

IVORENE OIL SERVICES NIGERIA LIMITED

FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST MARCH, 2015**

ACCOUNTING POLICIES

These are some of the accounting policies adopted by the Company.

1. **Accounting Convention**

These financial statements have been prepared under the historical cost convention and no adjustment has been made on the financial statements to reflect the impact of any specific or general changes in the level of prices.

2. **Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation.

3. **Depreciation**

Depreciation is provided to write off the cost of fixed assets over the estimated useful lives of the assets at the following rates.

Office Equipment	20%
Computers	20%
Furniture & Fixtures	20%
Plant & Machinery	33.33%
Motor Vehicles	20%

4. **Foreign Currencies**

Transactions in foreign currencies are converted at the appropriate rates of exchange ruling at the time they arise.

Foreign currency denominated assets and liabilities existing at the balance sheet date are translated into Naira at the rate of exchange ruling at that date.

IVORENE OIL SERVICES NIGERIA LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2015

	<u>NOTES</u>	<u>2015</u>	<u>2014</u>
		=N=	=N=
FIXED ASSETS	1	9,287,458	14,835,147
<u>CURRENT ASSETS</u>			
Debtors & Prepayments	2	383,894,121	370,590,151
Cash & Bank	3	<u>14,168,383</u> <u>398,062,504</u>	<u>10,330,960</u> <u>380,921,111</u>
<u>LESS: CURRENT LIABILITIES</u>			
Creditors and Accruals	4	369,988,090	368,337,030
Taxation	5	<u>17,857,131</u> <u>387,845,221</u>	<u>2,444,747</u> <u>370,781,777</u>
NET CURRENT ASSETS		<u>10,217,283</u> <u>19,504,741</u>	<u>10,139,334</u> <u>24,974,481</u>
<u>FINANCED BY:</u>			
Share Capital	6	10,000,000	10,000,000
Profit & Loss Account	7	<u>9,504,741</u> <u>19,504,741</u>	<u>14,974,481</u> <u>24,974,481</u>

x
x

	DIRECTORS

The accounting policies on page 9 and notes on pages 13 to 15 form an integral part of these financial statements.

IVORENE OIL SERVICES NIGERIA LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

	<u>NOTES</u>	<u>2015</u> <u>=N=</u>	<u>2014</u> <u>=N=</u>
Income		16,300,000	14,935,000
Sundry Income	8	<u>48,349,722</u>	<u>45,412,397</u>
		64,649,722	60,347,397
Less: Administrative Expenses	9	<u>(46,233,726)</u>	<u>(45,412,397)</u>
Profit before Depreciation of Fixed Assets		18,415,996	14,935,000
Depreciation of Fixed Assets		<u>(6,028,605)</u>	<u>(5,932,422)</u>
Profit before Taxation		12,387,391	9,002,578
Taxation	5	<u>(17,857,131)</u>	<u>(6,057,315)</u>
Profit/(Loss) after Tax		(5,469,740)	2,945,263
Profits brought forward		14,974,481	12,029,218
Balance Carried Forward		<u><u>9,504,741</u></u>	<u><u>14,974,481</u></u>

The accounting policies on page 9 and notes on pages 13 to 15 form an integral part of these financial statements.

IVORENE OIL SERVICES NIGERIA LIMITED

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	=N=	<u>2015</u>	=N=	=N=	<u>2014</u>	=N=
<u>Cashflow from Operating Activities</u>						
Profit Before Taxation			12,387,391		9,002,578	
<u>Adjustment for Items not involving movement of funds</u>						
- Depreciation of Fixed Assets			6,028,605		5,932,422	
			<u>18,415,996</u>		<u>14,935,000</u>	
<u>Changes in Working Capital</u>						
(Increase)/Decrease in Debtors & Prepayments	(13,303,970)			(114,432,384)		
Increase/(Decrease) in Creditors and Accruals		<u>1,651,060</u>		<u>109,669,481</u>		
Cash generated from Operations		<u>(11,652,910)</u>		<u>(4,762,903)</u>		
			6,763,087		10,172,097	
Taxes Paid			<u>(2,444,747)</u>		<u>(8,982,610)</u>	
Net Cash Inflow/(Outflow) from Operating activities			4,318,340		1,189,487	
<u>Cashflow from Investing Activities</u>						
Purchase of Fixed Assets			<u>(480,917)</u>		<u>(8,319,450)</u>	
Net Increase/(Decrease) in cash & cash equivalents			3,837,423		(7,129,963)	
Cash and cash equivalents at the beginning of the year			<u>10,330,960</u>		<u>17,460,923</u>	
			<u><u>14,168,383</u></u>		<u><u>10,330,960</u></u>	
<u>This Comprises:</u>						
Bank and Cash Balances			<u><u>14,168,383</u></u>		<u><u>10,330,960</u></u>	

