



DANGOTE CEMENT PLC

INTERIM FINANCIAL STATEMENTS

30 JUNE 2014

DANGOTE CEMENT PLC
30 June 2014

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Dangote Cement Plc
Condensed consolidated and separate statement of profit or loss and other Comprehensive Income
For the period ended 30 June 2014

	Notes	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	Group 3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000	Year ended 31/12/13 N'000
Revenue	3	105,339,131	208,908,471	103,035,288	198,463,296	386,177,220
Cost of sales	5	(38,273,358)	(75,369,457)	(36,933,936)	(66,326,844)	(142,517,068)
Gross profit		67,065,773	133,539,014	66,101,352	132,136,452	243,660,152
Administrative expenses	6	(2,772,326)	(8,702,468)	(4,540,822)	(8,937,590)	(25,993,138)
Selling and distribution expenses	7	(7,285,675)	(14,789,942)	(6,533,858)	(12,936,169)	(23,509,086)
Other income	8	425,251	1,937,606	576,119	827,442	1,724,477
Profit from operating activities		57,433,023	111,984,210	55,602,791	111,090,135	195,882,405
Finance income	9	1,581,239	3,231,528	1,794,885	2,960,386	8,596,499
Finance costs	9	(4,959,092)	(8,146,164)	(3,400,637)	(6,369,563)	(13,717,542)
Profit before tax		54,055,170	107,069,574	53,997,039	107,680,958	190,761,362
Income tax credit/(expense)	11.1	(6,235,187)	(11,629,717)	(51,321)	-	10,436,726
Profit for the period		47,819,983	95,439,857	53,945,718	107,680,958	201,198,088
Other comprehensive income, net of income tax						
Items that may be reclassified subsequently to profit or loss						
Currency translation differences		(1,297,327)	681,194	(1,185,906)	(2,032,149)	(4,800,187)
Defined benefit plan actuarial gains (losses)		-	-	21,278	21,278	280,490
Other comprehensive income for the period, net of income tax		(1,297,327)	681,194	(1,164,628)	(2,010,871)	(4,519,697)
Total comprehensive income for the period		46,522,656	96,121,051	52,781,090	105,670,087	196,678,391
Profit for the period attributable to:						
Owners of the Company		48,185,922	95,970,279	54,068,151	107,863,110	201,912,292
Non-controlling interests		(365,940)	(530,422)	(122,433)	(182,152)	(714,204)
		47,819,983	95,439,857	53,945,718	107,680,958	201,198,088
Total comprehensive income for the period attributable to:						
Owners of the Company		46,843,113	96,534,093	53,316,349	106,785,341	198,883,980
Non-controlling interests		(320,458)	(413,042)	(535,259)	(1,115,254)	(2,205,589)
		46,522,656	96,121,051	52,781,090	105,670,087	196,678,391
Earnings per share, basic and diluted (Naira)	10	2.83	5.63	5.63	6.33	11.85

Dangote Cement Plc
Condensed consolidated and separate statement of profit or loss and other Comprehensive Income
For the period ended 30 June 2014

		Company				
	Notes	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000	Year ended 31/12/13 N'000
Revenue	3	102,583,397	202,352,450	98,448,126	190,770,731	371,551,567
Cost of sales	5	(36,272,026)	(69,661,925)	(32,628,451)	(59,111,639)	(127,937,269)
Gross profit		66,311,371	132,690,525	65,819,675	131,659,092	243,614,298
Administrative expenses	6	(1,493,688)	(6,331,483)	(3,911,476)	(7,851,587)	(20,079,595)
Selling and distribution expenses	7	(6,757,075)	(14,176,434)	(6,464,458)	(12,787,576)	(23,182,545)
Other income	8	409,308	1,907,904	553,964	787,875	727,519
Profit from operating activities		58,469,916	114,090,512	55,997,705	111,807,804	201,079,677
Finance income	9	3,163,257	6,812,027	1,792,559	2,951,649	10,380,078
Finance costs	9	(3,488,101)	(6,734,979)	(3,349,574)	(6,236,944)	(11,448,932)
Profit before tax		58,145,072	114,167,560	54,440,691	108,522,510	200,010,823
Income tax credit/(expense)	11.1	(6,054,508)	(11,597,535)	-	-	10,251,931
Profit for the period		52,090,564	102,570,025	54,440,691	108,522,510	210,262,754
Other comprehensive income, net of income tax						
Items that may be reclassified subsequently to profit or loss						
Currency translation differences		-	-	-	-	280,490
Defined benefit plan actuarial gains (losses)		-	-	21,278	21,278	280,490
Other comprehensive income for the period, net of income tax		-	-	21,278	21,278	280,490
Total comprehensive income for the period		52,090,564	102,570,025	54,461,969	108,543,788	210,543,244
Profit for the period attributable to:						
Owners of the Company		52,090,564	102,570,025	54,440,691	108,522,510	210,262,754
Non-controlling interests		-	-	-	-	-
		52,090,564	102,570,025	54,440,691	108,522,510	210,262,754
Total comprehensive income for the period attributable to:						
Owners of the Company		52,090,564	102,570,025	54,461,969	108,543,788	210,543,244
Non-controlling interests		-	-	-	-	-
		52,090,564	102,570,025	54,461,969	108,543,788	210,543,244
Earnings per share, basic and diluted (Naira)	10	3.06	6.02	3.19	6.37	12.34

Dangote Cement Plc
Condensed consolidated and separate statement of financial position
At 30 June 2014

