

COURTEVILLE BUSINESS SOLUTIONS PLC

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2016**

COURTEVILLE BUSINESS SOLUTIONS PLC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
COMPANY REGISTRATION NO. 613746 OF 4TH JANUARY, 2005

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COURTEVILLE BUSINESS SOLUTIONS PLC
FINANCIAL HIGHLIGHTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 N	2015 N	% Inc/(Dec)
REVENUE	1,322,494,119	1,486,006,501	-11%
PROFIT BEFORE TAXATION	38,887,736	184,386,415	-79%
PROFIT AFTER TAXATION	36,810,033	65,617,262	-44%
AUTHORIZED SHARE CAPITAL	1,800,000,000	1,800,000,000	0%
ISSUED AND FULLY PAID CAPITAL	1,776,000,000	1,776,000,000	0%
SHARE PREMIUM	478,100,000	478,100,000	0%
SHAREHOLDERS' FUND	3,158,518,886	3,121,174,912	1%
TOTAL ASSETS	3,965,005,641	4,396,118,726	-10%

**COURTEVILLE BUSINESS SOLUTIONS PLC
CORPORATE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2016**

DIRECTORS:-

- GP. CAPT. MURTALA OSUOLALE SALAMI (RETD)	- CHAIRMAN
- ADEBOLA AKINDELE	- MD/CEO
- ROTIMI OLAOYE	- DEPUTY MANAGING DIRECTOR
- ADEWALE SONAIKE	- DEPUTY MANAGING DIRECTOR
- FEMI NIYI	- EXECUTIVE DIRECTOR
- OYE OGUNDELE	- EXECUTIVE DIRECTOR
- AFAM EDOZIE	- DIRECTOR
- OLABISI AKINDELE (MRS)	- DIRECTOR
- LILIAN AJAYI	- DIRECTOR (INDEPENDENT)
- TOPE OSAZEE	- DIRECTOR
- HELEN EMORE	- DIRECTOR

REGISTERED ADDRESS:-

38 COMMERCIAL AVENUE
SABO, YABA - LAGOS
info@courtevillegroup.com
www.courtevillegroup.com

COMPANY SECRETARY:-

JACKSON, ETTI & EDU & CO
RCO COURT
3-5, SINARI DARANIJO STREET
OFF AJOSE ADEOGUN STREET
VICTORIA ISLAND, LAGOS

NATURE OF BUSINESS:-

CONSULTING/BUSINESS SOLUTIONS DEVELOPMENT

MAJOR BANKERS:-

ECOBANK NIG. LTD
STERLING BANK PLC.
WEMA BANK PLC.
FIDELITY BANK PLC
FIRST BANK NIG LTD
UNION BANK PLC
SKYE BANK PLC
FIRST CITY MONUMENT BANK PLC
UNITED BANK FOR AFRICA

AUDITORS:-

THOMPSON AIYEGUNLE & CO.
(CHARTERED ACCOUNTANTS & TAX PRACTITIONERS)
11, ISAAC JOHN STREET
OFF IKORODU ROAD
FADEYI BUS STOP, LAGOS
TEL: 08033446618, 08127618175
E-mail: akinolathompson@yahoo.com
www.thompsonaiyegunle.com

REGISTRARS:

EDC REGISTRARS LTD
154 IKORODU ROAD
LAGOS

**COURTEVILLE BUSINESS SOLUTIONS PLC
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2016**

The Directors have pleasure in submitting their report with the Financial Statements for the year ended 31 December 2016.

1. ACCOUNTS

The Profit of the company for the year before providing for taxation was ₦38,887,736

2. LEGAL FORM

The company was incorporated in Nigeria as a private limited liability company on 4th January, 2005 and also commenced business on the same date. In 2008, the company became a public company and was quoted on the Nigeria Stock Exchange in April 2009. It is 100% owned by private Nigerian shareholders. On July 28, 2011 the company changed its name from Courteville Investments Plc to Courteville Business Solutions Plc.

3. PRINCIPAL ACTIVITIES

The main business of the Company is the development of business solutions and provision of other e-commerce services.

4. DIRECTORS AND DIRECTORS' INTERESTS

1. The names of the Directors are listed below.

2. The Directors' shareholdings are as follows:-

	No. of Shares
- Gp. Capt. Murtala Osuolale Salami (Retd)	1,200,000
- Adebola Akindele	1,527,692,235
- Rotimi Olaoye	297,452,400
- Adewale Sonaike	270,694,800
- Afam Edozie	7,800,000
- Femi Niyi	139,872,600
- Oye Ogundele	94,107,800
- Olabisi Akindele (Mrs)	192,108,000
- Lilian Ajayi	-
- Tope Osazee	-
- Helen Emore	780,000

5. DONATIONS

Donations made during the year in line with the provisions of the Companies Income Tax Act 2004 (as amended) to the following:

	₦
- Renovation of Unilag Senior Staff Club	5,000,000
- Skills Acquisition for Community Youth	655,000
- Unilag Triangular Games	1,000,000
- Modupe Cole	730,000

6. EVENTS AFTER THE REPORTING DATE

There were no events after the reporting date, which could have had material effects on the state of affairs of the company as at 31 December 2016.

7. ACQUISITION OF OWN SHARES

The company did not purchase its own shares during the period.

**COURTEVILLE BUSINESS SOLUTIONS PLC
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2016**

8. DIRECTORS' RESPONSIBILITY STATEMENT

The following which should be read in conjunction with the report of the Auditors on page 6 is made to distinguish the responsibility of the Directors for the Financial Statements from those of the Auditors.

