

THIRD QUARTER UNAUDITED INTERIM REPORT

OF

COURTEVILLE BUSINESS SOLUTIONS PLC

FOR THE PERIOD ENDED 30 SEPTEMBER 2019

COURTEVILLE BUSINESS SOLUTIONS PLC
FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2019
COMPANY REGISTRATION NO. 613746 OF 4TH JANUARY, 2005

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COURTEVILLE BUSINESS SOLUTIONS PLC
FINANCIAL HIGHLIGHTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	2019 N	2018 N	% Inc/(Dec)
REVENUE	1,021,431,505	886,476,053	15%
PROFIT BEFORE TAXATION	158,790,931	122,820,028	29%
PROFIT AFTER TAXATION	125,027,445	98,008,366	28%
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	3,381,765,706	3,256,738,261	4%
TOTAL ASSETS	4,246,593,120	4,190,870,747	1%

**COURTEVILLE BUSINESS SOLUTIONS PLC
CORPORATE INFORMATION
FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

DIRECTORS:-

-	AFAM EDOZIE	CHAIRMAN
-	ADEBOLA AKINDELE	MD/CEO
-	ADEWALE SONAIKE	DEPUTY MANAGING DIRECTOR
-	OYE OGUNDELE	EXECUTIVE DIRECTOR
-	OLUFEMI ADEKOYA	DIRECTOR
-	IRUNNA EJIGBE	DIRECTOR
-	OLADIMEJI SANMI	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

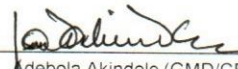
AUDITORS:- Abax-Oosa Professionals
(CHARTERED ACCOUNTANTS & TAX PRACTITIONERS)
18, AKANBI DANMOLA STREET
SOUTH-WEST IKOYI
LAGOS
TEL: +234(01)46308442-3
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REGISTRARS: EDC REGISTRARS LTD
154 IKORODU ROAD
LAGOS

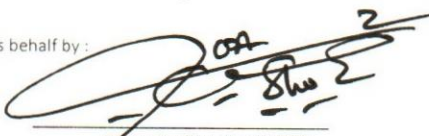
COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF FINANCIAL POSITIONS
AS AT 30 SEPTEMBER 2019

	NOTE	SEPTEMBER 2019 N	DECEMBER 2018 N
Assets			
Non-Current Assets			
Investment Property	3	801,365,942	801,365,942
Property, Plant & Equipment	4	1,301,458,391	1,172,681,171
Intangible Assets	5	528,173,822	594,220,544
Non-current receivables	6	40,194,538	40,194,538
Financial Assets	7	97,936,555	97,936,555
Other assets	8	518,133,307	578,133,307
		<u>3,287,262,555</u>	<u>3,284,532,057</u>
Current Assets			
Inventory	9	129,934,778	129,449,681
Accounts and Other Receivables	10	748,422,228	733,921,053
Prepayments	11	15,600,755	3,621,753
Cash and Cash Equivalents	12	65,372,805	39,346,203
		<u>959,330,566</u>	<u>906,338,690</u>
Total Assets		<u>4,246,593,120</u>	<u>4,190,870,747</u>
Equity and Liabilities			
Equity			
Share capital	13	1,776,000,000	1,776,000,000
Share Premium	13	478,100,000	478,100,000
Retained Earnings		1,127,665,706	1,002,638,261
		<u>3,381,765,706</u>	<u>3,256,738,261</u>
Liabilities			
Non-current Liabilities			
Deferred tax	14	72,778,325	72,778,325
Borrowings	15	81,791,816	-
		<u>154,570,140</u>	<u>72,778,325</u>
Current Liabilities			
Current portion of Borrowings	15	7,435,620	-
Accounts and Other Payables	16	664,982,828	797,791,753
Current tax payable	17	37,838,826	63,562,408
		<u>710,257,274</u>	<u>861,354,161</u>
Total Liabilities		<u>864,827,414</u>	<u>934,132,486</u>
Total Equity and liabilities		<u>4,246,593,120</u>	<u>4,190,870,747</u>

This interim reports were approved by the Board of Directors on 24/10/2019 and signed on its behalf by:


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


Azeez Eduwale (Head, Finance & Accounts)
FRC/2014/ICAN/000000009157


Adewale Sonaike (DMD)
FRC/2013/ICAN/000000002781

COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF PROFIT OR LOSS FOR THE
QUARTER ENDING 30 SEPTEMBER 2019

	NOTES	SEPTEMBER 2019	SEPTEMBER 2018
Revenue	18	1,021,431,505	886,476,053.00
Cost of Sales		<u>(459,650,018)</u>	<u>(401,473,796)</u>
Gross Profit		561,781,487	485,002,257
Other Income	19	1,416,667	600,000
Operating cost		(398,781,404)	(342,640,529)
Interest Received		<u>2,408,909</u>	<u>1,568,925</u>
Operating Profit	20	166,825,658	144,530,653
Finance cost	21	<u>(8,034,728)</u>	<u>(21,710,625)</u>
Profit before taxation		158,790,931	122,820,028
Taxation		(33,763,485)	(24,811,662)
Profit after tax		<u>125,027,445</u>	<u>98,008,366</u>
EPS		14.08	11.04

COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF PROFIT OR LOSS
FOR THE 3RD QUARTER 2019

	THIRD QUARTER		
	2019	2018	
	N	N	
Revenue	463,515,038	267,395,181	73%
Cost of Sales	<u>(164,777,889)</u>	<u>(102,374,883)</u>	-61%
Gross Profit	298,737,149	165,020,298	81%
Other Income	(95,113,764)	-	0%
Operating Cost	(134,996,552)	(118,026,356)	-14%
Interest Received	<u>589,472</u>	<u>451,803</u>	30%
Operating Profit	69,216,304	47,445,745	46%
Interest Payable and Similar Charges	(5,087,118)	(5,813,879)	13%
Profit before taxation	<u>64,129,186</u>	<u>41,631,866</u>	54%

COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF CHANGES IN EQUITY FOR THE
QUARTER ENDING 30 SEPTEMBER 2019

	Share capital	share premium	Total share capital	Retained earnings	Total equity
Balance as at 1st January 2018	1,776,000,000.00	478,100,000.00	2,254,100,000.00	924,198,165.00	3,178,298,165.00
Profit for the year				78,440,096.00	78,440,096.00
Balance as at 31 December 2018	<u>1,776,000,000.00</u>	<u>478,100,000.00</u>	<u>2,254,100,000.00</u>	<u>1,002,638,261.00</u>	<u>3,256,738,261.00</u>
Balance as at 1st January 2019	1,776,000,000.00	478,100,000.00	2,254,100,000.00	1,002,638,261.00	3,256,738,261.00
Profit for the quarter				125,027,445.47	125,027,445.47
Balance as at 30 June 2019	<u>1,776,000,000.00</u>	<u>478,100,000.00</u>	<u>2,254,100,000.00</u>	<u>1,127,665,706.47</u>	<u>3,381,765,706.47</u>

COURTEVILLE BUSINESS SOLUTIONS PLC
STATEMENT OF CASH FLOW
QUARTER ENDING 30 SEPT 2019

	SEPTEMBER 2019 N	SEPTEMBER 2018 N
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit / (Loss) for the year Before Taxation	158,790,931	122,820,028
<u>ADJUSTMENT FOR ITEMS NOT INVOLVING MOVEMENT OF FUNDS:</u>		
Depreciation	56,524,724	83,961,050
Interest Receivable	(2,408,909)	(1,568,925)
Amortization-Intangible/IT Software	66,046,723	54,589,445
Other Intangible- Written off	60,000,000	2,683,971
Profit on Asset Disposal	-	(600,000)
Withholding Credit notes utilized	-	(67,448,117)
	338,953,469	194,437,452
<u>CHANGES IN WORKING CAPITAL</u>		
(Increase) / Decrease in Inventories	(485,097)*	3,467,269
(Increase) / Decrease in Trade Receivables & Othe	(26,480,177)	12,435,891
Increase / (Decrease) in Creditors	(132,808,925)	310,599,918
	179,179,270	520,940,530
Taxation Paid	(59,487,068)	(44,737,257)
Dividend Paid	-	-
	119,692,202	476,203,273
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of Property Plant & Equipment	(185,301,944)	(810,459,892)
Proceed from disposal of asset	-	600,000
Long Term Investments	-	179,000,000
Long Term Receivables	-	412,731,697
Interest Received	2,408,909	1,568,925
Other Assets	-	(149,659,564)
Investment in Sierra-Leone	-	-
	(182,893,035)	(366,218,834)
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
Borrowings	89,227,435	(139,415,337)
	89,227,435	(139,415,337)
(Decrease) in Cash & Cash Equivalents	26,026,602	(29,430,898)
Cash & Cash Equivalents as at Beginning	39,346,203	35,957,068
Cash & Cash Equivalents as at Closing	65,372,805	6,526,170
<u>FINANCED BY:</u>		
Bank & Cash	65,372,805	6,526,169
	65,372,805	6,526,169

1. Basis for Preparation

1.1 General accounting policies

The interim financial report of Courteville Business Solutions Plc comprises a summary of the financial statements of the company. The interim financial report has 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 2018 annual report.