		Group		Company	
	Notes	As at 30/06/14 N'000	As at 31/12/13 N'000	As at 30/06/14 N'000	As at 31/12/13 N'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	675,529,900	581,465,116	508,838,002	452,046,889
Intangible assets	13	2,343,578	2,306,170	571,927	672,190
Investments	14	389	389	25,226,001	25,207,676
Deferred tax assets	11.3	9,365,772	19,635,374	8,084,030	18,359,111
Prepayments	15	90,333,127	91,715,470	13,677,565	23,950,013
Receivables from subsidiaries	24	-	-	216,163,804	164,524,881
Total non-current assets		777,572,766	695,122,519	772,561,329	684,760,760
Current assets					
Inventories	16	35,000,294	27,667,288	31,282,844	23,576,746
Trade and other receivables	17	8,436,424	10,266,053	3,785,658	7,898,802
Due from related companies	24	3,926,726	2,632,216	3,872,446	2,246,118
Prepayments	15	38,919,020	37,013,616	38,321,872	34,552,454
Cash and cash equivalents	23	36,203,294	70,501,583	30,933,677	67,442,862
Total current assets		122,485,758	148,080,756	108,196,497	135,716,982
TOTAL ASSETS		900,058,524	843,203,275	880,757,826	820,477,742
EQUITY & LIABILITIES					
Equity					
Share capital	18	8,520,254	8,520,254	8,520,254	8,520,254
Share premium	18	42,430,000	42,430,000	42,430,000	42,430,000
Capital contribution		2,876,642	2,876,642	2,828,497	2,828,497
Currency translation reserve		(4,188,850)	(4,752,664)	-	-
Employee benefit reserve		(465,792)	(465,792)	(465,792)	(465,792)
Retained Earnings		473,142,679	496,455,952	501,536,340	518,249,867
Equity attributable to owners of the Company		522,314,933	545,064,392	554,849,299	571,562,826
Non-controlling interest		4,716,830	5,028,878	-	-
Total equity		527,031,763	550,093,270	554,849,299	571,562,826
NON CURRENT LIABILITIES					
Deferred tax liabilities	11.4	541,753	507,074	-	-
Borrowings	20	129,153,064	124,850,394	95,745,902	95,079,111
Provisions for liabilities and other charges	22	595,220	376,665	281,934	233,856
Retirement benefits obligation		2,429,285	1,962,640	2,429,285	1,962,640
Deferred revenue	21	1,868,501	1,868,501	1,868,501	1,868,501
Total non-current liabilities		134,587,823	129,565,274	100,325,622	99,144,108
Current liabilities					
Bank overdraft	23	2,304,384	855,690	-	-
Trade and other payables	19	118,259,469	82,215,494	107,711,446	73,289,339
Current income tax payable	11.2	1,662,253	565,897	1,662,253	565,737
Deferred revenue	21	265,386	541,736	265,386	541,736
Borrowings	20	104,767,922	55,433,696	104,764,296	55,431,396
Due to related parties	24	11,179,524	23,932,218	11,179,524	19,942,600
Total current liabilities		238,438,938	163,544,731	225,582,905	149,770,808
TOTAL EQUITY AND LIABILITIES		900,058,524	843,203,275	880,757,826	820,477,742

Dangote Cement Plc

Condensed consolidated statement of changes in equity For the period ended 30 June 2014

	Share capital N'000	Share premium N'000	Retained Earnings N'000	Employee Benefit reserve N'000	Currency translation reserve N'000	Capital Contribution N'000	Attributable to the owners of the parent N'000	Non - controlling interests N'000	Total N'000
Balance at 1 January 2013	8,520,254	42,430,000	361,130,672	(746,282)	(1,443,862)	2,876,642	412,767,424	7,234,467	420,001,891
Effect of prior year error correction			763,883				763,883		763,883
Profit for the period			107,863,110				107,863,110	(182,152)	107,680,957
Other comprehensive income for the period, net of income tax				21,278	(1,099,047)		(1,077,769)	(933,102)	(2,010,871)
Total comprehensive income for the period	-	-	107,863,110	21,278	(1,099,047)	-	106,785,341	(1,115,254)	105,670,086
Bonus shares	-	-	-				-		
Payment of dividends	-	-	(51,121,522)				(51,121,522)	-	(51,121,522)
Balance at 30 June 2013	8,520,254	42,430,000	418,636,143	(725,004)	(2,542,909)	2,876,642	469,195,126	6,119,213	475,314,338
Balance at 1 January 2014	8,520,254	42,430,000	496,455,952	(465,792)	(4,752,664)	2,876,642	545,064,392	5,028,878	550,093,270
Profit for the period	-	-	95,970,279	-	-	-	95,970,279	(530,422)	95,439,857
Other comprehensive income for the period, net of income tax	-	-	-	-	563,814	-	563,814	117,380	681,194
Total comprehensive income for the period	-	-	95,970,279	-	563,814	-	96,534,093	(413,042)	96,121,051
Payment of dividends			(119,283,552)				(119,283,552)	-	(119,283,552)
Effect of additional acquisition in subsidiaries			-				-	100,994	100,994
Balance at 30 June 2014	8,520,254	42,430,000	473,142,679	(465,792)	(4,188,850)	2,876,642	522,314,933	4,716,830	527,031,763

Dangote Cement Plc

Condensed separate statement of changes in equity For the period ended 30 June 2014

	Share capital N'000	Share premium N'000	Capital contribution N'000	Retained earnings N'000	Employee benefit reserve N'000	Total N'000
Balance at 1 January 2013	8,520,254	42,430,000	2,828,497	374,574,125	(746,282)	427,606,594
Effect of prior year error correction				763,883		763,883
Profit for the period				108,522,510		108,522,510
Other comprehensive income for the period, net of income tax	-	-	-	-	21,278	21,278
Total comprehensive income for the period	-	-	-	108,522,510	21,278.00	108,543,788
Bonus share	-			-	-	-
Payment of dividends			-	(51,121,522)		(51,121,522)
Balance at 30 June 2013	8,520,254	42,430,000	2,828,497	432,738,996	(725,004)	485,792,743
Balance at 1 January 2014	8,520,254	42,430,000	2,828,497	518,249,867	(465,792)	571,562,826
Profit for the period				102,570,025		102,570,025
Other comprehensive income for the period, net of income tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	102,570,025	-	102,570,025
Payment of dividends	-	-	-	(119,283,552)	-	(119,283,552)
Balance at 30 June 2014	8,520,254	42,430,000	2,828,497	501,536,340	(465,792)	554,849,299

Dangote Cement Plc
Condensed consolidated and separate statement of cash flows
For the period ended 30 June 2014

