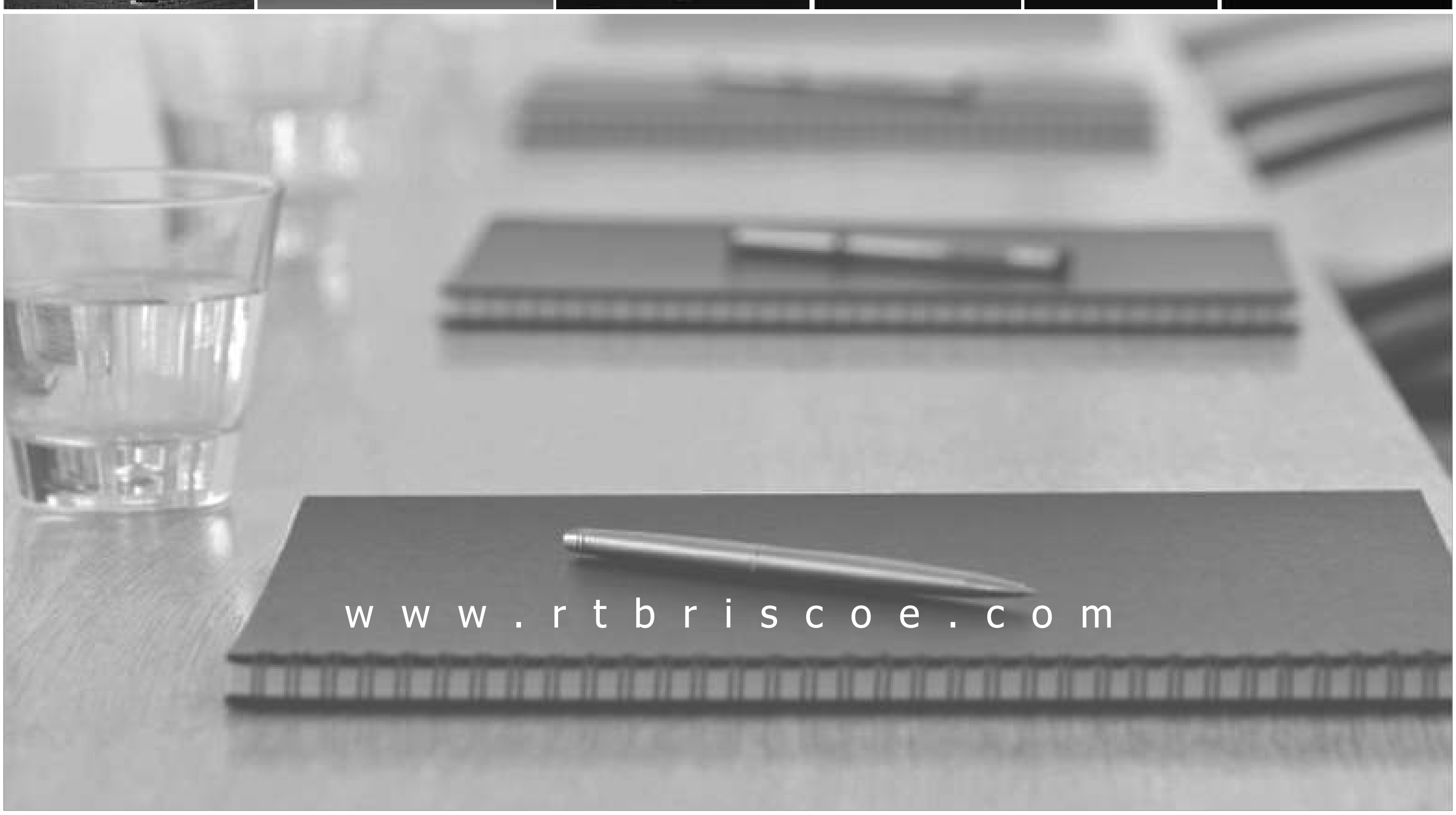
BRISCOE

R.T. BRISCOE (NIGERIA) PLC
RC 1482

Annual Report and Financial Statements 2017



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Results At A Glance

For the year ended 31 December 2017

	2017 N'000	2016 N'000	Variance %
Turnover	4,376,859	9,808,274	-18%
Loss before taxation	(3,145,649)	(2,819,299)	-35%
Taxation	(14,893)	(81,310)	-165%
Loss after taxation	(3,160,542)	(2,900,609)	-31%
Other comprehensive income net of tax	64,495	7,765	-99%
Total comprehensive income for the year after tax	(3,096,047)	(2,892,844)	-12%
Share Capital	588,177	588,177	0%
Total Equity	(2,947,683)	(40,738)	7136%
Per 50K share data:			
Based on 1,176,353605 (2015 -1,176,353,695)			
Ordinary shares of 50k each:			
Basic Loss Per Share (Kobo)	(247)	(355)	
Diluted Loss Per Share (Kobo)	(247)	(355)	
Net assets (kobo)	(2,506)	-3	
Dividend declared	-	-	
Dividend cover (times)	-	-	
Stock Exchange quotation at year end (kobo)	50	50	
Number of employees (group)	223	289	

Corporate Information

Board of Directors:

- Mr. Clement Adekunle Olowokande - Chairman [Retired on April 27, 2017]
- Sir Sunday Nnamdi Nwosu, KSS, GCOA, MIoD - Acting Chairman
- Mr. Bukola Oluseyi Onajide - Managing Director
- Mr. Akin Ajayi
- Ms. Adeola Adenike Ade-Ojo
- Dr. Adewale Olawoyin, SAN
- Alhaji Ali Safiyanu Madugu, mni
- Mrs. Aderemi O. Akinsete-Chidi [Alternate Director to Ms. A. A. Ade Ojo]
- Mrs. Folasade Oluwatoyin Ogunde [Appointed on April 10, 2017]

Registered Office:

18, Fatai Atere Way
Matori, Oshodi
Lagos

Registration No.: RC. 1482

Company Secretary:

Olukayode Adeoluwa & Co.
18, Fatai Atere Way
Matori, Oshodi
Lagos

Independent Auditor:

KPMG Professional Services
KPMG Tower
Bishop Aboyade Cole Street
Victoria Island, Lagos

Company's Bankers:

Access Bank Nigeria PLC
Diamond Bank PLC
Ecobank Nigeria PLC
Fidelity Bank PLC
First Bank of Nigeria PLC
First City Monument Bank PLC
Guaranty Trust Bank PLC
Keystone Bank Limited
Skye Bank PLC
Stanbic - IBTC Bank PLC
Sterling Bank PLC
Union Bank of Nigeria PLC
United Bank For Africa PLC
Unity Bank PLC
Wema Bank PLC
Zenith Bank PLC

BACKGROUND

R.T. Briscoe (Nigeria) PLC ("Briscoe") was incorporated in Nigeria on 9th March, 1957, as a Private Limited Liability Company and became a wholly owned subsidiary of the East Asiatic Company Ltd A/S ("EAC") of Copenhagen-Denmark in 1961. Briscoe became a public Company in 1973 and the shares were listed for quotation on the Nigerian Stock Exchange in 1974. In August 2002, EAC divested its shareholding in Briscoe to Nigerian investors.

Briscoe started its business activities in Nigeria with the importation of building materials and some English trucks under an agency arrangement brokered by its parent Company. Since 1957, when Briscoe was incorporated, the Company has witnessed tremendous growth and has diversified its area of operations to include the sales and service of motor vehicles and technical equipment.

