COURTEVILLE BUSINESS SOLUTIONS PLC

MANAGEMENT ACCOUNTS

FOR THE QUARTER ENDED

30 SEPTEMBER 2018

COURTEVILLE BUSINESS SOLUTIONS PLC
FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2018
COMPANY REGISTRATION NO. 613746 OF 4TH JANUARY, 2005

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COURTEVILLE BUSINESS SOLUTIONS PLC
FINANCIAL HIGHLIGHTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	2018 ₦	2017 ₦	% Inc/(Dec)
REVENUE	886,476,053	1,005,651,358	-12%
PROFIT BEFORE TAXATION	122,820,028	62,211,762	97%
PROFIT AFTER TAXATION	98,008,366	43,239,379	127%
AUTHORIZED SHARE CAPITAL	1,800,000,000	1,800,000,000	0%
ISSUED AND FULLY PAID CAPITA	1,776,000,000	1,776,000,000	0%
SHARE PREMIUM	478,100,000	478,100,000	0%
SHAREHOLDERS' FUND	3,304,109,561	3,206,101,195	3%
TOTAL ASSETS	4,292,919,713	4,111,100,478	4%

COURTEVILLE BUSINESS SOLUTIONS PLC
CORPORATE INFORMATION
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

DIRECTORS:-

- GP. CAPT. MURTALA OSUOLALE S/	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
- 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

REGISTRARS:
EDC REGISTRARS LTD
154 IKORODU ROAD
LAGOS

COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2018

	NOTE	SEPTEMBER 2018		DECEMBER 2017	
Non-Current Assets		₦	₦	₦	₦
Property, plant and equipment	3		2,017,006,594		1,290,507,851
Intangible Assets	4		579,968,994		634,558,439
Other Assets	5		530,336,442		383,360,849
Long Term Investment	6		128,274,680		307,274,680
Long Term Receivables	7		12,300,000		425,031,697
Total Non-Current Assets			**3,267,886,710**		**3,040,733,516**
Current Assets					
Inventories	8	123,084,173		126,551,342	
Trade Receivables	9i	758,926,431		730,474,351	
Other Current Assets	9ii	136,496,230		169,185,742	
Prepayments	9ii	-		8,198,459	
Cash and Cash Equivalents	10	6,526,169		35,957,068	
Total Current Assets			1,025,033,003		1,070,366,962
Total Assets			**4,292,919,713**		**4,111,100,478**
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		1,038,401,519		940,393,153
Other Reserves	13		11,608,042		11,608,042
Total Equity			**3,304,109,561**		**3,206,101,195**
Non-current Liabilities					
Deferred Taxation	16iii	18,140,995		18,140,995	
Total non-current Liabilities			**18,140,995**		**18,140,995**
Current Liabilities					
Trade Payables	15	16,504,501		7,946,529	
Other Payables	15	900,572,185		598,530,239	
Current portion of Borrowings	14	11,955,541		151,370,878	
Current Taxation	16i	41,636,929		129,010,642	
Total Current Liabilities			**970,669,157**		**886,858,288**
Total liabilities			**988,810,152**		**904,999,283**
Total Equity and Liabilities			**4,292,919,713**		**4,111,100,478**

The interim reports were approved by the Board of Directors on........................2018 and signed on its behalf by:

Adebola Akindele (GMD/CEO)	Azeez Eduwale (Head, Finance & Accounts)	Adewale Sonaike (DMD)
FRC/2013/ICAN/000000002780	FRC/2014/ICAN/000000009157	FRC/2013/ICAN/000000002781

COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	NOTE	SEPTEMBER 2018 ₦	SEPTEMBER 2017 ₦
Revenue	17	886,476,053	1,005,651,358
Cost of Sales		(401,473,796)	(547,974,381)
Gross Profit		485,002,257	457,676,977
Other Income	18	600,000	224,800
Operating Cost	19	(342,640,529)	(361,451,783)
Interest Received		1,568,925	1,515,412
Operating Profit		144,530,653	97,965,406
Interest Payable and Similar Charges	21	(21,710,625)	(35,753,644)
Profit before Taxation		**122,820,028**	**62,211,762**
Taxation		(24,811,662)	(18,972,383)
Profit for the Year		**98,008,366**	**43,239,379**
Other Comprehensive Income:			
For Value adjustment on investment in Equity instruments		-	-
Total Comprehensive Income		**98,008,366**	**43,239,379**
Basic Earnings Per Shares (Kobo) (EPS)		2.76	1.22

COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Share Capital ₦	Share Premium ₦	Retained Earnings ₦	Investment in Equity Instruments ₦	Total ₦
1 Jan. 2017	1,776,000,000	478,100,000	902,904,140	1,514,746	3,158,518,886
Profit for the year	-	-	43,239,379	-	43,239,379
30 September 2017	1,776,000,000	478,100,000	946,143,519	1,514,746	3,201,758,265
1 Jan. 2018	1,776,000,000	478,100,000	940,393,153	11,608,042	3,206,101,195
Profit for the year	-	-	98,008,366	-	98,008,366
30 September 2018	1,776,000,000	478,100,000	1,038,401,519	11,608,042	3,304,109,561

COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	JUNE	
	2018	2017
	₦	₦
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) for the year Before Taxation	122,820,028	52,509,974
ADJUSTMENT FOR ITEMS NOT INVOLVING MOVEMENT OF FUNDS:		
Depreciation	83,961,050	63,894,624
Interest Receivable	(1,568,925)	(1,096,736)
Amortization-Intangible	54,589,445	36,392,964
Other Intangible- Written off	2,683,971	22,597,664
Profit on Asset Disposal	(600,000)	
Withholding Credit notes utilized	(67,448,117)	
	194,437,452	**174,298,489**
CHANGES IN WORKING CAPITAL		
(Increase) / Decrease in Inventories	3,467,269	2,653,389
(Increase) / Decrease in Trade Receivables & Others	12,435,891	(183,722,785)
Increase / (Decrease) in Creditors	310,599,918	257,238,832
	520,940,529	**250,467,925**
Taxation Paid	(44,737,257)	(120,407,409)
	476,203,272	**130,060,516**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipment	(810,459,892)	(3,305,500)
Proceed from disposal of asset	600,000	-
Long Term Receivables	412,731,697	-
Interest Received	1,568,925	1,096,736
Other Assets	(149,659,564)	(16,437,291)
	(366,218,835)	**(18,646,055)**
CASH FLOW FROM FINANCIAL ACTIVITIES		
Borrowings	(139,415,337)	(131,244,944)
	(139,415,337)	**(131,244,944)**
(Decrease) in Cash & Cash Equivalents	(29,430,899)	(13,059,577)
Cash & Cash Equivalents as at Beginning	35,957,068	37,712,773
Cash & Cash Equivalents as at Closing	**6,526,169**	**24,653,196**
FINANCED BY:		
Bank & Cash	**6,526,169**	**24,653,196**
Bank overdraft	-	
	6,526,169	**24,653,196**

COURTEVILLE BUSINESS SOLUTIONS PLC

1. General Information

Courteville Business Solution 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 Plcon 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, NAPAMSetc.

2. 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.

These interim 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 2017 annual report.

3. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. The accounting policies are consistently applied to all the years presented.

a. Basis of Preparation

The Financial Statements have been prepared in compliance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board. The Financial Statements are presented in the currency of Nigerian Naira which is the Company's functional currency, and prepared under the historical cost basis except for Available for Sales Financial Assets measured at fair value.

The preparation of interim financial statements in compliance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

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.

There has been no material revisions to the nature and amount of changes in estimates of amounts reported in the annual financial statements 2017.

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 2017, 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 based on the fair value of the consideration specified in the contract with customer and is stated net of value-added tax (VAT) and amount collected on behalf of third parties. The company recognises revenue when the amount of revenue when control is transferred to the customers

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 when control is transferred at invoice value net of value added tax.

ii. Interest Income & Dividend

Interest income revenue 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.