	Group			Company		
	Period ended 30/06/14	Period ended 30/06/13	Year ended 31/12/13	Period ended 30/06/14	Period ended 30/06/13	Year ended 31/12/13
	N'000	N'000	N'000	N'000	N'000	N'000
Cash flows from operating activities						
Profit before tax	107,069,574	107,680,958	190,761,362	114,167,560	108,522,510	200,010,823
Adjustments for:						
Depreciation and Amortization	17,342,618	16,226,212	33,705,507	16,717,807	16,060,753	32,165,155
Write off of property plant and equipment	1,700,878	357,370	40,909	1,519,235	340,330	28,492
Finance cost	7,359,253	6,369,563	12,351,894	6,711,361	6,528,437	11,094,895
Interest income	(2,663,242)	(2,960,386)	(5,630,349)	(6,812,027)	(2,951,649)	(10,380,078)
Amortisation of deferred revenue	(276,349)	(308,285)	(602,255)	(276,350)	(308,132)	(602,101)
Provision for restoration	218,555	507,338	(110,645)	48,078	(53,630)	(40,926)
Provisions for employee benefits	1,029,710	612,951	1,128,660	1,042,315	491,748	1,128,660
Gain on disposal of property, plant and equipment	-	-	(103,264)	(21,964)	-	(85,450)
	131,780,997	128,485,721	231,541,819	133,096,015	128,630,367	233,319,470
Changes in working capital:						
Change in inventory	(7,333,006)	(5,786,385)	4,810,651	(7,706,098)	(4,997,972)	7,276,792
Change in trade and other receivables	(75,774)	13,099,631	23,063,013	343,725	3,332,280	14,290,812
Change in due from related parties	(1,294,510)	(11,767,889)	1,489,249	(1,626,328)	(10,448,615)	1,875,346
Change in due to related parties	(12,503,368)	(2,771,975)	5,877,608	(8,361,188)	(1,612,858)	3,213,703
Change in trade and other payables	35,537,710	22,244,950	17,520,888	34,514,582	24,724,102	18,546,111
Gratuity and Pension paid	(563,065)	-	(629,206)	(563,065)	-	(629,206)
Income tax paid	(225,937)	(1,681,803)	(1,935,748)	(225,937)	(1,681,803)	(1,939,301)
Net cash generated from operating activities	145,323,047	141,822,250	281,738,274	149,471,706	137,945,500	275,953,727
Investing activities						
Additions to intangible assets	(288,667)	(832,242)	(442,212)	-	(808,339)	(222,590)
Acquisition of property, plant and equipment and investment	(119,274,865)	(83,078,529)	(139,966,242)	(75,329,779)	(30,319,460)	(99,116,814)
Proceeds from disposal of property, plant and equipment	-	-	11,248	-	-	11,248
Acquisition of investment	-	-	(389)	(8,030)	-	(389)
Changes in non-current prepayment	2,316,534	594,489	(40,799,285)	10,272,447	-	(2,887,804)
Increase in long term receivables from subsidiaries	-	-	-	(47,307,178)	(40,602,835)	(71,853,488)
Net cash provided by investing activities	(117,246,998)	(83,316,282)	(181,196,880)	(112,372,540)	(71,730,634)	(174,069,837)
Financing activities						
Interest received	2,663,242	2,960,386	5,630,349	2,480,283	2,951,649	5,450,373
Interest paid	(6,903,258)	(6,459,513)	(12,019,482)	(6,679,582)	(6,709,513)	(11,762,862)
Dividend paid	(119,283,552)	(51,121,522)	(51,121,522)	(119,283,552)	(51,121,522)	(51,121,522)
Loans obtained	84,730,497	11,931,540	21,403,960	82,037,529	8,765,018	15,919,867
Loans repaid	(32,163,029)	(17,312,698)	(34,625,397)	(32,163,029)	(17,312,698)	(34,625,397)
Net cash provided by financing activities	(70,956,100)	(60,001,807)	(70,732,092)	(73,608,351)	(63,427,066)	(76,139,541)
(Decrease)/increase in cash and cash equivalent	(42,880,051)	(1,495,839)	29,809,302	(36,509,185)	2,787,801	25,744,349
Effects of exchange rate changes on the none monetary assets held in foreign currencies	7,133,068	6,874,049	(3,325,762)	-	-	-
Cash and cash equivalents at beginning of year	69,645,893	43,162,353	43,162,353	67,442,862	41,698,513	41,698,513
Cash and cash equivalents at end of year	33,898,910	48,540,563	69,645,893	30,933,677	44,486,314	67,442,862

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements For the period ended 30 June 2014

1 General Information

Dangote Cement Plc (“the Company”) was incorporated in Nigeria as a public limited liability company on 4 November, 1992 and commenced operations in January 2007 under the name Obajana Cement Plc. The name was changed on 14 July 2010 to Dangote Cement Plc.

Its parent company is Dangote Industries Limited (“DIL” or “the Parent Company”). Its ultimate controlling party is Alhaji Aliko Dangote.

The registered address of the Company is located at 1 Alfred Rewane Road, Ikoyi, Lagos, Nigeria.

The principal activity of the Company and subsidiaries (together referred to as “the Group”) is to operate plants for the preparation, manufacture, and distribution of cement and related products. The Company’s production activities are currently undertaken at Obajana town in Kogi State, Gboko in Benue State and Ibese in Ogun State; all in Nigeria. Information in respect of the subsidiaries locations is disclosed in note 14.

The consolidated financial statements of the Company for the period ended 30 June 2014 comprise the Company and its subsidiaries.

The separate financial statements of the Company for the period ended 30 June 2014 comprise the Company only.

These consolidated and separate financial statements for the period ended 30 June 2014 have been approved for issue by the Directors on 30 July 2014

2 Significant accounting policies

Dangote Cement Group Plc applies the same accounting policies and methods of computation in its interim consolidated financial statements as in its 2013 annual financial statements. None of the new standards, interpretations and amendments, effective for the first time from 1 January 2014, have had a material effect on the financial statements.

2.1 Basis of preparation

These interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2013 annual report.

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements For the period ended 30 June 2014

3 REVENUE

An analysis of revenue is as follows:

	Group				Company			
	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000
Revenue from the sale of cement	105,235,487	208,710,619	102,861,141	198,152,239	102,583,397	202,352,450	98,448,126	190,770,731
Revenue from the sale of ash	103,644	197,852	174,147	311,057	-	-	-	-
	<u>105,339,131</u>	<u>208,908,471</u>	<u>103,035,288</u>	<u>198,463,296</u>	<u>102,583,397</u>	<u>202,352,450</u>	<u>98,448,126</u>	<u>190,770,731</u>

All sales as detailed above are to external customers

4 Segment Information

4.1 Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segment. Performance is measured based on segment sales revenue and operating profit, as included in the internal management reports that are reviewed by the Executive Management Committee. Segment sales revenue and operating profit are used to measure performance as management believes that such information is the most relevant in evaluating results of certain segments relative to other entities that operate within these industries.