Briscoe has since 1957 under the trade name "Briscoe Motors" been a dealer of Toyota vehicles in Nigeria. Between 1970 and August 1992, Briscoe served as the exclusive dealer for Volvo vehicles in Nigeria with sales and service outlets in various parts of the country until the Agreement was mutually terminated by both parties. Between 2005 and June, 2016, Briscoe was also an authorized dealer of Ford Motor Company products until the mutual termination of the dealership agreement by both parties. The marketing, sales and servicing of Ford vehicles was conducted under the trade name – BriscoeFord.

Briscoe has its head office at Matori, Lagos and branch offices at Ikeja, Victoria Island, Lekki, Kano, Asaba, Port Harcourt and Abuja.

BUSINESS ACTIVITIES

Presently, Briscoe is engaged in the marketing, sales and servicing of Toyota motor vehicles under the trade name *BriscoeToyota* as one of the 8 authorised dealers of Toyota Nigeria Limited. It is also engaged in the real estate sector and deals in industrial equipments.

Business Units

The *BriscoeToyota* Division deals in the sales and servicing of Toyota motor vehicless. *Briscoe Toyota* Workshop are equipped with the state-of-the-art electronic and computerized equipment to ensure that the company offers the highest possible quality after-sales service. Our workshops are among the best in the country through regular facilities improvement activities. *BriscoeToyota* was the first Toyota delaer to receive the highly coveted Toyota award for Service, Marketing Excellence (TSL) from Toyota Motor Corporation (TMC) Japan.

The *Briscoe Industrial Equipment* Division of the Company handles the sales and services of industrial, mining, construction and warehouse equipment as well as generating sets. The division markets and services Toyota, BT & Raymond brands of forklift and other material handling equipments. The Elgi brand of compressors are currently being marketed through *CAW Technical Nigeria Limited*, a fully owned subsidiary of the company.

Briscoe Properties Limited, a fully owned subsidiary is involved in facilities management, property development, project management and estate management services. *Briscoe Properties Limited* has developed a number of residential properties in Nigeria and presently manages a large portfolio of commercial and residential properties in Ikoyi, Victoria Island, Apapa, Ikeja, Yaba, Abuja, Lekki etc. It also provides project management and property marketing services to its vast clientele

Directors

Sir Sunday Nnamdi Nwosu, Kss, GCOA, MIoD is the Acting Chairman of the Company. A well-known Apostle of good corporate governance, he is the Founder and erstwhile National Coordinator of the Independent Shareholders Association of Nigeria. He is a member of the SEC Capital Market Development Company and the Institute of Directors. Sir Nwosu is an astute investor in a sizeable number of quoted companies on the Nigeria Stock Exchange and serves on the Board or Audit Committee of some of them. He is a Director of Nigeria Aviation Handling Company PLC, MRS Oil Nigeria PLC and Kajola Integrated Investment PLC. He is also a member of the statutory Audit Committees of Julius Berger PLC, Trust Funds PLC, FrieslandCampina WAMCO Nigeria PLC and Seplat Petroleum Development Company PLC. Sir Nwosu was appointed to the Board of R.T. Briscoe on March 27, 2014 and as acting Chairman on April 27, 2017. Prior to his appointment as Chairman, he had served as Chairman of the Board's Finance & Risks Management Committee and as a member of the Governance and Business Strategy Committees of the company.

Mr. Bukola Oluseyi Onajide is the Managing Director. He started his professional career as an intern with Deloitte Haskins & Sells, an international firm of Chartered Accountants, and qualified as a Chartered Accountant in 1989. Subsequently, He obtained a Masters Degree in Business Administration from the University of Lagos (1998) and now a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN). He has attended many management courses locally and internationally, including the prestigious Lagos Business School and famous INSEAD, France. Prior to his joining Briscoe in 1998, he had worked with SCOA Nigeria PLC (1990-1993 and 1994-1996) where he became the AGM Finance and subsequently as a Management Consultant to Alchem Industries Limited (1996-1997) and Management Development Associates (1998). He was employed by R.T. Briscoe on the 1st of July 1998, appointed Finance Director in December 2004, Executive Director in charge of the motor business in January 2006. In April 2008, he was appointed the Deputy Managing Director, Managing Director – Designate in July 2009 and became the Managing Director in January 2010.

Mr. Akin Ajayi graduated from the University of Ife (now Obafemi Awolowo University), Ile-Ife in 1984 with a Bachelor of Science (B.Sc) degree in Economics. He is a Fellow of the Institute of Chartered Accountants of Nigeria and a seasoned banker with a wealth of over 20 years experience. He has also attended several short term courses at prestigious business schools which include the International Management Development Institute (IMD), Switzerland in 1993, Lagos Business School (LBS) in 1995, The Cranfield University, UK in 2001, The Gordon Institute of Business Science (GIBBS), University of Pretoria, South Africa in 2004 and Columbia University, USA in 2006. Mr. Ajayi worked as an Officer in the Controls/Audit department of First City Merchant Bank Limited from 1988 to 1990. He was the Managing Director of Equity Bank Ltd from 2003 to 2005 before its merger with Intercontinental Bank Plc in 2005 where he served as Executive Director from 2005 till his retirement from the Bank in 2008. He is currently the Chairman/Chief Executive Officer of Libra Energy Services Ltd and also serves on the boards of other private and public Companies including a Non-Government Organisation. Mr. Ajayi was appointed a director of the Company in July 2009. He is the Chairman of the Company's Audit Committee as well as the Board's Business Strategy Committee, and member of the Finance and Risks Management Committee.

Ms. Adeola Adenike Ade-Ojo is an internationally renowned fashion designer and winner of several local and international awards. She is a graduate of the University of Miami where she graduated with a Bachelor of Business degree in 1987. She obtained a Masters of Science (M.Sc) degree in Finance from the University of Lagos in 1989. Ms. Ade-Ojo has served as Nigerian Representative in an international campaign by the United Nation World Food Program to raise money towards halving the number of hungry people in the world particularly children. She was appointed a non-executive Director in December, 2004. She is a member of the Board's Finance and Risks Management Committee as well as the Governance Committee.

Dr. Adewale Olawoyin, SAN is a Legal Practitioner and Senior Lecturer in law at the University of Lagos. He is a 1987 graduate of the Law faculty of the University of Ife (now Obafemi Awolowo University), Ile-Ife and was called to the Bar in 1988. He also has a Masters degree in law (LL.M) from the London School of Economics and Political Science, UK and a PhD in law from the University of Bristol, UK. Dr. Olawoyin started his career in 1988 with a one year stint as Legal Assistant at the Nigeria Merchant Bank Limited before joining the law firm of Olawoyin & Olawoyin in 1989 where he has been actively involved in legal practice in various capacities as Associate, Senior Associate and Partner. He is currently the Managing Partner of the firm. He serves on the boards of several private Companies including a Non-Government Organisation. He was appointed a director of the Company in July 2009. He is the Chairman of the Board's Governance Committee and member of the Business Strategy Committee. He is also a member of the Company's Statutory Audit Committee.

Directors Contd.