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 Equipmentis 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	4%
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 thesales 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 cost are capitalized and recognized as intangible assets only when the following criteria are met:

(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 is 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
Other Intangible Assets	nill

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 incarrying 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.

g. Financial Instruments

i. Recognition

The company only recognise 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 derecognise a financial asset when, and only when:

a) The contractual rights to the cash flows from the financial assets expire or
b) It transfer the financial asset or substantially all the risks and rewards of ownership. the transfer qualifies for de-recognition

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 de-recognition of a financial asset in its entirety, the difference between:

- The carrying amount (measured at the date of de-recognition) 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 amortized cost, fair value through other comprehensive income or fair value through profit or loss the basis of both:

a) The entity's business model for managing the financial assets and

b) The contractual cash flow characteristics of the financial assets.

Measured at amortised cost

Financial asset 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 through other comprehensive income

Financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- 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 through profit or loss

All other financial instruments must be measured at fair value through profit or loss.

b). Financial liabilities

Financial liabilities are classified as measured either at

- At fair value through profit or loss or
- At amortized cost

A financial liabilities is classified at fair value through profit or loss if:

- It is held for trading or
- Upon initial recognition, it is designated at fair value through profit or loss

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 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 (more than 30 days overdue), are 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 recognise 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 Equivalent**

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.

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 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.

o. 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).

p. Pension

The Company operates a defined contribution plan which is funded by contributions from both the company and the employees where the company contribute 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.

q. 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.

r. 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.

s. 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.

t. Operating Cost

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

u. 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 PROPERTY, PLANT & EQUIPMENT

	LAND	BUIDING	MOTOR VEHICLES	LEASEHOLD IMPROVEMENTS	COMPUTERS	FURNITURE & FITTINGS	OFFICE EQUIPMENT	ELEVATOR	TRANSFORMER	TOTAL
	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦
AT COST										
1 Jan. 2018	185,050,075	1,010,793,800	204,567,532	21,742,732	133,245,496	135,050,258	69,012,215	18,026,837	-	1,777,488,945
Additions	-	709,544,176	300,000	-	13,001,150	21,482,566	36,132,000	-	30,000,000	810,459,892
Disposal			(129,681,580)	(21,742,732)						(151,424,312)
30 Sept. 2018	185,050,075	1,720,337,976	75,185,952	-	146,246,646	156,532,824.05	105,144,215	18,026,837	30,000,000	2,436,524,525
ACC. DEPRECIATION										
1 Jan. 2018	-	60,647,628	173,979,297	21,742,632	76,205,811	101,164,789	50,897,448	2,343,489		486,981,094
Charged in the year	-	18,709,628	8,403,297		15,944,262	25,869,420	14,118,638	540,805	375,000	83,961,050
Disposal			(129,681,580)	(21,742,632)						(151,424,212)
30 Sept. 2018	-	79,357,256	52,701,014	-	92,150,073	127,034,208	65,016,086	2,884,294	375,000	419,517,931
NETBOOK VALUE										
30 Sept. 2018	185,050,075	1,640,980,721	22,484,938	-	54,096,573	29,498,616	40,128,129	15,142,543	29,625,000	2,017,006,594
31 December. 2017	185,050,075	950,146,172	30,588,235	100	57,039,685	33,885,469	18,114,767	15,683,348	-	1,290,507,851

		September 2018 ₦	December 2017 ₦
4	**Intangible Assets**		
	As at beginning of the year	634,558,439	707,344,366
	Amortization in the year	(54,589,445)	(72,785,927)
		579,968,994	**634,558,439**
5	**OtherAssets**		
	At the beginning	383,360,849	408,498,602
	Addition	149,659,564	20,057,575
	Written off	(2,683,971)	(45,195,328)
		-	
		530,336,442	**383,360,849**

This represents the development costs incurred till date on projects ventured into with the view of increasing the revenue base of the company.These costs are not amortized. On commencement of commercial operation of any of the projects, the associated costs of the project is identified, seperated, and amortized over the contract period to adequately match the revenue from the project to its attributed cost.

