	<u>(16,626,125)</u>
Financing activities:	
Issue of shares	35,000,000
Finance costs	-
Net cash from financing activities	<u>35,000,000</u>
Balance of cash and cash equivalents	18,373,875
Cash and cash equivalents at beginning of the year:	-
Cash and cash equivalents at end of the year:	<u>18,373,875</u>
Cash and cash equivalents at end of the year:	
Cash and Bank balances	<u>18,373,875</u>

The accompanying notes on pages 13 to 20 are an integral part of these financial statements.

SUMO AGROCHEM LIMITED

12.

NOTES TO THE FINANCIAL STATEMENTS

Note	Description	Page
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12	Contingent liabilities	20
13	Subsequent events	20

SUMO AGROCHEM LIMITED

13.

NOTES TO THE FINANCIAL STATEMENTS

1 Reporting entity

SUMO AGROCHEM LIMITED is a private limited liability company, incorporated in Nigeria. It is currently engaged in the importation and sale of Agro-Chemicals.

The address of the Company's registered office is Block XI, Plot 1-2, Ota Industrial Estate, Ota, Ogun State, Nigeria.

2 Basis of preparation

(a) Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

(b) Basis of measurement

The Financial Statements have been prepared on the historical cost basis, except for items measured at fair value.

(c) Functional and presentation currency

These financial statements are presented in the Nigerian Naira, which is the Company's functional currency. All financial information has been rounded to the nearest naira.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period or the period of the revision and future periods, if the revision affects both current and future period.

SUMO AGROCHEM LIMITED

14.

NOTES TO THE FINANCIAL STATEMENTS

3 Significant accounting policies

The Company adopted the following significant accounting policies in the preparation of these financial statements.

a. Foreign currencies transactions

All transactions in foreign currencies are recorded in Naira at the rate of exchange ruling at the dates of the transactions. Monetary items are converted to Naira at the rates of exchange ruling at the reporting date. All differences arising there from are taken to profit or loss.

b. Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced with customer returns, rebates and other similar allowances.

Revenue is recognised when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the company. However, when an uncertainty arises about the collectability of an amount already included in revenue, the uncollectible amount, or the amount in respect of which recovery has ceased to be probable, is recognised as an expense.

Sale of goods: Revenue from the sale of goods is recognised when the goods are delivered, titles have passed and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue represents the net invoice value of sales to third parties and it is recognised when significant risks and rewards of ownership of the goods have been transferred to the buyer.

Rendering of services: Revenue from rendering of services is recognised in the period the services are rendered. Revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the company.

c. Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined using average cost on a FIFO (First-in First-out) basis.

Net realisable value is the amount that can be realised from the sale of the inventory in the ordinary course of business after allowing for the costs of realization.

In addition to the cost of materials and direct labour, an appropriate proportion of production overhead is included in the inventory values.

An allowance is recorded for defective and slow-moving inventory and obsolescence based on the lower of cost or net realizable value.

SUMO AGROCHEM LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

d. Financial instruments

i. Financial assets

The Company has classified its financial assets as one of the following categories: Trade and accounts receivables and cash and cash equivalents.

Trade and accounts receivables

These include amounts recoverable from customers, suppliers and employees. They are recognised initially at fair value and subsequently measured at amortized cost using the effective interest rate method, less provision for impairment if any.

The collectability of trade and other receivables is reviewed on an ongoing basis. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due, according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows. The amount of the provision is recognized in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand; cash balances with banks and call deposits with original maturities of three months or less. Bank overdrafts are repayable on demand and form an integral part of the Company's cash management. They are included as a component of cash and cash equivalents for the purpose of statement of cash flows.

ii. Financial liabilities

These include:

Borrowings

Loans payable are recognized initially at fair value, net of transaction costs incurred. Any difference between the fair value and the proceeds received is recognized in profit and loss at initial recognition. In subsequent periods, they are stated at amortized cost using the effective interest method. Where applicable, the long-term portion of loans payable is included on the statement of financial position under non-current liabilities and the current portion under current liabilities.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payments are due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Share capital

The Company has one class of shares, ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve.

Incremental costs directly attributed to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

SUMO AGROCHEM LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

e. Dividend

Dividends on ordinary shares to shareholders are recognised in equity and as a liability in the period they are approved by the shareholders at the Annual General Meeting. Payments are also recognised directly in equity.

f. Employee benefits

Short-term employee benefits

The company being at its early stage operates short-term employee benefit obligations. These are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash basis if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

g. Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation and the amount has been reliably estimated. Provisions for restructuring costs are recognised when the Company has a detailed formal plan for the restructuring that has been communicated to affected parties. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be acquired to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

A 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 one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed and not recognised as liabilities in the statement of financial position.