Alhaji Ali Safiyanu Madugu, mni an industrialist is the Managing Director/Chief Executive Officer of Dala Foods Nigeria Limited, a food processing Company. He holds post graduate diplomas in Management as well as a Masters degree in Business Administration. He is a member of several professional bodies which include the Institute of Directors, Chartered Institute of Marketing, UK, Nigerian Institute of Management and the prestigious National Institute for Policy and Strategic Studies. He was appointed a Director of the Company in December 2013. He is a member of the Board's Governance and Business Strategy Committees. He is also a member of the Company's Statutory Audit Committee.

Mrs. Folasade Oluwatoyin Ogunde is a Non-Executive and Independent Director of the company. She is a Fellow of the Institute of Chartered Accountants of Nigeria and also a Facility Management Professional (FMP). She obtained a Bachelor of Science degree in Economics from the University of Ife, Ile-Ife in 1984 and has attended several short term management courses locally and abroad. In her working career which has spanned over 30 years, Mrs. Ogunde has served in various Management and Board positions as Auditor, Management Accountant, Group Treasurer, Divisional Commercial Director and Finance Director. She started her working career in 1985 as an Audit trainee in Deloitte Haskins + Sells (Chartered Accountants) (now Akintola Williams Deloitte & Co.) and left in 1991 for brief stints as Treasury Manager in a Savings & Loans company (1992-1995) and as Consultant Auditor in International Computers Limited (1995-1997) before joining the UAC Group in November 1997 as a mid-career Manager. She rose through the ranks to become Finance Director of UAC Property Development Company PLC in 2005 before her retirement in May 2016. She currently serves as a Management and Financial Consultant to companies in the private sector. She was appointed Director of R.T. Briscoe on April 10, 2017 and is the Chairman of the Board's Finance and Risks Management Committee. She is also a member of the the Business Strategy Committee.

Mrs. Aderemi O. Akinsete-Chidi is alternate Director to Ms. Adeola Adenike Ade-Ojo. She is a professional Banker and Chartered Pension Administrator with over 25 years' experience in the Banking and Sales & Service industry. She has extensive experience in strategic planning, operations/customer service and relationship management. She graduated with a B.Sc. Accounting degree from the Oklahoma City University, Oklahoma City, USA in 1989 and did her post graduate studies at the Graduate School of Management of the University of Maryland in 1991. She is a member of the American Institute of Banking, Washington DC, USA and an Associate member of the Certified Pension Institute of Nigeria. She has attended several training courses locally and abroad. Mrs. Akinsete-Chidi started her banking career with the First American Bank, USA in 1989 and she has since then served in various management positions in some Nigerian Banks - Standard Chartered Bank PLC, the now defunct FSB International Bank PLC, its successor Fidelity Bank Plc, First Bank of Nigeria PLC and Ecobank Nigeria Ltd. She currently serves on the Boards of Levmora Nigeria Limited and Nub Petrochemical Ltd. She was appointed an Alternate Director of R.T. Briscoe with effect from April 10, 2017.

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING OF R.T. BRISCOE (NIGERIA) PLC will be held at the NECA HOUSE, PLOT A2, HAKEEM BALOGUN STREET, CENTRAL BUSINESS DISTRICT, ALAUSA, IKEJA, LAGOS STATE on THURSDAY, 29TH NOVEMBER, 2018 at 11.00 A.M. for the transaction of the following business:

ORDINARY BUSINESS
1. To lay before the meeting, the financial statements for the year ended 31st December, 2017 and the Reports of the Directors, Auditors and Audit Committee thereon
2. To re-elect Directors
3. To authorize the Directors to fix the remuneration of the Auditors
4. To elect members of the Audit Committee

SPECIAL BUSINESS
5. To fix the remuneration of the Directors
6. To authorize the company to procure goods and services necessary for its operations from related companies

Lagos, Nigeria.
July 27, 2018

By Order of the Board

Olukayode Adeoluwa
[FRC/2013/NBA/000000002108]
Olukayode Adeoluwa & Co.
Company Secretary

Proxies
A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a member of the Company. Executed forms of proxy should be deposited at either the registered office of the Company or the office of the Registrar not less than 48 hours before the time of holding the meeting. To be effective, the proxy form should be duly stamped and signed.

Audit Committee
Any shareholder may nominate another shareholder as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the date of the Annual General Meeting.

Closure of Register
The Register of members will be closed from Monday, October 29 to Friday, November 2, 2018 both dates inclusive.

Right of Shareholders to ask Questions
Shareholders have a right to ask questions not only at the meeting but also in writing prior to the meeting. Such questions must be submitted to the Company or the Registrars on or before the 9th of November, 2018.

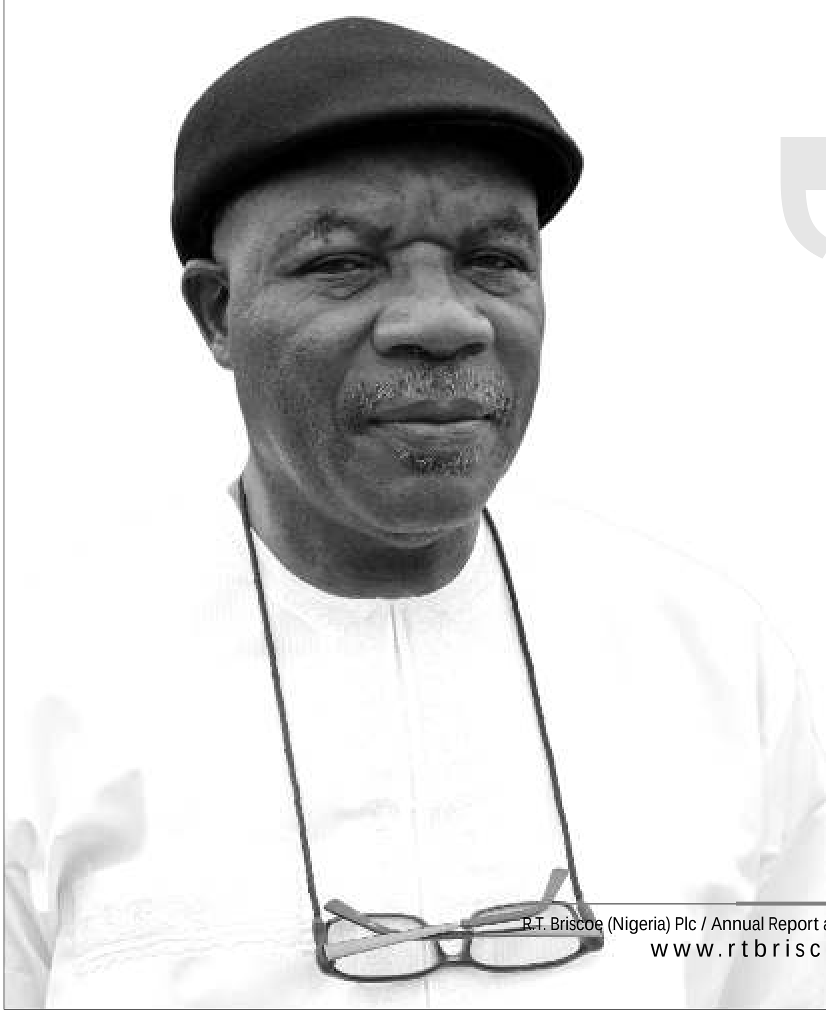
GENERAL

Fellow shareholders, it is once again my pleasure and privilege to welcome you to the Annual General Meeting of our Company for the 2017 financial year.