	Group							
Revenue/Operating profit/loss)	Segment revenue				Segment operating profit/loss			
	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000
Nigeria	102,583,397	202,352,450	98,448,126	190,770,731	58,469,916	114,090,512	55,997,705	111,807,804
West and Central Africa	425,828	3,402,875	4,413,015	7,381,508	(734,605)	(1,356,319)	(162,551)	(296,490)
East and South Africa	2,329,906	3,153,146	174,147	311,057	(302,288)	(749,983)	(232,363)	(421,179)
Consolidated Revenue/profit or (loss)	<u>105,339,131</u>	<u>208,908,471</u>	<u>103,035,288</u>	<u>198,463,296</u>	<u>57,433,023</u>	<u>111,984,210</u>	<u>55,602,791</u>	<u>111,090,135</u>

Total segment operating profit agrees to the profit from operating activities. A reconciliation of profit from operating activities to profit before tax is presented on the face of the profit and loss account.

4.2 Segment revenues and results

	Group							
Other income & Profit/ (loss) after tax	Other income				Profit/(loss) after tax			
	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000
Nigeria	409,308	1,907,904	553,964	787,875	52,090,564	102,570,025	54,440,691	108,522,510
West and Centra Africa	15,513	25,179	(174)	15,900	(1,558,838)	(2,148,324)	(213,250)	(427,679)
East and South Africa	430	4,523	22,329	23,667	(649,464)	(1,071,240)	(281,723)	(413,873)
Consolidated Revenue/profit or (loss)	<u>425,251</u>	<u>1,937,606</u>	<u>576,119</u>	<u>827,442</u>	<u>49,882,262</u>	<u>99,350,461</u>	<u>53,945,718</u>	<u>107,680,958</u>
Elimination/Adjustment	-	-	-	-	(2,062,279)	(3,910,604)	-	-
	<u>425,251</u>	<u>1,937,606</u>	<u>576,119</u>	<u>827,442</u>	<u>47,819,983</u>	<u>95,439,857</u>	<u>53,945,718</u>	<u>107,680,958</u>

4.3 Segment assets and liabilities

Segment total assets

	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Nigeria	880,757,826	820,477,742
West and Centra Africa	79,887,295	70,436,204
East and South Africa	185,857,684	144,045,882
Total Segments assets	<u>1,146,502,805</u>	<u>1,034,959,828</u>
Elimination/Adjustment	(246,444,281)	(191,756,553)
Consolidated total assets	<u>900,058,524</u>	<u>843,203,275</u>

Segment total liabilities

	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Nigeria	325,908,527	248,914,916
West and Centra Africa	90,910,038	80,293,881
East and South Africa	170,023,628	128,006,835
Total segment liabilities	<u>586,842,193</u>	<u>457,215,632</u>
Elimination/Adjustment	(213,815,432)	(164,105,627)
Consolidated total liabilities	<u>373,026,761</u>	<u>293,110,005</u>

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5 Cost of sales

	Group				Company			
	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000
Utilities and materials consumed	26,860,294	53,689,212	25,670,327	46,024,268	25,403,755	48,890,313	21,393,967	39,055,323
Royalty (refer (a) below)	116,004	210,757	127,998	221,698	116,004	210,757	127,998	221,698
Salaries and related staff costs	2,943,723	4,657,578	2,791,561	4,152,945	2,750,775	4,414,905	2,791,561	4,152,945
Other Production expenses	2,996,830	6,154,991	3,431,753	5,837,898	2,782,978	5,778,956	3,443,002	5,688,087
Depreciation & amortization	5,356,507	10,656,919	4,912,297	10,090,035	5,218,514	10,366,994	4,871,924	9,993,587
	<u>38,273,358</u>	<u>75,369,457</u>	<u>36,933,936</u>	<u>66,326,844</u>	<u>36,272,026</u>	<u>69,661,925</u>	<u>32,628,452</u>	<u>59,111,640</u>

- (a) Royalty payable is charged based on volume of extraction made during the year. This is in accordance with the agreement with the Federal Ministry of Mines and Steel Development.

6 Administrative expense

	Group				Company			
	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000
Salaries and related staff costs	1,421,382	4,167,009	1,684,347	3,479,227	1,100,814	3,189,046	1,217,983	2,778,645
Corporate social responsibility	488,722	821,716	219,747	597,745	461,397	788,802	219,746	597,744
Management fee	348,037	684,547	146,333	291,333	348,037	684,547	146,333	291,333
Depreciation & amortization	577,911	1,042,954	744,580	1,181,572	428,659	756,675	694,207	1,113,357
Audit fees	49,257	115,000	24,722	98,169	44,750	101,379	44,751	88,834
Others	(112,983)	1,871,242	1,721,093	3,289,544	(889,969)	811,034	1,588,457	2,981,675
	<u>2,772,326</u>	<u>8,702,468</u>	<u>4,540,822</u>	<u>8,937,590</u>	<u>1,493,688</u>	<u>6,331,483</u>	<u>3,911,477</u>	<u>7,851,588</u>

7 Selling and distribution

Depreciation	2,732,401	5,642,746	3,095,247	4,954,605	2,683,792	5,594,137	3,094,709	4,953,808
Advertisement and promotion	918,865	1,581,046	315,144	1,491,306	876,493	1,490,824	294,501	1,391,730
Haulage expenses	3,634,409	7,566,150	3,123,467	6,490,258	3,196,790	7,091,473	3,075,248	6,442,038
	<u>7,285,675</u>	<u>14,789,942</u>	<u>6,533,858</u>	<u>12,936,169</u>	<u>6,757,075</u>	<u>14,176,434</u>	<u>6,464,458</u>	<u>12,787,576</u>