In accordance with the provision of section 334 and 335 of the Companies and Allied Matters Act, 1990, the company's Directors are responsible for the preparation of Financial Statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its result for the year and comply with the requirement of the Act. These responsibilities include ensuring that;

- i. Adequate internal control procedures are instituted to safeguard assets and prevent and detect fraud and other irregularities.
- ii. Proper accounting standards are followed.
- iii. Applicable accounting standards are followed.
- iv. Suitable accounting policies are used and consistently applied.
- v. The financial statements are prepared on a going concern basis.

9. AUDITORS

In accordance with section 357(2) of the Companies and Allied Matters Act 1990, Messrs Thompson Aiyegunle & Co. will continue in office as Auditors of the company. A resolution will be proposed authorizing the Directors to determine their remunerations.

**LAGOS,
NIGERIA.**

Thompson Aiyegunle & Co

ORDER OF THE BOARD

SECRETARY

JACKSON ETTI & EDU

FOR: Jackson Etti & Edu
Company Secretaries

LAGOS, NIGERIA

Dated this 10th day of March, 2017

FRC/2013/NBA/00000003320

Chartered Accountants/Tax Practitioners



COURTEVILLE BUSINESS SOLUTIONS PLC.
RC: 613746
...enabling systems

COURTEVILLE BUSINESS SOLUTIONS PLC

**REPORT OF THE AUDIT COMMITTEE
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. To: The member of Courteville Business Solutions Plc

In accordance with the provision of section 359(6) of the Companies and Allied Matters Acts, Cap C20, law of the Federation of Nigeria, 2004, the members of the Audit Committee of Courteville Business Solutions Plc, having carried out our statutory functions under the Act, hereby report as follows:

- The accounting and reporting policies of the company are in accordance with the legal requirements and agreed ethical practices;
- The scope and planning of both external and internal audit for the year ended 31 December 2016 are satisfactory and reinforce the Company's internal control system; and agreed ethical practices;
- We are satisfied with the response to our questions and the state of Affairs at the Courteville Business Solutions Plc

Members of the Audit Committee

- 1) Mr. Afam Edozie
- 2) Mr. Oye Ogundele
- 3) Mr. Ayodele Ogundeji
- 4) Mr. Lawrence Jibuwa

The Company Secretary serves as Secretary to the Committee



Mr Afam Edozie
Chairman, Audit Committee

2. Audit Committee Meetings

The company's Audit Committee meeting and members attendance at these meetings for the period under review are detailed below:

NAMES	MEETINGS HELD	ATTENDANCE
Mr. AFam Edozie	3	3
Mr. Oye Ogundele	3	3
Mr. Ayodeji Ogundele	3	3
Mr. Lawrence Jibuwa	3	3

NB: Waiver was obtained from Financial Reporting Council of Nigeria for the Chairman to sign the Audit Committee Report without FRC Reg. No



Thompson Aiyegunle & Co
(CHARTERED ACCOUNTANTS & TAX PRACTITIONERS)

11, Isaac John Street, Off Ikorodu Rd,
Fadeyi B/Stop, Lagos.

Tel: 08033446618, 08127618175

P.O.Box 3736 Sabo, Yaba, Lagos

E-mail: akinolathompson@yahoo.com

E-mail: aiyegunle.t@thompsonaiyegunle.com
www.thompsonaiyegunle.com

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Courteville Business Solutions Plc
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Courteville Business Solutions Plc set out on pages 11 to 28, which comprise the statement of financial position as at 31 December 2016, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2016 and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards ("IFRS"), the Companies and Allied Matters Act CAP C20 LFN 2004 and the Financial Reporting Council of Nigeria Act. 2011.

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 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 (part A and B), together with other ethical requirements that are relevant to our audit of the financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements of the current year. We have communicated the key audit matters to the Audit committee. The Key audit matters are not a comprehensive reflection of all matters discussed. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters below relate to the audit of the financial statements.

Key Audit Matter**How the matter was addressed in the audit****Employee Benefit Obligation**

As discussed in statement of significant Accounting Policies (O). The Employee pension and gratuity policy of the company, the recognized liability is determined by the Management based on the estimated statutory percentage of contribution both (8% and 10%) employee and employer.

The liability is considered to be a key audit matter relevant to the financial statements.

Our procedures focused on the following

- Making appropriate test of the rates used in the computations and agreed to underlying records of the company.
- Understanding and testing the reasonableness of the management rates used in the computation considering the general economic environment and the entity's economic circumstances, and the rates applied in the prior period. Also, consider whether the rates are consistent with statutory regulations by Pension Reform Act 2004.

Our substantive testing did not reveal any material misstatements and overall the Directors had factored all the relevant variables required to determine the liability.

Labour Turnover

Included in the payables disclosed in Note 15 to the financial statements is the benefits due to the Management Staff that left the company during the period.

In evaluating the value of the outstanding liability our procedures incorporated a combination of test of the company Internal Controls and engagement policies of the company.

The exit of the management staff did not have a serious impact on the going concern of the company.

In similar vain, the company has not contravened any sections in the Nigerian Labour Law.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report and Audit Committee's Report as required by Companies and Allied Matters Act CAP C20 LFN 2004, which we obtained prior to the date of this auditor's report and the integrated report, which is expected to be made available to us after that date. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the information and we do not express any form of assurance conclusion thereon.

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 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. Companies and Allied Matters Act CAP C20 LFN 2004 and the Financial Reporting Council of Nigeria Act, 2011 and for such internal control as the Directors 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 Company and/ or to cease operations, or have no realistic alternative but to do so.

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, individual 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 judgment 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 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.
- 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 the 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 obtain, 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 Auditors 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 the manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicated with the Audit Committee regarding among our matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

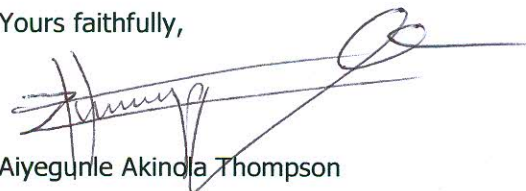
Report on other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of Companies and Allied Matters Act CAP C20 LFN 2004 we expressly state that:

- We have obtained all the information which to the best of our knowledge and believe were necessary for the purpose of our audit.
- The Company has kept proper books of accounts, so far as appears from our examination of those books.
- The Company's financial position and its statement of profit and loss and other comprehensive income are in agreement with the books of accounts and returns.