BUSINESS ENVIRONMENT

The Nigerian economy started on a weak note in 2017 due to the plunge in crude oil prices, decline in oil production, and the reduction in non-oil exports, all of which contributed to the acute scarcity of foreign exchange. The Naira came under intense pressure and declined to an all-time low in the first quarter of 2017. Inflation rose significantly while the country's external reserves commenced a downward slide. The picture however changed dramatically in the second quarter of the year with the improvement in oil prices and increased production levels. The country also officially exited in the second quarter of 2017 the economic recession which commenced in 2016. The National Bureau of Statistics has announced that the Nigerian economy grew by 0.83% in 2017 as against the contraction of -1.58% in 2016. Increased portfolio inflows, improved income from crude oil sales including the success of the country's Eurobond offerings positively impacted Nigeria's external reserves which rose from $26.09 billion early January to $39.82 billion in December 2017.

Due to the gradual recovery of the economy, the inflation rate recorded a marginal decline to 15.90% in November, as against the 18.72% recorded in January 2017. The Central Bank of Nigeria maintained a tight monetary policy regime in its quest to continue to attract portfolio inflows. The benchmark monetary policy rate was kept unchanged at 14% all through the year against the backdrop of challenging external conditions and downside risks in the domestic economic environment. Regrettably, however, the improved economic indicators which were attributable mainly to the improved revenue from oil sales had minimal impact on the business environment which was plagued with low consumer demand for goods and services.



"The restructuring of the company's business activities has had the desired impact of repositioning the group for improved performance which has been evident in the post year end results... The current financial constraints notwithstanding, the potentialities of our various business activities are encouraging."

The World Bank recently declared that the rates of unemployment and under-employment in Nigeria increased in 2017 and poverty was estimated to have increased slightly.

RESULTS

Due to weak consumer demand as well as inadequate working capital for effective products and service offerings, the revenues of N4.4 billion and N3.9 billion respectively earned by the R.T. Briscoe group and company in 2017 were considerably below that of the previous year. The results of the Group and Company in 2017, severely impacted by the company's huge debt burden, were both disappointing losses of N3.1 billion for the year.

The Current Financial Position of our Company

Since my joining the Board on March 27, 2014 and eventual appointment as Acting Chairman on April 10, 2017, the major challenges facing the company have been its chronic undercapitalization, the crippling debt burden and attendant litigation by the creditor banks. It would be recalled that an Extra-Ordinary General Meeting was convened on September 22, 2016 to inform you our shareholders of the financial situation of the company, brief you on the steps being taken by the Board and Management of the company and also solicit your views towards rescuing our company from its financial predicament. The Board also obtained your formal approval through a resolution at the last Annual General Meeting to raise fresh capital of up to N10 billion for the recapitalization of the company. The Board engaged the services of financial consultants for the restructuring of the business for improved performance as well as professional support in attracting new equity investment, cheaper debt capital or a combination of both. Discussions are currently being held with some prospective investors accompanied by the customary due diligence checks, though these are still in process and are yet to come to fruition.

The restructuring of the company's business activities has had the desired impact of repositioning the group for improved performance which has been evident in the post year end results. The improvements recorded have however been marginal as our sales and marketing activities have been hampered by our inability to finance imports and Local Purchase Orders for vehicles, technical equipment, and spare parts, due mainly to liquidity constraints. Our current business activities are predominantly financed by our customers. The current financial constraints notwithstanding, the potentialities of our various business activities are encouraging.

Briscoe Properties Limited, our real estate subsidiary has had to suspend the lucrative property development aspect of its business activities, and depend on its fee-based facility management and project management activities for sustenance. Its capacity for elegantly designed and well-built residential and business properties for which the company has become renowned, however, remains intact. Our motors and technical equipment businesses, particularly their After-Sales units have shown by their recent performances, that with the right level of operating capital, they can deliver satisfactory returns. They continue to perform under very trying circumstances.

Since our last Annual General Meeting, some other creditor banks have been joined as parties in the petition for winding-up our company due to its indebtedness at the Federal High Court, Lagos. Your Board remains optimistic that the matter would soon be settled amicably through a collective negotiated settlement with the banks supported by the Board once a core investor has been identified.

"All hands are on deck towards the recapitalization of the company. There is also an unrelenting focus on our business units for optimal performance despite the current daunting economic climate. The support from our foreign and local suppliers during these trying times has been encouraging, as our business relationships with them have continued to thrive unhindered."

Going Concern Status

Our External Auditors, KPMG Professional Services have issued a qualified opinion on our financial statements for the 2017 financial year because of our current financial situation and the uncertainties caused by the ongoing court action. They are of the view that the erosion of shareholders' funds due to successive years of financial losses, including the inability of the company to immediately settle all its loans that have fallen due, is an indication of material uncertainty about the going concern status of the company. Accordingly they consider it inappropriate to prepare the accounts on a going concern basis.

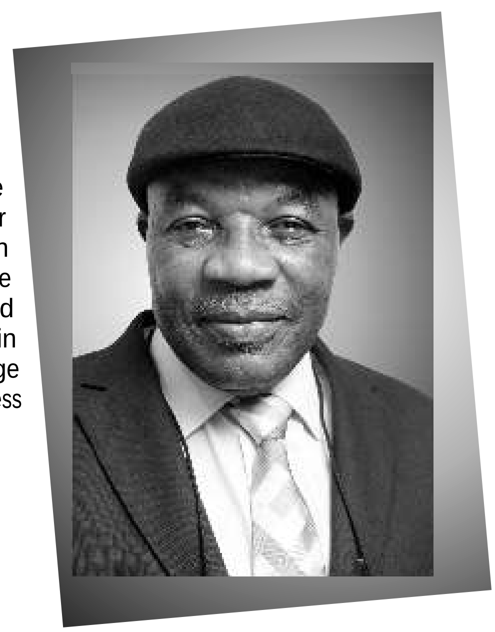
The pessimistic position adopted by our External Auditors is certainly not shared by your Board who are vested with the statutory responsibility of preparing the financial statements. Your Board is taking all necessary steps to attract core investors for the recapitalization of the company, a process which it is hopeful of being satisfactorily concluded soon. As mentioned earlier, if supported, our business units with the right amount of working capital are capable of generating competitive returns on investment.

It is the firm view of the Board that the interest of our shareholders and other stakeholders, including our banks, is best served with an injection of fresh capital into the company and the preservation of its corporate reputation as a business entity. As a going concern, with fresh investment and a negotiated settlement of its existing bank debts, supported by adequate working capital, the company is bound to achieve its business objectives in the long term to the delight of its shareholders, creditors and other stakeholders.

No doubt, the process of identifying and attracting a new core investor has been a slow and painstaking one. We should however realistically evaluate such an exercise within the context of our current economic situation, particularly developments in the capital market. Economic growth, according to the National Bureau of Statistics contracted to 1.95% in the first quarter of 2018. The capital market indices have been on a downward spiral. The All-Share Index which peaked at 45,092.83 points on January 18, 2018 has recorded a steady decline since then and stood at 37,647.93 as at the time of writing on July 9, 2018. The market capitalization of listed equities including foreign portfolio investments into the country has also dropped considerably since the beginning of the year. Capital raising under such circumstances is bound to prove challenging, and we appeal for patience and understanding.