IVORENE OIL SERVICES NIGERIA LIMITED

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

1 FIXED ASSETS

	<u>TOTAL</u>	<u>OFFICE EQUIPMENT</u>	<u>COMPUTERS</u>	<u>FURNITURE & FIXTURES</u>	<u>PLANT & MACHINERY</u>	<u>MOTOR VEHICLES</u>
	N	N	N	N	N	N
<u>Cost</u>						
As at 01/04/2014	27,621,077	8,423,859	1,244,000	8,590,903	3,062,315	6,300,000
Additions during the year	480,917	415,067	-	65,850	-	-
As at 31/03/2015	<u>28,101,994</u>	<u>8,838,926</u>	<u>1,244,000</u>	<u>8,656,753</u>	<u>3,062,315</u>	<u>6,300,000</u>
<u>Depreciation</u>						
As at 01/04/2014	12,785,930	5,049,081	732,050	3,703,460	2,041,340	1,260,000
Charge for the year	6,028,605	1,767,785	248,800	1,731,351	1,020,669	1,260,000
As at 31/03/2015	<u>18,814,536</u>	<u>6,816,866</u>	<u>980,850</u>	<u>5,434,810</u>	<u>3,062,009</u>	<u>2,520,000</u>
<u>NET BOOK VALUE</u>						
As at 31/03/2015	<u>9,287,458</u>	<u>2,022,060</u>	<u>263,150</u>	<u>3,221,943</u>	<u>306</u>	<u>3,780,000</u>
As at 31/03/2014	<u>14,835,147</u>	<u>3,374,778</u>	<u>511,950</u>	<u>4,887,444</u>	<u>1,020,975</u>	<u>5,040,000</u>

	<u>2015</u> N	<u>2014</u> N
2 <u>DEBTORS & PREPAYMENTS</u>		
Associated Company	344,282,255	348,326,752
Sundry Debtors	219,078	18,290,049
Advance to Suppliers	36,240,014	-
Prepayments	3,152,774	3,973,350
	<u>383,894,121</u>	<u>370,590,151</u>
3 <u>CASH & BANK BALANCES</u>		
Guaranty Trust Bank Plc	5,107,719	9,979,151
Guaranty Trust Bank Plc (Domiciliary Account)	8,874,028	341,038
	<u>13,981,747</u>	<u>10,320,189</u>
Cash in Hand	186,636	10,771
	<u>14,168,383</u>	<u>10,330,960</u>

IVORENE OIL SERVICES NIGERIA LIMITED

NOTES ON THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31ST MARCH, 2015

	<u>2015</u>		<u>2014</u>
	N	N	N
4 <u>CREDITORS & ACCRUALS</u>			
Trade Creditors	328,433,139		138,525,930
Sundry Creditors	31,624,282		228,236,100
Accruals	9,930,669		1,575,000
	<u>369,988,090</u>		<u>368,337,030</u>
5 <u>TAXATION</u>			
Income Tax 2014 YOA	-		2,510,402
Income Tax 2015 YOA	-		2,146,047
Income Tax 2016 YOA	4,438,310		-
		4,438,310	4,656,449
Education Tax 2014 YOA	-		287,732
Education Tax 2015 YOA	-		298,700
Education Tax 2016 YOA	368,320		-
		368,320	586,432
Prior Year Underprovision	13,050,501		814,434
Charged to P & L A/C	17,857,131		6,057,315
Balance brought forward	2,444,747		5,370,042
Payment during the year	(2,444,747)		(8,982,610)
Balance carried forward	<u>17,857,131</u>		<u>2,444,747</u>
6 <u>SHARE CAPITAL</u>			
<u>Authorized, Issued and Fully Paid</u>	<u>10,000,000</u>		<u>10,000,000</u>
10,000,000 Ordinary Shares of N1.00 each			
7 <u>PROFIT AND LOSS ACCOUNT</u>			
Balance Brought Forward	14,974,481		12,029,218
Retained Profit/(Loss) for the Year	(5,469,740)		2,945,263
Balance Carried Forward	<u>9,504,741</u>		<u>14,974,481</u>
8 <u>SUNDRY INCOME</u>			
Exchange Gain	2,115,996		-
Expenses reimbursed by Parent Company	46,233,726		45,412,397
	<u>48,349,722</u>		<u>45,412,397</u>

IVORENE OIL SERVICES NIGERIA LIMITED

NOTES ON THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31ST MARCH, 2015

		<u>2015</u>		<u>2014</u>
		N		N
9	<u>ADMINISTRATIVE EXPENSES</u>			
	Salaries & Wages	13,229,724		13,910,041
	Staff Welfare and Medical	803,375		726,748
	Insurances	940,414		283,500
	Rent	7,713,892		6,600,000
	Transport & Travelling	1,217,662		3,550,081
	Vehicle Running Expenses	725,290		343,990
	Repairs and Maintenance	6,466,406		6,699,417
	Telephone and Postages	813,025		861,135
	Printing and Stationery	75,705		114,900
	Electricity	145,500		270,400
	Subscription	520,840		342,000
	Office Expenses	3,143,131		2,660,758
	Finance Charges	933,512		824,427
	Legal, & Professional Fees	8,005,250		6,650,000
	Audit Fees	1,500,000		1,575,000
		46,233,726		45,412,397
10	<u>PROFIT BEFORE TAX</u>			
	This is stated after charging:			
	- Directors' Fees	-		-
	- Depreciation of Fixed Assets	6,028,605		5,932,422
	- Audit Fees	1,500,000		1,500,000
		7,528,605		7,364,422
11	<u>FINANCIAL COMMITMENTS</u>			
	The Directors are of the opinion that all known liabilities and commitments, which are relevant in assessing the Company's state of affairs, have been taken into account in the preparation of these financial statements.			
12	<u>POST BALANCE SHEET EVENTS</u>			
	There are no significant post balance sheet events which would have had any material effect on the balance sheet and the profit for the year ended on that date, which have not been adequately provided for or disclosed in the financial statements			
13	<u>APPROVAL OF FINANCIAL</u>			
	The Financial Statements were approved by the Board of Directors of the Company on			