The engagement partner on the audit resulting in this independent Auditor's report is Aiyegunle Akinola Thompson

Yours faithfully,



Aiyegunle Akinola Thompson
FRC/2013/ICAN/00000002394

For: Thompson Aiyegunle & Co
(Chartered Accountants/Tax Practitioners)

Lagos, Nigeria
9th March, 2017



COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	NOTE	2016	2015
Non-Current Assets			
Property, plant and equipment	3	1,397,688,175	1,521,115,003
Intangible Assets	4	707,344,366	780,130,293
Other Assets	5	408,498,606	489,255,000
Long Term Investment	6	297,181,384	331,565,950
Long Term Receivables	7	302,372,514	341,608,730
Total Non-Current Assets		3,113,085,045	3,463,674,976
Current Assets			
Inventories	8	118,157,771	179,734,529
Trade Receivables	9i	552,101,714	515,254,936
Other Receivables	9ii	138,750,155	127,182,346
Prepayments	9ii	5,198,183	8,207,688
Cash and Cash Equivalents	10	37,712,773	102,064,251
Total Current Assets		851,920,596	932,443,750
Total Assets		3,965,005,641	4,396,118,726
Equity and Liabilities			
Equity			
Share Capital	11	1,776,000,000	1,776,000,000
Share Premium	11	478,100,000	478,100,000
Retained Earnings	12	902,904,140	866,094,107
Other Reserves	13	1,514,746	980,805
Total Equity		3,158,518,886	3,121,174,912
Non-current Liabilities			
Deferred Taxation	16iii	29,485,308	47,730,006
Borrowings	14	-	367,843,849
Total non-current Liabilities		29,485,308	415,573,855
Current Liabilities			
Trade Payables	15	41,902,181	39,510,346
Other Payables	15	287,201,490	397,552,037
Current portion of Borrowings	14	322,876,388	207,386,703
Current Taxation	16i	125,021,388	214,920,873
Total Current Liabilities		777,001,447	859,369,959
Total liabilities		806,486,755	1,274,943,814
Total Equity and Liabilities		3,965,005,641	4,396,118,726

The Financial Statements on pages 11 to 14 and notes on pages 15 to 30 were approved by the Directors Board of on March 7, 2017 and signed on its behalf by:


Adebola Akindele (GMD/CEO)
FRC/2013/ICAN/000000002780


Rotimi Olaoeye (DMD, Fin & Admin)
FRC/2013/ICAN/000000002782

COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	NOTE	2016 ₦	2015 ₦
Revenue	17	1,322,494,119	1,486,006,501
Cost of Sales		<u>(630,554,058)</u>	<u>(600,819,055)</u>
Gross Profit		691,940,061	885,187,446
Other Income	18	18,933,054	52,413,854
Operating Cost	19	(547,558,178)	(601,334,306)
Interest Received		<u>2,413,160</u>	<u>3,268,588</u>
Operating Profit		165,728,097	339,535,582
Interest Payable and Similar Charges	21	(126,840,361)	(155,149,167)
Profit before Taxation		<u>38,887,736</u>	<u>184,386,415</u>
Taxation		(2,077,703)	(118,769,153)
Profit for the Year		<u>36,810,033</u>	<u>65,617,262</u>
Other Comprehensive Income:			
For Value adjustment on investment in Equity instruments		533,941	(5,299,631)
Total Comprehensive Income		<u><u>37,343,974</u></u>	<u><u>60,317,631</u></u>
Basic Earnings Per Shares (Kobo) (EPS)		<u><u>1.04</u></u>	<u><u>1.70</u></u>

COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Share Capital N	Share Premium N	Retained Earnings N	Investment in Equity Instruments N	Total N
1st Jan. 2015	1,776,000,000	478,100,000	942,556,844	6,280,436	3,202,937,280
Profit for the year	-	-	65,617,263	(5,299,631)	60,317,632
Dividend Paid	-	-	(142,080,000)	-	(142,080,000)
31 December 2015	<u>1,776,000,000</u>	<u>478,100,000</u>	<u>866,094,107</u>	<u>980,805</u>	<u>3,121,174,912</u>
1 Jan. 2016	1,776,000,000	478,100,000	866,094,107	980,805	3,121,174,912
Profit for the year	-	-	36,810,033	533,941	37,343,974
31 December 2016	<u>1,776,000,000</u>	<u>478,100,000</u>	<u>902,904,140</u>	<u>1,514,746</u>	<u>3,158,518,886</u>

COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	N	N
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit / (Loss) for the year Before Taxation	38,887,736	184,386,415
<u>ADJUSTMENT FOR ITEMS NOT INVOLVING</u>		
<u>MOVEMENT OF FUNDS:</u>		
Depreciation	134,889,730	169,495,738
Interest Receivable	(2,413,160)	(3,268,588)
Amortization-Intangible	72,785,927	72,785,927
Other Intangible- Written off	80,756,399	60,629,606
Tax deducted at Source	(287,699)	(179,679,852)
	324,618,933	304,349,246
<u>CHANGES IN WORKING CAPITAL</u>		
(Increase) / Decrease in Inventories	61,576,758	(30,151,650)
(Increase) / Decrease in Trade Receivables & Others	(45,117,386)	122,154,943
Increase / (Decrease) in Creditors	7,530,973	(45,743,106)
	348,609,278	350,609,433
Taxation Paid	(110,221,886)	(19,000,000)
Dividend Paid	-	(142,080,000)
	238,387,392	189,529,433
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of Property Plant & Equipment	(11,462,903)	(349,384,136)
Disposal of Available for Sales Financial Instruments	34,918,507	-
Long Term Receivables	39,236,216	69,952,000
Interest Received	2,413,160	3,268,588
Other Assets	-	(127,245,265)
Investment in Sierra-Leone	-	274,414,655
	65,104,980	(128,994,158)
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
Borrowings	(367,843,850)	(72,520,136)
	(367,843,850)	(72,520,136)
(Decrease) in Cash & Cash Equivalents	(64,351,478)	(11,984,861)
Cash & Cash Equivalents as at Beginning	102,064,251	114,049,112
Cash & Cash Equivalents as at Closing	37,712,773	102,064,251
<u>FINANCED BY:</u>		
Bank & Cash	37,712,773	102,064,251

**COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. Report Entity

Courteville Business Solutions Plc (formerly Courteville Investment Plc) was incorporated in Nigeria as a private Limited Liability Company on January 4, 2005 and commenced business on the same date. In 2008, the company became a public company and was quoted on the Nigeria Stock Exchange in April 2009. The company formally changed its name from Courteville Investment Plc to Courteville Business Solutions Plc on July 28, 2011.

The principal activities of the company are the development of automated business solutions and other e-Commerce services such as the Motor Vehicle Administration Documentations (MVAD), Egole Online Shopping Mall, WebPeople, P-SEAMS, NIID, NAPAMS etc.

2. Basis of Preparation

a. Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) being standards and interpretation issued by International Accounting Standards Board and requirements of the Companies and Allied Matters Act.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires Management to exercise judgement and assumptions in the process of applying the accounting policies and reporting the amount of assets, liabilities, income and expenses. The actual results are likely to be different from the estimates.

The estimates and the underlying assumptions are subjected to review on an on-going basis. Any revision to the accounting estimates is recognised in the year in which the estimates are revised and any further years affected

b. Going Concern

The Management of the company makes annual assessments of the ability of the company to continue as a going concern basis. As at 31 December 2016, the Management has no intention to liquidate the entity or cease trading, or has no realistic alternative but to do so. The Management is also not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.

The company continues to adopt the going concern basis in preparing its financial statements.

c. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for sales of goods and services, in the ordinary course of the company's activities and is stated net of value-added tax (VAT). The company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

i. Commission

Revenue from commission represents the fair value of consideration received or receivable from state governments where AutoReg Business Solution service is in operation and it is recognised at invoice value after deducting value added tax when the risk and reward of ownership are transferred.

ii. Interest Income & Dividend

Interest income is recognised on time apportioned basis using effective interest rate method while dividend is recognised when the company's right to receive payment is established and on the actual amount received.

COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

d. Property, Plant & Equipment

Property, Plant & Equipment are initially stated at cost and subsequently carried at cost less accumulated depreciation. Costs include expenditure directly attributable to the acquisition of the assets and cost of bringing the assets to its location and working condition.

Capital Work in Progress represents property under construction or plant and equipment undergoing installation and is not depreciated; upon completion of the construction or installation, the associated costs of each asset is transferred to the relevant asset category and begin depreciation immediately the item property, plant and equipment are available for use.

The cost of self constructed assets includes:

- The cost of material and direct labour;
- Any other directly attributable cost of bringing the asset to a working condition for their intended use;
- In situations where the company has obligation to remove the asset or restore the site in which the asset is situated, an estimate of the present value of the cost of dismantling and removing the asset and restoring the site;
- Capitalised borrowing costs.

When part of items of property, plant and equipments has different useful lives, they are accounted for as separate items of property, plant and equipments.

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the company.

Depreciation of Property, Plant and equipment is calculated on a straight line method to write off the depreciable costs over the estimated useful lives of the assets. Property, Plant and Equipment is depreciated from the month the asset is available for use. The useful life and residual value of item of Property, Plant and equipment are reviewed and adjusted at the end of each reporting period. The annual depreciation rates adopted for various asset categories are as follows:

	%
• Leasehold Improvement	25
• Land	Nil
• Building	2
• Elevator	5
• Computers	33.33
• Furniture & Fittings	25
• Office Equipment	25
• Motor Vehicles	25

Item of Property, Plants and Equipment are derecognized on disposal or when it is no economic benefits are expected from its use. Gains or losses on disposal or recognition of plant, property and equipment are calculated with reference to the sales proceed and carrying amounts and are included in the income statements.

e. Intangible Assets

Intangible assets represent the cost incurred on the development of the AutoReg system and bringing it to specific use. These costs are capitalized and recognized as intangible assets only when the following criteria are met:

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- (a) It is technically feasible to complete the intangible asset and use it or sell it
- (b) The management has intention to complete the intangible asset and use or sell it.
- (c) The ability to use or sell the intangible asset is available.
- (d) The evidence of existence of a market for the output of the intangible asset or the intangible asset itself can be demonstrated.
- (e) There are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- (f) The expenditure attributable to the intangible asset during its development can be measured reliably.

The directly attributable costs that are capitalized as intangible assets include the labour cost of the programmer and software developer and appropriate portion of relevant overheads. Other development costs that do not meet these criteria are expensed off as incurred. Development cost recognized as expenses are not subsequently recognized as intangible assets in later periods.

Other intangibles represent projects ventured into with a view to increasing the revenue base of the company. These costs are not amortized. On commencement of commercial operation of any of the projects, the associated cost of the project is identified, separated and amortized over the contract period to adequately match the revenue from the project to its attributed cost.

Assets are recognised as intangible assets only if they meet the recognition criteria and the definition of intangible asset; it is probable that future economic benefits attributable to the intangible asset will flow to the entity and its cost can be measured reliably.