CONCLUDING REMARKS

Your Board is working assiduously to make the best of the current situation. All hands are on deck towards the recapitalization of the company. There is also an unrelenting focus on our business units for optimal performance despite the current daunting economic climate. The support from our foreign and local suppliers during these trying times has been encouraging, as our business relationships with them have continued to thrive unhindered. The Board acknowledges and appreciates the confidence that they continue to demonstrate in our business operations as a company. Our company shall emerge from these trying times as a sturdier and more resilient business entity.



I wish you all a pleasant AGM.

Lagos, Nigeria
July 9, 2018

Sir Sunday Nnamdi Nwosu KSS, GCOA, MIOD
ACTING CHAIRMAN

Directors' Report

For the year ended 31 December 2017

The directors present their annual report on the affairs of R.T. Briscoe (Nigeria) PLC ("the Company") and its subsidiaries ("the Group"), together with the financial statements and independent auditor's report for the year ended 31 December 2017.

Legal form

The Company was incorporated in Nigeria as a private limited liability company on 9 March 1957 and was converted to a public limited liability company in 1973. It was listed on the Nigeria Stock Exchange on 15 March 1974.

Principal Activity and Business Review

The principal activities of the Company are the sale and service of Toyota motor vehicles, technical equipment, including forklifts, industrial compressors, mining and drilling equipment and generating sets.

The following is a summary of the principal activities of the subsidiaries of the Company:

Name	Principal activity	"Direct & Indirect Shareholding %"
Briscoe Properties Limited	Facility management, property development and sale and leasing of property.	100
CAWS Technical Nigeria Limited	Trading of industrial equipment	100
Suites Resorts Limited	Shell Company	100
Briscoe Leasing Limited	Not operational	100
IMC Airpower Limited	Not operational	100
Briscoe-Ford Nigeria Limited	Not operational	100
Briscoe Garages Limited	Not operational	100

The financial results of these subsidiaries have been consolidated in these financial statements.

Operating Results

The following is a summary of the Group and Company's operating results and retained earnings:

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Revenue	4,376,859	9,808,274	3,882,611	8,751,219
Results from operating activities	(467,102)	(941,756)	(516,093)	(1,185,073)
Net finance costs	(2,670,050)	(1,860,672)	(2,636,662)	(1,874,343)
Loss before income tax	(3,145,649)	(2,819,299)	(3,161,252)	(3,076,287)
Loss for the year	(3,160,542)	(2,900,609)	(3,161,252)	(3,076,287)
Total comprehensive income for the year	(3,096,047)	(2,892,844)	(3,096,757)	(3,068,522)
Retained earnings, end of year	(9,906,547)	(6,810,500)	(10,328,903)	(7,232,146)

Directors and their interests

The directors who served during the year and their interest in the shares of the Company as recorded in the Register of Members and/or as notified by the Directors for the purpose of Section 275 of the Companies and Allied Matters Act and as disclosed in accordance with Section 342 of that Companies and Allied Matters Act is as follows:

Direct Interest:	Ordinary Shares of 50k each as at 31 December 2017 2017	2016
Mr. Clement A. Olowokande (Chairman) - Retired 30 April 2017	810,001	810,001
Sir Sunday Nnamdi Nwosu (Acting Chairman)	10,873	10,873
Mr. Bukola Oluseyi Onajide (Managing Director)	648,000	648,000
Ms Adeola Adenike Ade Ojo	-	-
Dr Adewale Olawoyin, SAN	-	-
Mr. Akin Ajayi	-	-
Alhaji Ali Safiyanu Madugu, mni	-	-
Mrs. A. O. Akinsete-Chidi [Alternate to Ms. A.A. Adeojo]	-	-
Mrs. F. O. Ogunde	-	-
Indirect Interest:		
Mr. Akin Ajayi (through Lusano Investments Limited)	50,000	50,000
Ms Adeola Adenike Ade Ojo (through Classic Motors)	97,200,000	97,200,000

Directors' interest in contracts

In accordance with Section 275 of the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004, none of the directors has notified the Company of any declarable interests in contracts with the Company except as disclosed in Note 25.

Re-election of directors

In accordance with Section 259 of the Companies and Allied Matters Act, 1990, Dr. Adewale Olawoyin, SAN and Ms. Adeola Adenike Ade Ojo will retire by rotation at the next Annual General Meeting. Being eligible Dr. Adewale Olawoyin, SAN and Ms. Adeola Adenike Ade Ojo will offer themselves for re-election.

Meetings of directors

The table below shows the frequency of meetings of the Board of Directors, Board Committees, and members' attendance at these meetings, during the year ended 31 December 2017.

	Board of Directors	Audit Committee	Business Strategy Committee	Finance & Risks Management Committee	Governance Committee
Number of Meetings held in the year	10	3	2	5	2
Mr. C.A Olowokande	4	N/A	N/A	N/A	N/A
Sir S.N. Nwosu*	10	N/A	1	N/A	N/A
Mr. B.O. Onajide	10	N/A	1	5	N/A
Mr. Akin Ajayi	10	3	2	N/A	N/A
Ms. A.A. Ade Ojo	9	N/A	N/A	5	2
Dr. Adewale Olawoyin, SAN	7	1	0	4	1
Alhaji A. S Madugu, mni	7	3	1	4	1
Mrs. Folasade Ogunde**	5	N/A	1	2	1

* Sir S.N. Nwosu withdrew from Board Committees when he was appointed Acting Chairman.
** This Director was appointed on April 10, 2017 and eligible to attend 6 out of the 10 Board meetings held in 2017.

N/A - Not applicable as the director is not a member of the committee

Dates of meetings				
Board of Directors	Audit Committee	Business Strategy Committee	Finance & Risks Management Committee	Governance Committee
24.01.2017	29.03.2017	15.03.2017	20.02.2017	29.06.2017
22.02.2017	10.04.2017	29.06.2017	15.03.2017	28.11.2017
30.03.2017	28.11.2017	-	25.04.2017	-
10.04.2017	-	-	29.06.2017	-
27.04.2017			28.11.2017	
04.07.2017	-	-	-	-
27.07.2017	-	-	-	-
26.09.2017	-	-	-	-
27.10.2017	-	-	-	-
14.12.2017	-	-	-	-

Beneficial ownership
According to the Register of Members as at 31 December 2017, the following shareholders held more than 5% of the issued share capital of the Company.

Number of Ordinary Shares of 50k each

	2017	2016	2017	2016
		%		%
Mikeade Investment Limited	339,931,724	28.90	339,931,724	28.90
Classic Motors Limited	97,200,000	8.26	97,200,000	8.26
Other Individuals & Institutions	739,221,971	62.84	739,221,971	62.84
	1,176,353,695	100.00	1,176,353,695	100.00

The analysis of distribution of shares of the Company as at 31 December 2017 was as follows:

Shareholding between:	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
1-100	653	5139	37,595	0.00
101-500	2,732	6.31	808,878	0.07
501-1,000	7,752	17.91	7,028,052	0.60
1,001-1,500	1,785	4.12	2,207,393	0.19
1,501-2500	9,228	21.32	17,077,919	1.45
2,501-5,000	6,719	15.53	22,868,515	1.94
5,001-7,500	2,331	5.39	14,274,323	1.21
7,501-10,000	6,124	14.15	48,446,886	4.12
10,001-100,000	5,247	12.12	136,594,587	11.61
100,001-1,000,000	632	1.46	160,620,794	13.65
Above 1,000,000	74	0.17	766,388,753	65.15
	43,277	100	1,176,353,695	100

Donations
"The Group donated N200,000 (2016: N4,346,008) to the following charitable institutions during the year:
Port-Harcourt Youth Association - N200,000

In accordance with Section 38(2) of CAMA, the Group did not make any donation or gift to any political party, political association or for any political purpose in the course of the year under review."