8 Other income

Insurance claims	54,522	70,938	88,818	155,806	54,522	70,938	88,818	155,806
Government grant	138,778	278,107	167,208	308,132	137,021	276,350	167,208	308,132
Sundry income	231,951	1,588,561	320,093	363,504	217,765	1,560,616	297,939	323,938
	<u>425,251</u>	<u>1,937,606</u>	<u>576,119</u>	<u>827,442</u>	<u>409,308</u>	<u>1,907,904</u>	<u>553,965</u>	<u>787,876</u>

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9 Finance income and costs

	Group				Company			
	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000
Finance income								
Interest income	1,026,417	2,663,242	1,794,885	2,960,386	3,139,200	6,786,745	1,792,559	2,951,649
Foreign exchange gains	554,822	568,286	-	-	24,057	25,282	-	-
	<u>1,581,239</u>	<u>3,231,528</u>	<u>1,794,885</u>	<u>2,960,386</u>	<u>3,163,257</u>	<u>6,812,027</u>	<u>1,792,559</u>	<u>2,951,649</u>
Finance costs								
Interest expenses	4,201,906	8,149,178	3,744,893	6,989,198	3,494,209	7,501,287	3,693,830	6,856,579
Less: amounts included in the cost of qualifying assets	-	(789,926)	(290,868)	(619,635)	-	(789,926)	(290,868)	(619,635)
	<u>4,201,906</u>	<u>7,359,252</u>	<u>3,454,025</u>	<u>6,369,563</u>	<u>3,494,209</u>	<u>6,711,361</u>	<u>3,402,962</u>	<u>6,236,944</u>
Foreign exchange loss	757,186	786,912	(53,388)	-	(6,108)	23,618	(53,388)	-
	<u>4,959,092</u>	<u>8,146,164</u>	<u>3,400,637</u>	<u>6,369,563</u>	<u>3,488,101</u>	<u>6,734,979</u>	<u>3,349,574</u>	<u>6,236,944</u>

The weighted average capitalisation rate on funds borrowed generally is 10% and 12% per annum for the Group and Company respectively.

10 Earnings per share

	Group				Company			
	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000
Profit for the year attributable to owners of the Company	48,185,922	95,970,279	54,068,151	107,863,110	52,090,564	102,570,025	54,440,691	108,522,510
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	17,040,507	17,040,507	17,040,507	17,040,507	17,040,507	17,040,507	17,040,507	17,040,507
Basic and diluted earnings per share	<u>2.83</u>	<u>5.63</u>	<u>3.17</u>	<u>6.33</u>	<u>3.06</u>	<u>6.02</u>	<u>3.19</u>	<u>6.37</u>

11 Income tax

11.1 Income tax recognised in profit or loss

	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000	3 months ended 30/06/14 N'000	6 months ended 30/06/14 N'000	3 months ended 30/06/13 N'000	6 months ended 30/06/13 N'000
Current tax expense		-		-		-		-
Deferred tax credit/(expense)	(5,093,511)	(10,307,263)	(51,321)	-	(4,912,832)	(10,275,081)		
Prior year tax	-	(180,778)	-	-	-	(180,778)		
Education tax	(1,141,676)	(1,141,676)			(1,141,676)	(1,141,676)		
	<u>(6,235,187)</u>	<u>(11,629,717)</u>	<u>(51,321)</u>	<u>-</u>	<u>(6,054,508)</u>	<u>(11,597,535)</u>	<u>-</u>	<u>-</u>

	Group		Company	
	Period ended 30/06/14 N'000	Period ended 30/06/13 N'000	Period ended 30/06/14 N'000	Period ended 30/06/13 N'000
11.2 Per Balance sheet				
The movement in the tax payable account was as follows:-				
Balance, beginning of the year	565,737	2,504,925	565,737	2,504,925
charge for the period	1,141,676	-	1,141,676	-
Payments during the period	(45,160)	(1,679,413)	(45,160)	(1,681,803)
Balance, end of the period	<u>1,662,253</u>	<u>825,512</u>	<u>1,662,253</u>	<u>823,122</u>
11.3 The movement in the deferred tax asset account was as follows				
Balance, beginning of the year	19,635,378	24,937,023	18,359,111	23,572,556
charge for the year	(10,307,263)	-	(10,275,081)	-
Arising during the period/Effect of currency exchange difference	37,657	(56,662)	-	-
Balance, end of the period	<u>9,365,772</u>	<u>24,880,361</u>	<u>8,084,030</u>	<u>23,572,556</u>
11.4 The movement in the deferred tax liability account was as follows				
Balance, beginning of the year	507,074	530,227	-	-
charge for the year	-	-	-	-
Arising during the period/Effect of currency exchange difference	34,679	54,990	-	-
Balance, end of the period	<u>541,753</u>	<u>585,217</u>	<u>-</u>	<u>-</u>

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12 Property, plant and equipment

12.1 Group

	Leasehold improvements and buildings N'000	Plant and equipment N'000	Aircrafts and motor vehicles N'000	Factory furniture and equipment N'000	Capital work- in-progress N'000	TOTAL N'000
Cost or deemed cost						
As at 1 January 2013	34,570,070	314,038,199	34,253,753	1,392,004	136,546,504	520,800,530
Additions	443,392	8,607,353	5,883,413	426,607	135,255,235	150,616,000
Disposals/write off	(145)	(13,755)	(1,674,129)	(1,048)	(1,413)	(1,690,490)
Reclassifications	(25,161,934)	(2,089,621)	12,475,426	(19,989)	14,796,118	-
Other reclassification	-	-	(5,388)	-	(6,480,854)	(6,486,242)
Effect of foreign currency exchange differences	26,005,913	(473,991)	119,592	(20,933)	(32,096,495)	(6,465,914)
Balance at 31 December 2013	35,857,296	320,068,185	51,052,667	1,776,641	248,019,095	656,773,884
Additions	106,687	2,801,355	523,538	76,785	115,894,199	119,402,564
Disposals/write off	-	(1,700,878)	-	-	-	(1,700,878)
Reclassification	505,216	10,754,949	4,287,464	2,682	(15,550,311)	-
Other reclassification	(30,176)	-	-	-	(1,153,341)	(1,183,517)
Effect of foreign currency exchange differences	(31,342)	(273,976)	(151,135)	(26,896)	(4,980,561)	(5,463,910)
Balance at 30 June 2014	36,407,681	331,649,635	55,712,534	1,829,212	342,229,081	767,828,143
Accumulated depreciation						
Balance at 1 January 2013	2,127,030	31,092,905	9,112,310	376,708	-	42,708,953
Disposals/write off	-	(6,390)	(534,729)	(1,534)	-	(542,653)
Depreciation expense	1,681,394	18,921,007	12,550,360	403,410	-	33,556,171
Effect of foreign currency exchange differences	(5,277)	(124,353)	(270,268)	(13,805)	-	(413,703)
Balance at 31 December 2013	3,803,147	49,883,169	20,857,673	764,779	-	75,308,768
Depreciation expense	908,528	9,951,738	6,152,767	214,282	-	17,227,315
Disposal/write off	-	-	-	-	-	-
Adjustment	-	(181,643)	-	-	-	(181,643)
Effect of foreign currency exchange differences	6,084	(59,707)	740	(3,314)	-	(56,197)
Balance at 30 June 2014	4,717,759	59,593,557	27,011,180	975,747	-	92,298,243
Carrying amounts						
At 1 January 2013	32,443,040	282,945,294	25,141,443	1,015,296	136,546,504	478,091,577
At 31 December 2013	32,054,149	270,185,016	30,194,994	1,011,862	248,019,095	581,465,116
At 30 June 2014	31,689,922	272,056,078	28,701,354	853,465	342,229,081	675,529,900