All intangible assets are, on recognition, measured at cost and subsequently measured at cost less accumulated amortisation and accumulated impairment (if any).

Subsequent expenditure is capitalised only when it increases the future economic benefits associated with the specific assets to which it relates. All other expenditures, including expenditure on internally generated goodwill and brands, are recognised in profit or loss as incurred.

Amortisation of intangible assets is calculated on a straight line basis to write off the costs over their estimated useful life from the date they are available for use.

Development cost of AutoReg Platform 20 years

The amortization method, useful life and residual values are reviewed at the end of each reporting period and adjusted for, where needed.

f. Impairment of Assets

The carrying values of investments, property and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and the value in use. Value in use is assessed by reference to the estimated future cash flows, which are discounted to present value using an appropriate pre tax discount rate. Impairment losses are recognised in the income statement.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. The increase in carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods, a reversal of the impairment loss is recognised immediately in the income statement.

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g. Financial Instruments

i. Recognition

The company only recognises financial asset or financial liability when, and only when, the entity becomes a party to the contractual provisions of the instrument.

ii. Derecognition

▪ Financial Assets

The company derecognises a financial asset when and only when:

- a. The contractual rights to the cash flows from the financial assets expire or
- b. It transfers the financial asset and the transfer qualifies for derecognition

Where the transfer does not result in the transfer of all the risks and rewards of ownership of transferred assets, the company continues to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent period, on derecognition of a financial asset in its entirety, the difference between:

- The carrying amount (measured at the date of derecognition) and
- The consideration received (including any new asset obtained less any new liability assumed) shall be recognised in profit or loss.

▪ Financial Liabilities

The company derecognises financial liability (or part of a financial liability) from its statement of financial position when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

The difference between the carrying amount of a financial liability (or part of financial liability) extinguished or transferred to another party and consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognized in profit or loss.

iii. Classification

a. Financial Assets

The company's financial assets are classified as subsequently measured at either amortised cost or fair value on the basis of both:

- The entity's business model for managing the financial assets and
- The contractual cash flow characteristics of the financial assets.

Measured at Amortised Cost

Financial assets shall be measured at amortised cost if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Measured at Fair Value

Financial assets shall be measured at fair value unless measured at amortised cost.

b. Financial Liabilities

The company classifies all its financial liability as subsequently measured at amortised cost using the effective interest method.

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iv. Measurements

At recognition, financial assets or financial liabilities are measured at fair value plus or minus, in the case of a financial asset or financial liability, the transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Subsequent measurements are done with reference with their initial classification.

h. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the First in First out (FIFO) method. Cost comprises suppliers' invoice price and where appropriate, freight and other charges incurred to bring the materials to their location and condition net of any trade discount or rebate. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

i. Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the company will not be able to collect all the amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that debtor will enter bankruptcy and default or delinquency in payment is the indicators that trade receivable is impaired.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement within operating costs. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against administrative costs in the income statement.

j. 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

k. Share Capital

The Company has only one class of Shares - ordinary shares which 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 and recognised as a deduction from equity, net of any tax effects.

Shares Repurchase and Re-issue of Share Capital

When share capital recognised as equity is repurchased, the amount of consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury and are presented in the reserves for own shares. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in share premium.

l. Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

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m. Current and Deferred Tax

Income tax expense represents the sum of current tax expense and deferred tax expense. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current Tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates statutorily enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The Company is subject to the following types of current tax:

- Companies Income Tax - This relates to tax on revenue and profit generated by the Company during the year, to be taxed under the Companies Income Tax Act Cap C21, LFN 2004 as amended date.
- Education Tax - Education tax is based on assessable income of the Company and is governed by the Education Trust Fund (Establishment) Act LFN 2011.

Deferred tax

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, if the deferred income tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss, it is not accounted for.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

n. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method; any differences between proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss account over the period of the borrowings, using the effective interest method.

Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, form part of the cost of that asset and, therefore, is capitalised. Other borrowing costs are recognised as an expense.

Where funds are borrowed specifically, costs eligible for capitalisation are the actual costs incurred less any income earned on the temporary investment of such borrowings. Where funds are part of a general pool, the eligible amount is determined by applying a capitalisation rate to the expenditure on that asset. The capitalisation rate will be the weighted average of the borrowing costs applicable to the general pool.

Capitalisation commences when expenditures are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. (may include some activities prior to commencement of physical production).

Capitalisation should be suspended during periods in which active development is interrupted. Capitalisation should cease when substantially all of the activities necessary to

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prepare the asset for its intended use or sale are complete. If only minor modifications are outstanding, this indicates that substantially all of the activities are complete.

Dividend

Dividends payable to the Company's shareholders are recognised as a liability in the period in which they are declared (i.e. approved by the shareholders).

o. Pension & Gratuity

The Company operates a defined contributory pension plan which is funded by contributions from both the Company and the employees where the company contributes 10% of employees emoluments and employees contribute 8% of their monthly emoluments. The Company's contribution is recognised as employee benefit expenses and charged to the income statement. The contributions of both the Company and the employees are paid on a monthly basis to a pension fund administrator. The Company has no legal or constructive obligation to pay further contributions if the pension fund administrator does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expenses when they are due.

p. Events after the Reporting Period

There were no events after the reporting period which could have had any material effect on the state of affairs of the company as at 31 December, 2016.

q. Provisions, Contingent Liabilities & Assets

Provisions, contingent liabilities and assets are recognised when the company has a present obligation, whether legal or constructive, as a result of past event for which is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation in accordance with IAS 37. 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.

r. Segment Reporting

A segment is distinguished component of the company that is engaged either in providing products or services (Business Segment) or in providing products or services within a particular economic environment (Geographical Segment) which is subject to risks and rewards that are different from those segments.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Management Committee.