Subsequent events
There were no significant subsequent events which could have had a material effect on the Group's and the Company's financial position as at 31 December 2017 that have not been adequately provided for or disclosed in these financial statements.

Distributors
There are no major distributors appointed to distribute the Company's products.

Suppliers
The Company's significant suppliers are Toyota Nigeria Limited and International NV and Mining AB, Sweden.

Acquisition of Company's own shares
The Company has no beneficial interest in any of its own shares and all shares are held as provided for in the Company's Articles of Association.

Share Capital history
The changes to the Company's share capital since incorporation are summarised below:

	Authorised Share Capital		Issued and Fully Paid Up		
Year	Increase	Cumulative	Increase	Cumulative	Consideration
	'000	'000	N'000	N'000	
1957	-	200	200	200	Cash
1963	200	400	-	200	Increase in authorised share capital
1964	-	400	200	400	Bonus
1972	1,600	2,000	-	400	Increase in authorised share capital
1973	-	2,000	800	1,200	Bonus
1974	-	2,000	800	2,000	Cash
1975	4,000	6,000	2,000	4,000	Bonus
1976	4,000	10,000	6,000	10,000	Bonus
1977	10,000	20,000	5,000	15,000	Bonus
1980	-	20,000	5,000	20,000	Bonus
1981	10,000	30,000	5,000	25,000	Bonus
1992	-	30,000	5,000	30,000	Bonus
1993	20,000	50,000	-	30,000	Increase in authorised share capital
1997	50,000	100,000	30,000	60,000	Rights Issue
2003	-	100,000	15,000	75,000	Bonus
2004	200,000	300,000	18,750	93,750	Bonus
2004	-	300,000	62,500	156,250	Rights Issue
2004	-	300,000	25,285	181,535	Public Offer
2007	-	300,000	45,384	226,919	Bonus
2008	-	300,000	56,730	283,650	Bonus
2009	-	300,000	56,730	340,380	Bonus
2010	300,000	600,000	68,076	408,426	Bonus
2011	1,400,000	2,000,000	81,691	490,147	Bonus
2012	-	2,000,000	98,029	588,177	Bonus
2014	1,250,000	3,250,000	-	588,177	Increase in authorised share capital

Employment and employees

(a) Employment of physically challenged persons
The Group has no physically challenged persons in its employment. However, applications for employment by physically challenged persons are always fully considered bearing in mind the respective aptitudes and abilities of the applicants concerned. In the event of members of staff becoming physically challenged, every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of physically challenged persons should, as far as possible, be identical with that of other employees.

(b) Health, safety and welfare at work
The Group invests its resources to ensure that the hygiene of its premises is of the highest standard. To this end, the Group has various forms of insurance policies, including company personal accident insurance to adequately secure and protect its employees.

(c) Employee involvement and training
The Group places considerable value on the involvement of its employees and has a practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. The Group has in-house training facilities complemented when and where necessary with additional facilities from educational institutions for the training of its employees.

Property, plant and equipment
Information relating to changes in property, plant and equipment is disclosed in Note 12 to the financial statements.

Audit committee
Pursuant to section 359(3) of the Companies and Allied Matters Act, CAP 20 LFN 2004, the Company has an Audit Committee comprising of three directors and three shareholders namely:

Mr. Akin Ajayi (Director)
Mr. Kenneth Nnabike Nwosu (Shareholders' Representative)
Mr. Samuel Sunday Adebayo (Shareholders' Representative)
Alhaji Ali Safiyanu Madugu (Director)
Dr. Adewale Olawoyin (Director)
Mr. Adeniyi Araunsi Adebisi (Shareholders' Representative)

The function of the Audit Committee are laid down in Section 359(6) of the Companies and Allied Matters Act, CAP C20, LFN 2004.

Corporate governance
The Board is responsible for the corporate governance of the Group. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial status of the company and ensures that the financial statements comply with the Companies and Allied Matters Act, CAP C20, LFN 2004. They are also responsible for safeguarding the assets of the Group by taking reasonable steps for the prevention and detection of fraud and other irregularities.

During the year under review, the Group was managed by a Board of eight Directors consisting of seven non-Executive Directors which include the Chairman, and one Executive Director. The Board of Directors ensured that the Group's objectives were implemented through the committees constituted as below:

Committee	Membership	Status
Business Strategy	Mr. Akin Ajayi	Chairman
	Mr. Bukola Oluseyi Onajide	Member
	Dr. Adewale Olawoyin, SAN	Member
	Alhaji Ali Safiyanu Madugu, mni	Member
	Mrs. Folasade Oluwatoyin Ogunde	Member
Governance	Dr. Adewale Olawoyin, SAN	Chairman
	Ms. Adeola Adenike Ade-Ojo	Member
	Alhaji Ali Safiyanu Madugu, mni	Member
Finance & Risk Management	Mrs. Folasade Oluwatoyin Ogunde	Chairman
	Mr. Bukola Oluseyi Onajide	Member
	Mr. Akin Ajayi	Member
	Ms. Adeola Adenike Ade-Ojo	Member

Compliance with the code of corporate governance

During the year, the Company complied with the 2011 Code of Corporate Governance for Public Companies issued by the Securities & Exchange Commission.

Securities Trading Policy

The Board has a Securities Trading Policy which is applicable to all employees, directors, audit committee members and connected employees of auditors, consultants and contractors of the company and its subsidiaries. The terms of the policy are no less exacting than the standard set in the Listing Rules of The Nigerian Stock Exchange.

Board Evaluation

During the reporting period, the Board conducted a performance evaluation of the entire Board, Board Committees and individual Directors under the guidance of the Acting Chairman. The evaluation was carried out in-house by way of anonymous questionnaires that were collated by the Company Secretary and then reviewed and discussed by the Board. The questionnaires focused on a range of topics which included the following:

- Responsibilities and Duties of the Board
- Composition and Structure of the Board
- Chairman, Executive and Non-Executive Directors' Roles
- Board Practices
- Board Committees
- Relationship with Shareholders
- Sustainability Issues
- Risk Management and Audit
- Accountability and Reporting
- Communication
- Code of Ethics

A report on the outcome of the overall performance evaluation was provided to the Board for discussions and review purposes. The evaluation identified a number of actions which could be taken to improve the effectiveness of the Board.

Independent Auditor

Messrs. KPMG Professional Services, having satisfied the relevant corporate governance rules on their tenure in office have indicated their willingness to continue in office as auditor to the Company.

In accordance with section 357(2) of the Companies and Allied Matters Act of Nigeria, CAP C20 Laws of the Federation of Nigeria, 2004 therefore, the auditor will be re-appointed at the next annual general meeting of the Company without any resolution being passed.

BY ORDER OF THE BOARD

Olukayode Adeoluwa
(FRC/2013/NBA/00000002108)

Olukayode Adeoluwa & Co.
Company Secretary
18, Fatai Atere Way, Matori
Lagos, Nigeria

9 July 2018

Statement Of Directors' Responsibilities In Relation To The Financial Statements

For the year ended 31 December 2017

The directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council of Nigeria Act, 2011.

The directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004 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.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Sir Sunday N. Nwosu (Acting Chairman)
FRC/2014/IODN/00000006788
9 July 2018.

Mr. Oluseyi Onajide
FRC/2013/ICAN/00000002194
9 July 2018.

Report Of The Audit Committee

For the year ended 31 December 2017

In compliance with the statutory provisions of Section 359(6) of the Companies and Allied Matters Act 1990, the Rules of the Nigerian Stock Exchange and the Code of Corporate Governance issued by the Securities & Exchange Commission, the Members of the Audit Committee of R.T. Briscoe (Nigeria) PLC hereby report as follows:

I. The committee met in exercise of its statutory functions under Section 359(6) of the Companies and Allied Matters Act of 1990 and we received the co-operation of the Management and Staff in the exercise of these responsibilities.

ii. We exercised due oversight over Management processes towards ensuring that the accounting and reporting policies of the Company are in accordance with legal requirements and ethical practices.

iii. We deliberated with the External Auditors and received confirmation that all necessary co-operation was received from Management and that they have issued a fair and objective report.

iv. We confirm that the Company has an adequately resourced independent internal audit unit which discharges its responsibilities effectively.

v. We are satisfied from our deliberations and reports presented at meetings that Management is pursuing the Company's goals and objectives.

vi. In the course of the financial year, R.T. Briscoe (Nigeria) PLC recorded significant business transactions with Toyota Nigeria Limited which is its main supplier of Toyota vehicles and the sole authorized distributor of Toyota vehicles in Nigeria by the manufacturers, the Toyota Motor Corporation of Japan. R.T. Briscoe has a de facto common shareholder with Toyota Nigeria Limited who has controlling interests in R.T. Briscoe and therefore an interested person.

vii. We are satisfied that the methods or procedures for determining transaction prices between R.T. Briscoe (Nigeria) PLC and Toyota Nigeria Limited have not changed since the approval granted by shareholders at the last Annual General Meeting on July 27, 2017; and the methods or procedures are sufficient to ensure that the transactions are carried out on normal commercial terms and are not prejudicial to the interests of the company and its minority shareholders.

Dated this 9th day of July 2018

Mr. Akin Ajayi
FRC/2013/MULTI/00000004485
Chairman

Members:
Mr. Akin Ajayi
Mr. Kenneth Nnabike Nwosu
Mr. Samuel Sunday Adebayo
Mr. Adeniyi Araunsi Adebisi
Dr. Adewale Olawoyin, SAN
Alhaji Ali Safiyanu Madugu, mni

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of R.T.Briscoe (Nigeria) PLC

Report on the Audit of the Consolidated and Separate Financial Statements

Adverse Opinion

We have audited the consolidated and separate financial statements of R.T.Briscoe (Nigeria) PLC (“the Company”) and its subsidiaries (together, “the group”), which comprise the consolidated and separate statement of financial position as at 31 December 2017, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 26 to 76.

In our opinion, because of the significance of the matter described in the Basis for Adverse Opinion section in our report, the accompanying consolidated and separate financial statements do not give a true and fair view of the consolidated and separate financial position of the Company and its subsidiaries as at 31 December 2017, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council of Nigeria Act, 2011.

Basis for Adverse Opinion

As described in Note 33 to the consolidated and separate financial statements, the consolidated and separate financial statements have been prepared on a going concern basis. This basis assumes the Group and Company will continue to realize its assets and settle its obligations in the ordinary course of business in the foreseeable future. This note also indicates that the Group and Company incurred a loss of N3.16 billion during the year ended 31 December 2017 and as of date, the current liabilities of the Group and Company exceeded the current assets by N11.27 billion and N11.50 billion respectively, while the total liabilities of the Group and Company exceeded total assets by N6.04 billion and N6.47 billion respectively. Furthermore, Note 30 to the consolidated and separate financial statements, describes the uncertainty related to the outcome of the lawsuits filed against the Company due to its inability to settle its obligations.

In our opinion, the Company requires capital injection to enable it continue as a going concern and as at the date of our report, the Company is yet to secure the required funding to enable it settle its outstanding obligations and to finance its working capital requirements. We believe these events or conditions, individually or collectively cast significant doubt on the Group and Company's ability to realize its assets and settle its obligations in the ordinary course of business. As a result, the preparation of the consolidated and separate financial statements on a going concern basis is inappropriate. In our opinion, the consolidated and separate financial statements should reflect adjustments to reduce the value of assets to their recoverable amounts and to provide for any further liabilities that might arise.

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 consolidated and separate Financial Statements section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Adverse Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

a.	Revenue recognition	
	Refer to significant accounting policies (Note 3(k)) and Revenue (Note 6) on pages 41 and 46 respectively of the consolidated and separate financial statements.	
	The key audit matter	**How the matter was addressed in our audit**
	Revenue is an important measure and it impacts most of the key performance indicators on which the Company and its directors are assessed. The significance makes revenue a matter of focus in our audit.	The following audit procedures were performed among others: - We evaluated the design and implementation and the operating effectiveness of manual internal controls over the approval of goods and services rendered. - For sale of vehicle and services rendered to customers during the year, we compared , on a sample basis, postings into revenue ledger to appropriate basis such as delivery way bills acknowledged by customers. - We tested the accuracy of a sample of manual journal entries relating to revenue by checking them to supporting documentation, such as approved credit notes to customers with respect to sales returns. - We assessed the postings in sales ledger subsequent to year end to understand the basis of any significant/unusual credit notes. - We tested whether revenue transactions occurring both prior and post the year end date were recognized in the correct period.
b.	Impairment of trade receivables	
	Refer to significant accounting policies (Note 3(h)) and trade and other receivables (Note 18) on pages 38 and 56 respectively of the financial statements.	
	The key audit matter	**How the matter was addressed in our audit**
	Management performs an assessment of the recoverability of trade receivables in order to determine impairment allowance. In making this assessment management makes significant judgments based on historical loss experience. The significant judgment involved in estimating the r ecoverability of trade receivable makes impairment allowance an area of significance in our audit.	We performed the following procedures among others: - We selected sample of receivable balances with the risk factors such as magnitude and the current level of overdue balances; and assessed whether the impairment allowance for those receivable balances were consistent with the Group's Impairment allowance policy for trade receivables. - We challenged the assumptions applied in determining the impairment allowance by comparing the assumptions to history of customer performance and our expectations based on knowledge of the Company and its industry. - We also considered the cash received from customers subsequent to year end in evaluating the impairment allowance recorded in the books - We compared the outcome of ourproceedures with the impairment amount recorded by the Company.
c.	Impairment of goodwill	
	Refer to significant accounting policies (Note 3(f)) and Goodwill (Note 14) on pages 37 and 54 of the consolidated and separate financial statements.	
	The key audit matter	**How the matter was addressed in our audit**
	Goodwill represents the excess of purchase consideration over the fair value of net identifiable assets of an acquired entity at the date of the acquisition. Goodwill is tested annually for impairment.	We performed the following procedures among others: - We evaluated the composition of management's future cash flow forecast for Briscoe Properties Limited and assessed the reasonableness of assumptions made by management in relation to growth rates and the weighted average cost of capital.