If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

SUMO AGROCHEM LIMITED

17.

NOTES TO THE FINANCIAL STATEMENTS

h. Taxation

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

rates statutorily enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in profit or loss account except to the extent that it relates to a transaction that is recognised directly in equity. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the amount will be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable company, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit (or loss).

SUMO AGROCHEM LIMITED

18.

NOTES TO THE FINANCIAL STATEMENTS

4 Revenue

Sales of Goods

2019

=N=

30,176,750

30,176,750

5 Other income

Interest Received

453,133

453,133

6 Loss before taxation

Loss before taxation is stated after charging:

Audit Fees

180,000

SUMO AGRICHEM LIMITED

19.

NOTES TO THE FINANCIAL STATEMENTS

	<u>2019</u> <u>=N=</u>
7 <u>Trade and other receivables</u>	
Trade Receivables	12,512,000
Prepayment	2,043,759
Other receivable	750,000
Withholding tax receivables	45,313
	<u>15,351,072</u>
8 <u>Cash and cash equivalents</u>	
Cash in hand	4,633
Bank balance	18,369,242
	<u>18,373,875</u>
9 <u>Share capital</u>	
Authorised:	
120,000,000 Ordinary Shares of =N=1.00 each	<u>120,000,000</u>
Issued and Fully Paid-up	
35,000,000 ordinary shares of =N=1.00 each	<u>35,000,000</u>
10 <u>Trade and other payables</u>	
Trade payables	82,829,075
Other payables and accruals	1,980,539
	<u>84,809,614</u>

NOTES TO THE FINANCIAL STATEMENTS

11 Related parties

Parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the other party in making financial and operating decisions. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including all executive and non-executive directors.

Related party transactions are those where a transfer of resources or obligations between related parties occur, regardless of whether or not a price is charged.

Related companies are also entities over which the Company has significant influence by virtue of common management and directors.

12 Contingent liabilities

There were no Contingent Liabilities as at 31st December 2019

Financial commitments

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

13 Subsequent events

There are no significant subsequent events, which could have had a material effect on the state of affairs of the Company as at 31st December 2019 that have not been adequately provided for or disclosed in the financial statements.

SUMO AGROCHEM LIMITED

21.

OTHER INFORMATION

SUMO AGROCHEM LIMITED

22.

STATEMENT OF VALUE ADDED FOR THE PERIOD FROM 13TH JULY 2018 TO 31ST DECEMBER 2019

	<u>2019</u>	
	<u>=N=</u>	<u>%</u>
Revenue	30,176,750	
Other Income / (expenses)	<u>453,133</u>	
	30,629,883	
Bought-in materials and services	<u>(34,480,736)</u>	
Total value absorbed in operations	<u>(3,850,853)</u>	<u>100</u>
APPLIED AS FOLLOWS:		
To Government:		
Income tax	-	-
Education tax	-	-
To Providers of Finance:		
Interest on borrowings	-	-
For Dimunition in Value of Assets:		
Depreciation	-	-
Loss for the period	(3,850,853)	100.0
	<u>(3,850,853)</u>	<u>100</u>

For Management use only

SUMO AGROCHEM LIMITED

COST OF SALES

	=N=	2019 =N=
Opening Stock	-	
Purchases	82,829,075	
Custom Duty	5,558,897	
Clearing Rxpenses	5,362,549	
	<hr/>	
Closing Stock	93,750,521	
	<hr/>	
Store Labour	(73,314,537)	
		20,435,984
		96,000
		<hr/>
		20,531,984

DISTRIBUTION EXPENSES

Carriage Outwards	50,900
Sales and Market Expenses	88,350
	<hr/>
	139,250

ADMINISTRATION EXPENSES

Salaries,wages and other welfare Expenses	4,316,990
License and Rates	2,262,982
Legal and Professional Charges	70,000
Transport, Travelling and Conveyance	5,454,077
Postages and courier	71,425
Audit Fees	180,000
Printing and Stationeries	403,900
Advertisement Expenses	118,000
Bank Charges	235,128
Preliminary Expenses Written-off	697,000
	<hr/>
	13,809,502