The company operates two segments which are e-Commerce and Motor Vehicle Administration Documentation.

s. Operating Expenses

Operating expenses include salaries and wages, repair and maintenance cost, e.t.c. They are accounted for on an accrual basis.

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t. Earnings Per Share (EPS)

The company presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year.

3. 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.

4. Pending Litigations and Claims

There were no pending litigations against the company as at 31 December 2016.

5. Risk Management

a. Capital Risk Management

The company manages its capital risk to ensure that is able to continue as a going concern, while maximising the return to stakeholders through the optimisation of available fund.

b. Liquidity Risk Management

The business monitors its risk to a shortage of funds by maintaining a balance between continuity of funding and actual cash flows. It also obtain funding from financial institutions to support the company's operation.

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3 PROPERTY, PLANT & EQUIPMENT

	LAND N	BUILDING N	MOTOR VEHICLES N	LEASEHOLD IMPROVEMENTS N	COMPUTERS N	FURNITURE & FITTINGS N	OFFICE EQUIPMENT N	ELEVATOR N	TOTAL N
AT COST									
1 Jan. 2016	185,050,075	1,010,793,800	197,209,179	21,742,732	523,013,677	150,359,625	81,391,362	18,026,837	2,187,587,287
Additions	-	-	-	-	9,936,350	50,003	1,476,550	-	11,462,903
31 Dec. 2016	<u>185,050,075</u>	<u>1,010,793,800</u>	<u>197,209,179</u>	<u>21,742,732</u>	<u>532,950,027</u>	<u>150,409,628</u>	<u>82,867,912</u>	<u>18,026,837</u>	<u>2,199,050,190</u>
ACC. DEPRECIATION									
1 Jan. 2016	-	19,833,343	100,694,571	21,742,632	434,710,644	51,362,975	37,263,470	864,649	666,472,284
Charged in the year	-	20,215,876	44,249,853	-	21,464,716	32,849,772	15,388,441	721,073	134,889,731
31 Dec. 2016	<u>-</u>	<u>40,049,219</u>	<u>144,944,424</u>	<u>21,742,632</u>	<u>456,175,360</u>	<u>84,212,747</u>	<u>52,651,911</u>	<u>1,585,722</u>	<u>801,362,015</u>
NETBOOK VALUE									
31 Dec. 2016	<u>185,050,075</u>	<u>970,744,581</u>	<u>52,264,755</u>	<u>100</u>	<u>76,774,667</u>	<u>66,196,881</u>	<u>30,216,001</u>	<u>16,441,115</u>	<u>1,397,688,175</u>
31 Dec. 2015	<u>185,050,075</u>	<u>990,960,457</u>	<u>96,514,608</u>	<u>100</u>	<u>88,303,033</u>	<u>98,996,650</u>	<u>44,127,892</u>	<u>17,162,188</u>	<u>1,521,115,003</u>

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	2016 N	2015 N
4 Intangible Assets		
As at beginning of the year	780,130,293	852,916,220
Amortization in the year	<u>(72,785,927)</u>	<u>(72,785,927)</u>
	<u>707,344,366</u>	<u>780,130,293</u>
5 Other Assets		
At the beginning	489,255,000	422,639,341
Addition	-	21,816,177
Written off	(80,756,398)	(60,629,606)
Assets realised from Sierra Leone	-	105,429,088
	<u>408,498,606</u>	<u>489,255,000</u>
<p>This represents the development costs incurred till date on projects ventured into with a view to increasing the revenue base of the company. These costs are not amortized. On commencement of commercial operation of any of the projects, the associated cost of the project is identified, separated, and amortized over the contract period to adequately match the revenue from the project to its attributed cost. During the period, additional sum of N80,756,398 representing the cost incurred to date on the projects that are no longer viable was written off.</p>		
6 Long Term Investments		
Investment in equity instrument		
Fair value as at January, 1, 2016	152,565,950	157,865,581
Disposal during the period	<u>(34,918,507)</u>	<u>-</u>
	117,647,443	157,865,581
Movement during the year	533,941	(5,299,631)
Fair value as at December, 2016	<u>118,181,384</u>	<u>152,565,950</u>
Property (Foster Estate Ltd)	<u>179,000,000</u>	<u>179,000,000</u>
	<u>179,000,000</u>	<u>179,000,000</u>
	<u>297,181,384</u>	<u>331,565,950</u>
Available for sale Financial Instruments		
These are investment in marketable securities on the Nigeria Stock Exchanges.		
Property		
This represents investment in Foster Estate. This venture is carried in conjunction with Synergy Capital and Advisory Ltd.		
7 Long Term Receivables	<u>302,372,514</u>	<u>341,608,730</u>
This represent the amount incurred on behalf of Forster Estate Ltd that are recoupable from the company		
8 Inventories		
Cards	39,539,109	61,987,137
Stickers	78,118,662.00	117,747,392
Bulk SMS	500,000	-
	<u>118,157,771</u>	<u>179,734,529</u>
The sum of N31,118,035 represents the amount of inventories consumed during the year and charged to Income Statements through cost of sale. The amount of inventory carried at net realizable value is nil.		
9i Trade Receivables	<u>552,101,714</u>	<u>515,254,936</u>
9ii Other Receivables		
Sundry Receivables	155,186,905	259,922,556
Less Impairment loss	<u>(16,436,750)</u>	<u>(132,740,210)</u>
	<u>138,750,155</u>	<u>127,182,346</u>
Prepayments	<u>5,198,183</u>	<u>8,207,688</u>
Trade Receivables		
This represents the invoice value of trade receivables from the State Government in the States where Auto Reg is in operations.		