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Notes to the consolidated and separate financial statements For the period ended 30 June 2014

12 Property, plant and equipment

12.2 Company

	Leasehold improvements and buildings N'000	Plant and equipment N'000	Aircrafts and motor vehicles N'000	Factory furniture and equipment N'000	Capital work- in-progress N'000	TOTAL N'000
Cost or deemed cost						
As at 1 January 2013	31,222,024	309,525,230	31,156,790	917,545	46,823,737	419,645,326
Additions	200,979	5,625,920	5,238,651	258,191	96,786,147	108,109,888
Eliminated on Write-off	-	-	-	-	-	-
Write off/disposal	-	-	(1,674,020)	-	(15,000)	(1,689,020)
Reclassifications	1,264,580	345,454	12,440,150	62,720	(14,112,904)	-
Other reclassification	-	-	-	-	(744,781)	(744,781)
Balance at 31 December 2013	32,687,583	315,496,604	47,161,571	1,238,456	128,737,199	525,321,413
Additions	-	1,653,779	431,780	32,634	73,211,586	75,329,779
Eliminated on Write-off	-	-	-	-	-	-
Disposals	-	(1,700,878)	-	-	-	(1,700,878)
Reclassification	505,216	11,483,760	4,070,227	2,682	(16,061,885)	-
Other reclassification	-	-	-	-	(401,888)	(401,888)
Balance at 30 June 2014	33,192,799	326,933,265	51,663,578	1,273,772	185,485,012	598,548,426
Accumulated depreciation						
Balance at 1 January 2013	2,102,916	30,497,754	8,928,607	251,818	-	41,781,095
Disposal/write off	-	-	(534,729)	-	-	(534,729)
Depreciation expense	1,666,503	18,587,258	11,461,046	313,351	-	32,028,158
Balance at 31 December 2013	3,769,419	49,085,012	19,854,924	565,169	-	73,274,524
Depreciation expense	898,181	9,645,099	5,915,050	159,213	-	16,617,543
Disposal/write off	-	(181,643)	-	-	-	(181,643)
Eliminated on write off	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-
Balance at 30 June 2014	4,667,600	58,548,468	25,769,974	724,382	-	89,710,424
Carrying amounts						
At 1 January 2013	29,119,108	279,027,476	22,228,183	665,727	46,823,737	377,864,231
At 31 December 2013	28,918,164	266,411,592	27,306,647	673,287	128,737,199	452,046,889
At 30 June 2014	28,525,199	268,384,797	25,893,604	549,390	185,485,012	508,838,002

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Notes to the condensed consolidated and separate financial statements

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13 Intangible assets

13.1 Group

	Computer software N'000	Exploration assets N'000	Total N'000
Cost			
Balance at 1 January 2013	442,116	1,648,062	2,090,178
Additions	308,157	134,055	442,212
Other reclassifications	585,749	-	585,749
Adjustment	(1,867)	-	(1,867)
Effect of foreign currency exchange differences	(35,759)	(287,027)	(322,786)
Balance at 31 December 2013	1,298,396	1,495,090	2,793,486
Additions	220,611	68,056	288,667
Adjustment	-	(141,895)	(141,895)
Effect of foreign currency exchange difference	1,113	5,499	6,612
Balance at 30 June 2014	1,520,120	1,426,750	2,946,870
Accumulated amortisation			
Balance at 1 January 2013	363,444	-	363,444
Amortisation expense	149,335	-	149,335
Adjustment	(813)	-	(813)
Effect of foreign currency exchange differences	(24,650)	-	(24,650)
Balance at 31 December 2013	487,316	-	487,316
Amortisation expense	115,304	-	115,304
Adjustment	-	-	-
Effect of foreign currency exchange difference	672	-	672
Balance at 30 June 2014	603,292	-	603,292
Carrying amounts			
At 1 January 2013	78,672	1,648,062	1,726,734
At 31 December 2013	811,080	1,495,090	2,306,170
At 30 June 2014	916,828	1,426,750	2,343,578

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Notes to the condensed consolidated and separate financial statements

For the period ended 30 June 2014

13 Intangible assets

13.2 Company

	Computer software N'000	Other intangibles N'000	Total N'000
Cost			
Balance at 1 January 2013	225,604	-	225,604
Additions	222,590	-	222,590
Other reclassification	585,749		585,749
Balance at 31 December 2013	1,033,943	-	1,033,943
Additions	-	-	-
Balance at 30 June 2014	1,033,943	-	1,033,943
Accumulated amortisation			
Balance at 1 January 2013	224,756	-	224,756
Amortisation expense	136,997	-	136,997
Balance at 31 December 2013	361,753	-	361,753
Amortisation expense	100,263	-	100,263
Balance at 30 June 2014	462,016	-	462,016
Carrying amounts			
At 1 January 2013	848	-	848
At 31 December 2013	672,190	-	672,190
At 30 June 2014	571,927	-	571,927