1.2 Significant Accounting Policies

The preparation of interim financial statements in compliance with IAS 34 requires the use of certain accounting estimates. It also requires the management to exercise judgment in applying the accounting policies. There has been no material revisions to the nature and amount of changes in estimates of amounts reported in the annual financial statements for 2018.

Courteville Business Solutions Plc has applied the same accounting policies and methods of computation in its interim financial statements as in its 2018 annual financial statements, except for those that relate to new standards and interpretations effective for the first time for periods beginning on (or after) 1 January 2019, and will be adopted in the 2019 annual financial statements.

None of the new standards and amendments that are effective for the first time for periods beginning on (or after) 1 January 2019 have a material effect on Courteville Business Solutions Plc

2. Segment Information

2.1 Segment Descriptions

Segment 1:

AutoReg™ Motor Vehicle Administration Documentation (MVAD)

This is a business solutions platform designed to address the inefficiencies in the motor vehicle administration. Part of the platform runs on the AutoReg™ 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 various services currently offer on the platform include: AutoReg Vehicle License, AutoReg Hackney Permit, AutoReg Vehicle Test, AutoReg RoadWorthiness and AutoReg Inspector.

Segment 2:

E-Commerce

This segment represents our e-commerce services. The products offered under this segments are: WebPeople, Egole Shopping Mall, P-SEAMS, etc

2.2 Segment Results

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	
	2019	2018	2019	2018	2019	2018
Revenue	918,474,054	821,717,966	102,957,451	64,758,087	1,021,431,505	886,476,053
Cost of sales	(413,107,061)	(381,396,972)	(46,542,957)	(20,076,824)	(459,650,018)	(401,473,796)
Gross Profit	505,366,993	485,002,257.00	44,402,450.78	27,087,112	561,781,487	485,002,257

3 Seasonal Businesses

Due to the nature of our business, activities depend majorly on compliance enforcement by necessary Government Agencies. Activities also tend to peak during the festival period especially the Christmas and normalize after Christmas period.

Revenue for the twelve (12) months period ended 30 September 2019 totalled N1,407,044,958.43 (2018: N1,362,744,817.00) while cost of sales totalled N277,927,786.61 (2018: N256,744,189.00)

4 Tax

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to the expected annual profit or loss.

5 Related Party Transactions

During the third quarter there was no related party transactions.

6. Property Plant and Equipment

During the nine (9) months ended 30 September 2019, the total addition to the company's Property Plant and Equipment is N185,301,944. There was no disposal made during the period.

7. Working Capital

Developments in working capital are driven by activity level. The current assets increased by N52,991,876 during the nine (9) months ended 30 September 2019 from N906,338,690 of December 2018 to N959,330,566. The current liabilities decreased by the sum of N151,096,887 from 31 December 2018 figure of 861,354,161 to N710,257,274. The net working capital for the six (6) months ended is N249,073,292 (2018 net working capital: N44,984,529)

10. Share Capital

The share capital account remains the same as reported in the last annual report.

COURTEVILLE BUSINESS SOLUTIONS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

3 INVESTMENT PROPERTY

	2019	2018
Opening Balance	801,365,942	-
Additions	801,365,942	-
Accumulated Depreciation	-	-
Closing Balance for the period	<u>801,365,942</u>	<u>801,365,942</u>