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		2016 N		2015 N
10	Cash & Cash Equivalents			
	Cash	791,466		2,078,162
	Bank	36,921,307		99,986,089
		<u>37,712,773</u>		<u>102,064,251</u>
11	Share Capital			
		No. Of Ordinary Shares	Ordinary Shares N	Share Premium N
	Authorised Share Capital	3,600,000,000	1,800,000,000	-
	At 1 January 2016			Total N
	Issued & Fully Paid Shares of N0.50	3,552,000,000	1,776,000,000	478,100,000
	Movement during the period	-	-	-
		<u>3,552,000,000</u>	<u>1,776,000,000</u>	<u>478,100,000</u>
				<u>2,254,100,000</u>
11i	Directors Shareholdings Interest:	%	2016 N	%
	Gp. Capt. Salami (Retd)	0%	1,200,000	0%
	Adebola Akindele	43%	1,527,692,235	43%
	Rotimi Olaoye	8%	297,452,400	8%
	Adewale Sonaike	7%	270,694,800	7%
	Afam Edozie	0%	7,800,000	0%
	Femi Niyi	4%	139,872,600	4%
	Oye Ogundele	3%	94,107,800	2%
	Olabisi Akindele (Mrs)	5%	192,108,000	5%
	Lilian Ajayi	-	-	-
	Tope Osazee	-	-	-
	Helen Emore	0%	780,000.00	-
		<u>0.71</u>	<u>2,531,707,835</u>	<u>0.71</u>
				<u>2,530,927,835</u>
11ii	Shareholders with 5% and above			
	Adebola Akindele	43%	1,527,692,235	0.43
	Rotimi Olaoye	8%	297,452,400	0.08
	Wale Sonaike	7%	270,694,800	0.07
	Olabisi Akindele	5%	192,108,000	0.05
		<u>0.64</u>	<u>2,287,947,435</u>	<u>0.64</u>
				<u>2,287,947,435</u>
12	Retained Earnings			
	At the beginning		866,094,107	942,556,844
	Profit after taxation		36,810,033	65,617,263
	Dividend paid during the period		-	(142,080,000)
			<u>902,904,140</u>	<u>866,094,107</u>

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		2016 N	2015 N
13	Other Reserves		
	Fair Value Adjustment in Equity Instruments		
	At the beginning	980,805	6,280,436
	Movement during the period	533,941	(5,299,631)
	Closing Balance	<u>1,514,746</u>	<u>980,805</u>
14	Borrowings		
	Bank Loan	<u>322,876,388</u>	<u>575,230,552</u>
	Falling due within 1 year	322,876,388	207,386,703
	Falling due after 1 year	-	367,843,849
		<u>322,876,388</u>	<u>575,230,552</u>
15	Trade & Other Payables		
	Trade Payables	41,902,181	39,510,346
	Others-Payables	287,201,490	397,552,037
		<u>329,103,671</u>	<u>437,062,383</u>
16	Current Income Tax		
	At the beginning	214,920,873	371,138,406
	Payment during the period	(110,221,886)	(19,000,000)
	Tax deducted at source		(179,679,853)
	i Charges for the year		
	Income Tax	16,895,115	35,384,677
	Education	3,427,286	7,077,643
	At the closing	<u>125,021,388</u>	<u>214,920,873</u>
	ii To Income Statement		
	Charge for the year	20,322,401	40,101,130
	Deferred Tax Adjustment	(18,244,698)	-
	Net Charge for the year	<u>2,077,703</u>	<u>40,101,130</u>
	iii Deferred Tax Liability		
	At the Beginning	47,730,006	(28,576,827)
	Movement during the year	(18,244,698)	76,306,833
	At year end (Assets)/Liabilities	<u>29,485,308</u>	<u>47,730,006</u>
17	Revenue		
	Commission	1,174,316,597	1,377,754,322
	E-Commerce	148,177,522	108,252,179
		<u>1,322,494,119</u>	<u>1,486,006,501</u>
18	Other Income		
	Re-imburseable	18,933,054	51,227,284
	Amount Due to Sierra-Leone Brokers	-	1,186,570
		<u>18,933,054</u>	<u>52,413,854</u>

This represent reimbursibles from State Governments for cost of AutoReg material purchased on behalf of the Government.

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	2016	2015
	N	N
19 Operating Cost		
Staff Cost	122,230,378	102,159,966
Auditors Remuneration	3,000,000	3,000,000
Repairs and Maintenance	23,828,720	25,663,368
Transport and Travelling	15,512,209	8,650,862
Depreciation	134,889,731	169,495,739
Bad debt	16,436,750	132,740,210
Donations	7,385,000	6,181,000
Other admin. Expenses	224,275,390	153,443,161
	547,558,178	601,334,306
20 Profit before tax		
This is stated after charging:		
Auditors Remuneration	3,000,000	3,000,000
Depreciation	134,889,731	132,266,305
21 Interest Payable & Similar Charges		
Interest on Loan	123,374,423	149,454,711
Bank Charges	3,465,938	5,694,456
	126,840,361	155,149,167
22 Investment in Sierra-Leone	-	274,414,655

23 Operating Segments

The company operates two strategic divisions that offer distinct services and have senior executives running them based on very distinct strategies and technologies. For each of the strategic division, the company's executive management committee reviews internal management marketing reports on a monthly basis while comprehensive assessments of the performance of individual units are reviewed quarterly. The following summary details the operations in each of the group's reportable segments.

SEGMENT 1:

AutoReg™ Motor Vehicle Administration Documentation (MVAD)

This is a business solution platform designed to address the inefficiencies in motor vehicle administration. Part of the platform runs on the Auto-Reg™ web-based business automation application that was designed and developed by Courteville Business Solutions Plc, and patented for 20 years in Nigeria, and has been developed into a franchise with the Bureau of Services. The MVAD franchise services is currently provided in over 4500 processing outlets through 10,000 operators in the 22 States where the franchise is in operation. These processing outlets cut across the AutoReg™ partner banks, State Licensing Offices and Courteville Registered Independent Processing Outlets, and are all staffed with well-trained personnel as well as equipped to perform all manners of data capture and processing service. The various services currently offer include: AutoReg Vehicle License, AutoReg Hackney Permit, AutoReg Insurance, AutoReg Vehicle Test, AutoReg Road Worthiness, and AutoReg Inspector.