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14 Investments

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Place of incorporation and operation	Proportion of ownership or voting power held by the Group	
		30/06/14	31/12/13
Sephaku Cement (Pty) Limited	South Africa	64.00%	64.00%
Dangote Industries (Ethiopia) Plc	Ethiopia	86.96%	86.96%
Dangote Industries (Zambia) Limited	Zambia	75.00%	75.00%
Dangote Cement Senegal S.A	Senegal	90.00%	90.00%
Dangote Cement Cameroun SA	Cameroun	80.00%	80.00%
Dangote Industries Limited, Tanzania	Tanzania	70.00%	70.00%
Dangote Cement Congo S.A	Congo	100.00%	100.00%
Dangote Cement (Sierra Leone) Limited	Sierra Leone	99.60%	99.60%
Dangote Cement, Cote D'Ivoire SA	Cote D'Ivoire	80.00%	80.00%
Dangote Industries Gabon S.A	Gabon	80.00%	80.00%
Dangote Cement Ghana Limited	Ghana	100.00%	100.00%
Dangote Cement - Liberia Ltd.	Liberia	100.00%	100.00%
Dangote Cement Marketing Senegal SA	Senegal	100.00%	100.00%

All the subsidiaries of the Company except Dangote Cement Ghana Ltd. and Dangote Cement Marketing Senegal SA are executing Capital projects on cement manufacturing/grinding facility or cement terminal. Both Dangote Cement Ghana and Sephaku Cement (Pty) Ltd. are incurring small losses.

Investments

	Group		Company	
	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Sephaku Cement (Pty) Limited	-	-	24,283,254	24,283,254
Dangote Industries (Ethiopia) Plc	-	-	732,657	732,657
Dangote Industries (Zambia) Limited	-	-	115	115
Dangote Cement Senegal S.A	-	-	29,448	29,448
Dangote Cement Cameroun SA	-	-	8,807	8,807
Dangote Industries Limited, Tanzania	-	-	69,636	69,636
Dangote Cement Congo S.A	-	-	3,481	785
Dangote Cement (Sierra Leone) SA	-	-	72,190	72,190
Dangote Cement, Cote D'Ivoire SA	-	-	16,044	3,082
Dangote Industries Gabon S.A	-	-	5,748	3,081
Dangote Cement Marketing Senegal SA	-	-	4,232	4,232
Dangote Cement - Madagascar	389	389	389	389
	389	389	25,226,001	25,207,676

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15 Prepayments

	Group		Company	
	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Non-current				
Advance to contractors	90,333,127	91,715,470	13,677,565	23,950,013
Total non-current prepayments	90,333,127	91,715,470	13,677,565	23,950,013
Current				
Advance to contractors	24,933,851	23,301,601	24,540,979	20,941,803
Deposit for import	12,892,140	12,616,503	12,892,140	12,602,408
Rent and insurance	1,093,029	1,095,512	888,753	1,008,243
Total current prepayments	38,919,020	37,013,616	38,321,872	34,552,454

Advances to contractors represent various advances for the purchase of LPFO and AGO together with advances for the construction of plants and other materials which were not received at the year end.

16 Inventories

	Group		Company	
	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Finished goods	812,695	3,022,790	541,948	2,539,486
Work-in-progress	1,380,415	1,705,281	742,897	1,613,305
Raw materials	3,541,486	3,002,453	1,961,989	1,614,985
Packaging materials	1,359,261	1,221,501	916,747	1,120,276
Consumables	4,024,461	3,968,817	3,965,536	3,906,947
Fuel	8,666,543	3,717,367	8,576,164	3,680,771
Spare parts	12,287,717	9,434,740	11,814,557	8,988,935
Goods-in-transit	2,927,716	1,594,339	2,763,006	112,041
	35,000,294	27,667,288	31,282,844	23,576,746

17 Trade and other receivables

	Group		Company	
	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Trade receivables	4,177,173	9,386,389	3,031,134	9,093,143
Impairment allowance on trade receivables	(2,637,585)	(2,716,140)	(2,632,625)	(2,632,625)
	1,539,588	6,670,249	398,509	6,460,518
Deposits for supplies	167,110	1,022,573	-	-
Staff loans and advances	889,676	640,723	831,489	602,606
Other receivables	5,840,050	1,932,508	2,555,660	835,678
	8,436,424	10,266,053	3,785,658	7,898,802

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements For the period ended 30 June 2014

18 Share capital

	Group	
	Period ended 30/06/14	Year ended 31/12/13
	N'000	N'000
<i>Issued and fully paid</i>		
Share capital (17,040,507,405 (2011 15,491,370,368 ordinary shares of N 0.5 each)	8,520,254	8,520,254
Share premium	42,430,000	42,430,000
	50,950,254	50,950,254

19 Trade and other payables

	Group		Company	
	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Trade payables	33,106,293	22,211,084	32,032,865	19,847,840
Advances from customers	20,518,696	13,378,789	20,414,249	13,056,462
Payable to contractors	31,209,220	12,974,879	28,600,089	11,065,492
Value added tax	5,847,060	11,073,872	5,847,060	11,073,872
Withholding tax payable	1,525,975	564,750	767,324	556,404
Staff pension	82,557	135,787	71,417	131,390
Interest payable	7,252,711	5,797,524	7,239,347	5,797,524
Other accruals and payables	18,716,957	16,078,809	12,739,095	11,760,355
	118,259,469	82,215,494	107,711,446	73,289,339

20 Borrowings

	Group		Company	
	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Unsecured borrowings at amortised cost				
Subordinated loans	29,996,852	29,996,737	29,996,852	29,996,737
Loans from Parent company	95,000,000	45,000,000	95,000,000	45,000,000
Bulk Commodities loans	514,214	514,214	514,214	514,214
	125,511,066	75,510,951	125,511,066	75,510,951
Secured borrowings at amortised cost				
Power intervention loan	17,796,211	18,481,074	17,796,211	18,481,074
Bank loans	90,613,709	86,292,065	57,202,921	56,518,482
	108,409,920	104,773,139	74,999,132	74,999,556
Total borrowing at 31 March 2014	233,920,986	180,284,090	200,510,198	150,510,507
Long-term portion of loans and borrowings	129,153,064	124,850,394	95,745,902	95,079,111
under current liabilities	104,767,922	55,433,696	104,764,296	55,431,396

- (a) A consortium of banks granted the Company facilities to fund expansion projects in various plants. The loans were granted at fixed and floating interest rates of 10% per annum and MPR + 3% respectively. The facilities are for an initial period of 3 years with the option of an extension for a further two years. The facilities are secured with a fixed and floating charge over the Company's assets. Principal and interest are repayable quarterly.