6	**Long Term Investments**		
	Investment in equity instrument		
	Fair value as at January,1,2018	128,274,680	118,181,384
	Disposal during the period	-	-
		128,274,680	118,181,384
	Movement during the period		10,093,296
	Fair value as at 30 September, 2018	128,274,680	128,274,680
	Property (Foster Estate Ltd)	-	179,000,000
		-	**179,000,000**
		128,274,680	**307,274,680**

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 conjuction with Synergy Capital and Advisory Ltd.

7	**Long Term Receivables**	**12,300,000**	**425,031,697**

This represent the amount incurred on behalf of Forster Estate Ltd that are recoupable from the company

8	**Inventories**		
	Cards	16,291,101	39,539,109
	Stickers	104,709,073	84,422,233
	Bulk SMS	-	2,590,000
	Other Materials	2,084,000	-
		123,084,173	**126,551,342**

The sum of N84,663,060 represents the amount of inventories consumed during the quarter and charged to Income Statements through cost of sale. The amount of inventory carried at net realizable value is nil.

9i	**Trade Receivables**	**758,926,431**	**730,474,351**
9ii	**Other Current Assets**		
	Sundry Receivables	136,496,230	169,185,742
	Less Impairment loss		-
		136,496,230	169,185,742
	Prepayments		8,198,459

Trade Receivables

This represents the invoice value of trade receivables from the State Government in the States where Auto Reg is in operations.

		September 2018 ₦	December 2017 ₦
10	**Cash & Cash Equivalents**		
	Cash	1,786,835	144,295
	Bank	27,731,903	35,812,773
		29,518,738	35,957,068

		No. Of Ordinary Shares	Ordinary Shares ₦	Share Premium ₦	Total ₦
11	**Share Capital**				
	Authorised Share Capital	3,600,000,000	1,800,000,000		1,800,000,000
	At 1 January 2018				
	Issued & Fully Paid Shares of ₦0.50	3,552,000,000	1,776,000,000	478,100,000	2,254,100,000
	Movement during the period	-	-	-	-
	At 30 June 2018	3,552,000,000	1,776,000,000	478,100,000	2,254,100,000

		%	2018 ₦	%	2017 ₦
11i	**Directors Shareholdings Interest:**				
	Gp. Capt. Salami (Retd)			0%	1,200,000
	Adebola Akindele	43%	1,527,692,235	43%	1,527,692,235
	Adewale Sonaike	7%	270,694,800	7%	270,694,800
	Femi Niyi			4%	139,872,600
	Afam Edozie	0%	7,800,000	0%	7,800,000
	Oye Ogundele	2%	94,107,800	2%	94,107,800
	Helen Emore	0%	780,000.00	0%	-
		53%	1,901,074,835	57%	2,041,367,435
11ii	**Shareholders with 5% and above**				
	Adebola Akindele	43%	1,527,692,235	43%	1,527,692,235
	Rotimi Olaoye	8%	297,452,400	8%	297,452,400
	Wale Sonaike	7%	270,694,800	7%	270,694,800
	Olabisi Akindele	5%	192,108,000	5%	192,108,000
		64%	2,287,947,435	64%	2,287,947,435

		September 2018 ₦	December 2017 ₦
12	**Retained Earnings**		
	At the beginning	940,393,153	902,904,141
	Adjustment		512,235
	Profit after taxation	98,008,366	36,976,777
		1,038,401,519	940,393,153

		September 2018	September 2017
19	**Operating Cost**	₦	₦
	Staff Cost	88,811,552	71,627,596
	Repairs and Maintainance	25,697,708	28,541,976
	Transport and Travelling	12,093,849	12,641,446
	Depreciation	83,961,050	95,891,427
	Other admin. Expenses	132,076,369	152,749,339
		342,640,529	**361,451,783**
20	**Profit before tax**		
	This is stated after charging:		
	Auditors Remuneration	-	-
	Depreciation	83,961,050	95,891,427
21	**Interest Payable & Similar Charges**		
	Interest on Loan	18,471,337	34,150,236
	Bank Charges	3,239,288	1,603,408
		21,710,625	**35,753,644**