SEGMENT 2:

E-Commerce

The products offered under this segments are:

1. WebPeople: The WebPeople™ is a web-based flexible and interactive platform that allows the design and hosting of websites at very reasonable rates and within 48 hours for companies and individuals.
2. Egole Shopping Mall: This is an online e-commerce merchant and service providers aggregator website of different categories and customers to transact business (buying and selling) online and real-time.
3. **Students' Parents-School Education and Monitoring System (P-SEAMS)**

This is a custom-tailored, web-based and online school management solution that is designed to support and automate a school's administration and academic processes in relation to the management of Students' Life Cycle and that of the school. It also has the unique means for parents or guardians to monitor the general academic performance of their wards from home or the office while providing a feed-back mechanism between the school and the parents or guardians.

COURTEVILLE BUSINESS SOLUTIONS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Segment Result

The information regarding the results of the reportable segment is presented below. Performance is measured based on segment gross profit of each reportable segment, as included in the internal management reports that are reviewed by the company.

	MVAD		E-Commerce		TOTAL	
	2016	2015	2016	2015	2016	2015
	N	N	N	N	N	N
Sales Revenue	1,174,316,597	1,377,754,322	148,177,522	108,252,179	1,322,494,119	1,486,006,501
Cost of Sales	(589,903,515)	(555,117,731)	(40,650,543)	(45,701,324)	(630,554,058)	(600,819,055)
	584,413,082	822,636,591	107,526,979	62,550,855	691,940,061	885,187,446

40,650,543

2016
N

2015
N

24 Employees Information

Number of persons employed as at the year end were as follows:

Management Staff
Other Staff

9
71

9
85

The following cost were incurred in relation to staff

Staff cost 122,230,378 102,159,966

COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF VALUE ADDED
FOR THE YEAR ENDED 31 ST DECEMBER 2016

	2016	%	2015 N	%
REVENUE	1,341,427,173		1,341,427,173	
BOUGHT IN MATERIALS & SERVICES	(179,325,221)		(84,908,208)	
VALUE CREATED BY THE COMPANY	1,162,101,952		1,256,518,965	
VALUE AVAILABLE FOR SHARING	<u>1,162,101,952</u>	<u>100</u>	<u>1,256,518,965</u>	<u>100</u>

APPLIED AS FOLLOWS:

TO PAY EMPLOYEES SALARIES, WAGES	122,230,378	10.5%	102,159,966	8.1%
TO PAY GOVERNMENT TAXATION	2,077,703	0.2%	118,769,153	9.5%

**RETAINED FOR FURTHER REPLACEMENT OF
ASSETS AND EXPANSION OF BUSINESS:**

DEPRECIATION OF FIXED ASSETS & RETAINED IN BUSINESS	1,037,793,871	89.3%	1,035,589,846	82.4%
	<u>1,162,101,952</u>	<u>100%</u>	<u>1,256,518,965</u>	<u>100%</u>

Value added represents the increase in the company's wealth as a result of its operations through its own efforts and those of its employees. This statement shows the allocation of that wealth amongst the employees, providers of capital, government and the portion retained for the future creation of more wealth.

COURTEVILLE BUSINESS SOLUTIONS PLC
FINANCIAL SUMMARY
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 N	2015 N	2014 N	2013 N	2012 N
1 Revenue	1,322,494,119	1,486,006,501	1,350,915,001	1,289,873,938	1,060,878,497
2 Profit/(Loss) before taxation	38,887,736	184,386,415	457,031,807	403,029,900	374,202,379
3 Profit/(Loss) after taxation	36,810,033	65,617,262	317,657,145	307,804,729	298,321,883
4 Authorised Share Capital	<u>1,398,191,888</u>	<u>1,736,010,178</u>	<u>2,125,603,953</u>	<u>2,000,708,567</u>	<u>1,733,402,759</u>
5 CAPITAL EMPLOYED					
Issued and Fully Paid	1,776,000,000	1,776,000,000	1,776,000,000	1,776,000,000	1,480,000,000
Share premium	478,100,000	478,100,000	478,100,000	478,100,000	790,600,000
Retained Earnings	902,904,140	866,094,107	942,556,844	695,939,699	536,134,970
Other Reserves	1,514,746	980,805	6,280,436	15,355,700	10,810,266
	<u>3,158,518,886</u>	<u>3,121,174,912</u>	<u>3,202,937,280</u>	<u>2,965,395,399</u>	<u>2,817,545,236</u>
6 REPRESENTED BY:					
Property, Plant and Equipment	1,397,688,175	1,521,115,003	1,341,226,609	742,536,356	629,052,299
Intangible Assets	1,086,357,654	1,269,385,293	1,275,555,562	1,323,818,545	1,386,321,764
Investments	332,099,891	331,565,950	336,865,581	345,940,845	341,295,410
Long Term Receivables	267,454,007	341,608,730	411,560,730	431,260,730	397,110,730
Deferred Tax	29,485,314	-	28,576,827	26,928,664	-
Investment in Sierra-Leone		-	274,414,655	305,134,665	305,134,665
Net Current Assets	74,919,149	73,073,788	(24,898,699)	184,478,979	377,661,580
Non Current Liabilities	(29,485,308)	(415,573,855)	(440,363,985)	(394,703,386)	(619,031,212)
NET WORTH	<u>3,158,518,883</u>	<u>3,121,174,909</u>	<u>3,202,937,280</u>	<u>2,965,395,399</u>	<u>2,817,545,236</u>