4 PROPERTY, PLANT & EQUIPMENT

	LAND N	BUILDING N	MOTOR VEHICLES N	COMPUTERS N	FURNITURE & FITTINGS N	OFFICE EQUIPMENT N	ELEVATOR N	BUILDING IMPROVEMENT N	TRANSFORMER N	TOTAL N
AT COST										
1 Jan. 2019	185,050,075	1,010,793,700	66,458,952	94,006,683	136,265,258	70,932,215	18,026,837	-	-	1,581,533,720
Additions	-	-	141,205,500	14,308,300	3,297,000	20,160,694	-	735,000	5,595,450	185,301,944
Disposal	-	-	-	-	-	-	-	-	-	-
30 Sept. 2019	<u>185,050,075</u>	<u>1,010,793,700</u>	<u>207,664,452</u>	<u>108,314,983</u>	<u>139,562,258</u>	<u>91,092,909</u>	<u>18,026,837</u>	<u>735,000</u>	<u>5,595,450</u>	<u>1,766,835,664</u>
ACC. DEPRECIATION										
1 Jan. 2019	-	80,863,504	45,925,198	78,290,677	133,967,738	66,740,870	3,064,562	-	-	408,852,549
Charged in the period	-	25,820,070	5,544,178	8,160,185	5,223,239	10,033,997	540,805	30,621	1,171,629	56,524,724
Disposal	-	-	-	-	-	-	-	-	-	-
30 Sept. 2019	<u>-</u>	<u>106,683,573</u>	<u>51,469,377</u>	<u>86,450,862</u>	<u>139,190,976</u>	<u>76,774,867</u>	<u>3,605,368</u>	<u>30,621</u>	<u>1,171,629</u>	<u>465,377,273</u>
NETBOOK VALUE										
30 Sept. 2019	<u>185,050,075</u>	<u>904,110,127</u>	<u>156,195,075</u>	<u>21,864,121</u>	<u>371,282</u>	<u>14,318,042</u>	<u>14,421,469</u>	<u>704,379</u>	<u>4,423,821</u>	<u>1,301,458,391</u>
31 Dec. 2018	<u>185,050,075</u>	<u>929,930,197</u>	<u>20,533,754</u>	<u>15,716,006</u>	<u>2,297,520</u>	<u>4,191,345</u>	<u>14,962,275</u>	<u>-</u>	<u>-</u>	<u>1,172,681,171</u>

COURTEVILLE BUSINESS SOLUTIONS PLC
NOTES TO THE ACCOUNTS

	SEPTEMBER 2019	DECEMBER 2018
5. Intangible Assets		
i. AutoReg Platform		
Cost	1,455,718,540.00	1,455,718,540.00
Amortization		
At the beginning of period	894,291,053.00	821,505,125.96
For the period	54,589,445.28	72,785,927.04
Amortisation till date	<u>948,880,498.28</u>	<u>894,291,053.00</u>
Balance as period end	<u>506,838,041.52</u>	<u>561,427,487.00</u>
ii. Computer Software		
Cost	52,639,962.52	52,639,963.00
Amortization		
At the beginning of period	19,846,905.69	6,152,906.22
For the period	11,457,275.88	13,693,999.47
Amortisation till date	<u>31,304,181.57</u>	<u>19,846,905.69</u>
Balance as period end	<u>21,335,780.95</u>	<u>32,793,057.31</u>
Total	<u>528,173,822.47</u>	<u>594,220,544.31</u>
6. Non-current receivables		
Deposit for plates in Kogi State	12,300,000.00	12,300,000.00
Deposit for number plates in other states	27,894,537.50	27,894,538.00
	<u>40,194,537.50</u>	<u>40,194,538.00</u>
These are security deposits for the facilitation of carrying on business in the concerned states		
7. Financial assets		
At fair value through profit or loss	<u>97,936,554.60</u>	<u>97,936,555.00</u>
8. Other assets		
African Expansion	163,145,833.84	222,145,834.00
Zimbabwe	98,705,882.00	98,705,882.00
Jamaica	165,308,695.08	106,308,695.00
Liberia	90,972,896.05	150,972,896.00
	<u>518,133,306.97</u>	<u>578,133,307.00</u>
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, separated, and amortized over the contract period to adequately match the revenue from the project to its attributed cost.		
9. Inventory		
AutoReg Stickers	124,970,778.20	115,004,833.00
AutoInsurance Certificates	220,000.00	3,914,000.00
Bulk SMS	1,050,000.00	-
Cards	3,694,000.00	10,530,848.00
	<u>129,934,778.20</u>	<u>129,449,681.00</u>
10. Accounts and Other Receivables		
Account Receivable	628,852,873.46	640,514,802.00
Staff loans and Advances	19,013,744.22	25,764,367.00
Other Receivables	7,957,082.54	452,677.00
Value Added Tax	25,413,788.86	25,413,789.00
Development Levy	4,201,771.78	2,664,593.00
Withholding Tax	62,982,967.24	39,110,825.00
	<u>748,422,228.10</u>	<u>733,921,053.00</u>