As part of the requirements of the Syndicated Term Loan of R1.95bn facility from Nedbank Capital and Standard Bank of South Africa for the finance of the Group's South African plant in 2012, the Company extended an interest bearing subordinated loan to Sephaku Cement to the tune of R132.5 Million as a guarantee to help access the remainder of its loan with Nedbank/Standard Bank. This loan is expected to be repaid in two tranches at an interest rate of Johannesburg Inter-Bank Agreed Rate (JIBAR) plus 4% per annum but in order for the Company to fulfil this, it entered into a contractual obligation with Zenith Bank Plc. to avail a credit facility for a Term Loan to be on lend to Sephaku Cement Ltd of about N4.4bn. This loan has a quarterly interest rate payment of 6% per annum and is expected to have a bullet repayment of principal upon maturity which is 48 months from the date the loan was advanced. In addition, the loan has been secured on all assets debenture over fixed and floating assets of Dangote Cement Plc.

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Notes to the condensed consolidated and separate financial statements

For the period ended 30 June 2014

20 Borrowings (Contd.)

- (b) In 2011, Dangote Industries Limited (DIL) transferred its interests in certain African operations to the Company at a cost of N45.147 billion which was the total cost incurred by the Parent Company as at that date. DIL granted a N45 billion long term loan with a tenor up to 31 December 2019, including an initial moratorium up to period ending 31 March 2017. The interest is charged at 10% per annum on outstanding principal.
- (c) A subordinated loan of N55.4 billion was obtained by the Company from Dangote Industries Limited in 2010. N30 billion was long-term and the remaining balance was short term and is repayable on demand. The long-term loan is unsecured, with interest at 10% per annum and is repayable in 3 years after a moratorium period ending 31 March 2017. The interest on the long term portion was waived for 2011. Given the favourable terms at which the Company secured the loan, an amount of N2.8 billion which is the difference between the fair value of the loan on initial recognition and the amount received, has been accounted for as capital contribution.
- (d) Bulk Commodities International loan granted at an interest rate of 6% per annum represents short term funding requirements. The loan is repayable on demand.
- (e) In 2011 and 2012, the Bank of Industry through Guaranty Trust Bank Plc and Access Bank Plc granted the Company the sum of N 24.5billion long-term loan repayable over 10 years at an all-in annual interest rate of 7% for part financing or refinancing the construction cost of the power plants at the Company's factories under the Power and Aviation Intervention Fund. The loan has a moratorium of 12 months. Given the concessional terms at which the Company secured the loan, it is considered to have an element of government grant. Using prevailing market interest rates for an equivalent loan of 12.5%, the fair value of the loan is estimated at N 20.7 billion. The difference of N 3.66 billion between the gross proceeds and the fair value of the loan is the benefit derived from the interest-free loan and is recognised as deferred revenue. The facility is secured by a debenture on all fixed and floating assets of the company to be shared pari passu with existing lenders.
- (f) The Company availed certain short term facilities from banks for purchase of cement and power plant equipment, trucks, aircraft etc. which would be repaid within 12 months.

21 Deferred revenue

	Group		Company	
	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Deferred revenue arising from government grant (refer to (a) below)	2,133,888	2,410,237	2,133,888	2,410,237
	2,133,888	2,410,237	2,133,888	2,410,237
Current	265,386	541,736	265,386	541,736
Non-current	1,868,501	1,868,501	1,868,501	1,868,501
	2,133,887	2,410,237	2,133,887	2,410,237

- (a) The deferred revenue mainly arises as a result of the benefit received from government loans received in 2011 and 2012. The revenue was recorded in other income line.

22 Provisions for liabilities and other charges

	Group		Company	
	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Balance at beginning of the year	376,665	487,310	233,856	274,782
Effect of foreign exchange differences	29,236	(93,586)	-	-
Provisions made during the year	175,288	(50,031)	34,047	(73,898)
Unwind of discount	14,031	32,972	14,031	32,972
Balance at the end of the period	595,220	376,665	281,934	233,856

The above provision represents the Group's obligations to settle environmental restoration and dismantling / decommissioning cost of property, plant and equipment. The expenditure is expected to be utilised at the end of the useful lives for the mines which is estimated to be between the year 2025 to 2035.

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements For the period ended 30 June 2014

23 Cash and cash equivalent

	Group		Company	
	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Cash and bank balances	21,129,857	19,007,633	16,089,719	15,948,908
Short term deposits	15,073,437	51,493,950	14,843,958	51,493,954
Bank overdrafts used for cash management purposes	36,203,294 (2,304,384)	70,501,583 (855,690)	30,933,677 -	67,442,862 -
Cash and cash equivalents	33,898,910	69,645,893	30,933,677	67,442,862

24 Related party transactions

The following balances were outstanding at the end of the reporting period:

	Group			
	Amount owed by related parties		Amount owed to related parties	
	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Parent company	-	-	-	7,476,324
Entities controlled by the parent company	3,453,821	2,158,775	11,179,524	14,445,936
Affiliates and associates of parent company	472,905	473,441	-	2,009,958
	3,926,726	2,632,216	11,179,524	23,932,218

	Company			
	Amount owed by related parties		Amount owed to related parties	
	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Non Current				
Entities controlled by the company	216,163,804	164,524,881	-	-

The above balances represents expenditures on projects in African countries. As these are not likely to be repaid within the next twelve months, they have been reclassified under non-current assets.

	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000	Period ended 30/06/14 N'000	Year ended 31/12/13 N'000
Current				
Parent company	73,473	-	-	7,815,606
Entities controlled by the parent company	3,326,068	1,772,677	11,179,524	10,470,145
Affiliates and associates of the parent company	472,905	473,441	-	1,656,849
	3,872,446	2,246,118	11,179,524	19,942,600