COURTEVILLE BUSINESS SOLUTIONS PLC
NOTES TO THE ACCOUNTS

	SEPTEMBER 2019	DECEMBER 2018
11. Prepayments		
CIPLC Listing	233,178.75	-
Insurance	4,312,500.00	615,822
Other Prepayments	9,180,076.16	2,699,681
Secretariat fees	-	306,250
Rent	1,875,000.00	
	<u>15,600,754.91</u>	<u>3,621,753.00</u>
12. Cash and cash equivalents		
Cash on hand	747,905.00	319,450.00
Bank Balances	64,624,899.57	36,029,753.00
	<u>65,372,804.57</u>	<u>36,349,203.00</u>
13. Share Capital		
Authorised		
3600000000 Ordinary shares of 50kobo each		
Issued		
3,552,000,000 Ordinary shares of 50kobo each	1,776,000,000.00	1,776,000,000.00
Share Premium	478,100,000.00	478,100,000.00
	<u>2,254,100,000.00</u>	<u>2,254,100,000.00</u>
14. Deferred Tax		
Deferred tax liabilities	72,778,324.58	72,278,325.00
At the beginning	72,778,325.00	18,140,995.00
Movemnets	-	54,637,330.00
Closing	<u>72,778,325.00</u>	<u>72,778,325.00</u>
15. Borrowings		
Bank Loan	89,227,435	322,876,388
Falling due within 1 year	7,435,619.60	322,876,388
Falling due after 1 year	81,791,816	
	<u>89,227,435</u>	<u>322,876,388</u>
16. Accounts and Other Payables		
Accounts payable	262,763,760.25	196,093,334.00
Egole Staff contributions	672,412.99	20,722,490.00
Pension payable	42,595,768.66	41,694,406.00
PAYE	750,667	16,528.00
Accrued Expenses	80,092,150.16	90,172,016.00
Employee costs payable	1,061,207.79	45,347.00
Withholding tax deduction	26,504,960.68	14,561,919.00
Value Added Tax	1,739,225.08	4,021,826.00
Directors current accounts	248,802,674.87	430,463,887.00
	<u>664,982,827.80</u>	<u>797,791,753.00</u>
17. Current tax payables		
Balance at the beginning	63,562,409.00	129,010,642.00
withholding tax utilized		(67,448,117)
Companny Income Tax	28,136,237.59	38,934,332.00
Education tax	5,627,247.52	7,785,309.00
payment during the period	(59,487,068)	(44,719,757)
	<u>37,838,826.48</u>	<u>63,562,409.00</u>
	SEPTEMBER 2019	SEPTEMBER 2018
18. Revenue		
Commission	822,343,022	685,708,348
E-Commerce	102,957,451	64,758,087
Reimbursable	96,131,032.15	136,009,618
	<u>1,021,431,505.1</u>	<u>886,476,053</u>
19. Other Income		
Rental Income	1,416,666.65	-
Profit from disposal of fixeç assets	-	600,000.00
	<u>1,416,666.65</u>	<u>600,000.00</u>

COURTEVILLE BUSINESS SOLUTIONS PLC
NOTES TO THE ACCOUNTS

	SEPTEMBER 2019	SEPTEMBER 2018
20. Operating Cost		
Staff Cost	94,064,528.73	88,811,551.98
Auditors Remuneration	-	-
Repairs and Maintenance	48,955,593.52	25,697,708.35
Transport and Travelling	26,507,951.92	12,093,849.00
Depreciation	67,982,000.01	83,961,049.77
Retirements Benefit (See note 27)	-	-
Donations	4,750,000.00	-
Other admin. Expenses	156,521,330.12	132,076,369.44
	<u>398,781,404.30</u>	<u>342,640,528.54</u>
21. Profit before tax		
This is stated after charging:		
Auditors Remuneration	2,226,000.00	-
Depreciation	67,982,000.01	83,961,049.77
22. Interest Payable & Similar Charges		
Interest on Loan	3,637,154.45	18,471,337.08
Bank Charges	4,397,573.36	3,239,287.98
	<u>8,034,727.81</u>	<u>21,710,625.06</u>