Effective 30th October 2011, R.T Briscoe (Nigeria) PLC, acquired the controlling shares in Briscoe Properties Limited. For the purpose of impairment testing, goodwill has been allocated to Briscoe Properties Limited. An impairment loss is recognized when an asset's recoverable amount (higher of the fair value less costs to sell and value in use) is below its carrying amount. The process of assessing recoverable amount involves significant judgments, hence determining the accuracy of assumptions and estimates used in the impairment assessment of goodwill makes it a significant area of our audit.	- We compared management's cash flow forecast to actual result obtained based on the audited financial statement numbers for the year. - We considered the business risk profile, market conditions and industry forecast and challenged management's assumptions in the forecasts for long term growth rate and discount rate. - We compared the outcome of our procedures with the impairment amount recorded by theCompany.

Other Information

The Directors are responsible for the other information which comprises the Board of directors, officers and other corporate information, Report of the directors, Statement of Directors' responsibilities in relation to the financial statements, Audit committee report, Other national disclosures but does not include the consolidated and separate financial statements and our audit report thereon, which we obtained prior to the date of this auditor's report. It a lsoincludes financial and non-financial information such as the, shareholders' information, amongst others (together "Outstanding reports"), which are expected to be made available to us after that date.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially mistated. if, based on the work we have performed, 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 Consolidated and separate Financial Statements

The Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRSs and in the manner required by theCompanies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 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 consolidated and separate financial statements, the directors are responsible for assessing the Group and 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 the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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, individually 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 and maintain professional skepticism throughout the audit. We also:

KPMG

- Identify and assess the risks of material misstatement of the consolidated and separate 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 a 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 Group and Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and 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 auditor's report to the related disclosures in the consolidated and separate 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 Group and Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in 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 on 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 consolidated and separate 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.

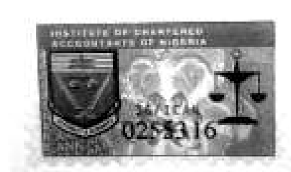
Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 6 of the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004.

In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books and the Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Signed:

Goodluck C. Obi, FCA
FRC/2012/ICAN/00000000442
For: KPMG Professional Services
Chartered Accountants
6 September 2018
Lagos, Nigeria



Consolidated And Separate Statements Of Financial Position

As at 31 December

		Group		Company	
	Notes	2017	2016	2017	2016
Non-current assets		N '000	N '000	N '000	N '000
Property, plant and equipment	12	4,545,159	4,596,553	4,536,473	4,581,635
Investment properties	21	355,622	-	-	-
Intangible assets	13	3,275	3,953	-	2,284
Goodwill	14	-	33,999	-	-
Other receivables	18	381,773	246,114	381,773	246,114
Prepayments	19	-	4,555	-	4,555
Investment in subsidiaries	16	-	-	160,576	183,576
Total non-current assets		5,285,829	4,885,174	5,078,822	5,018,164
Current assets					
Inventories	17	923,989	1,814,908	853,385	1,349,141
Trade and other receivables	18	770,149	1,268,629	705,661	1,313,960
Other investments	15	140,000	140,000	140,000	140,000
Prepayments	19	49,443	63,243	43,871	44,366
Cash and bank balances	20	443,063	732,049	211,891	398,494
Total current assets		2,326,644	4,018,829	1,954,808	3,245,961
Total assets		7,612,473	8,904,003	7,033,630	8,264,125
Equity					
Share capital	27(a)	588,177	588,177	588,177	588,177
Share premium	27(b)	409,862	409,862	409,862	409,862
Revaluation reserve	27(c)	2,864,778	2,864,778	2,864,778	2,864,778
Accumulated deficit		(9,906,547)	(6,810,500)	(10,328,903)	(7,232,146)
Equity attributable to owners of the Company		(6,043,730)	(2,947,683)	(6,466,086)	(3,369,329)
Non-controlling interests		-	-	-	-
Total equity		(6,043,730)	(2,947,683)	(6,466,086)	(3,369,329)
Liabilities					
Employee benefits	22	40,065	137,452	40,065	137,452
Loans and borrowings	25	-	300,566	-	300,566
Deferred income		-	-	-	-
Deferred tax liabilities	23	2,143	2,143	-	-
Non-current liabilities		42,208	440,161	40,065	438,018
Current tax liabilities	10(d)	67,026	126,358	38,343	46,717
Trade and other payables	24	1,740,340	1,386,427	1,614,679	1,249,979
Deferred income		10,200	-	10,200	-
Bank overdrafts	20	6,991,169	5,744,149	6,991,169	5,744,149
Loans and borrowings	25	4,697,960	4,038,056	4,697,960	4,038,056
Dividend payable	28	107,300	116,535	107,300	116,535
Current liabilities		13,613,995	11,411,525	13,459,651	11,195,436
Total liabilities		13,656,203	11,851,686	13,499,716	11,633,454
Total equity and liabilities		7,612,473	8,904,003	7,033,630	8,264,125

These financial statements were approved by the Board of Directors on 9 July, 2018 and signed on its behalf by the directors listed below:

Sir. Sunday Nnamdi Nwosu (Ag. Chairman) FRC/2014/IODN/00000006788

Mr. Oluseyi Onajide (Managing Director) FRC/2013/ICAN/00000002194

Additionally certified by:

Mr. Segun Adebayo (Chief Financial Officer) FRC/2013/ICAN/00000002198

The notes on pages 31 to 76 form an integral part of these financial statements.

Consolidated And Separate Statements Of Profit Or Loss And Other Comprehensive Income

For the year ended 31 December 2017

		Group		Company	
	Notes	2017	2016	2017	2016
		N '000	N '000	N '000	N '000
Revenue	6	4,376,859	9,808,274	3,882,611	8,751,219
Cost of Sales	7(c)	(3,405,396)	(8,248,494)	(3,153,801)	(7,564,654)
Gross profit		971,463	1,559,780	728,810	1,186,565
Other Income	7(a)	83,818	345,946	82,392	341,980
Impairment of goodwill	14	(33,999)	-	-	-
Impairment loss on financial assets	7(b)	(45,804)	(1,134,177)	(45,804)	(1,134,177)
Selling and distribution expenses	7(c)	(187,685)	(186,534)	(172,537)	(184,589)
Administrative expenses	7(c)	(1,254,895)	(1,526,771)	(1,108,954)	(1,394,852)
Results from operating activities		(467,102)	(941,756)	(516,093)	(1,185,073)
Finance income		90,696	196,829	124,084	183,834
Finance costs		(2,760,746)	(2,057,501)	(2,760,746)	(2,058,177)
Net finance costs	8	(2,670,050)	(1,860,672)	(2,636,662)	(1,874,343)
Loss before minimum tax		(3,137,152)	(2,802,428)	(3,152,755)	(3,059,416)
Minimum tax	10(d)	(8,497)	(16,871)	(8,497)	(16,871)
Loss before income tax	9(a)	(3,145,649)	(2,819,299)	(3,161,252)	(3,076,287)
Income tax expense	10(a)	(14,893)	(81,310)	-	-
Loss for the year		(3,160,542)	(2,900,609)	(3,161,252)	(3,076,287)
Other comprehensive income, net of tax:					
Items that will never be reclassified to profit or loss					
Remeasurement of defined benefit liability	22(b)	64,495	7,765	64,495	7,765
Revaluation of property plant and equipment	12(c)	-	-	-	-
Total other comprehensive income*		64,495	7,765	64,495	7,765
Total comprehensive income for the year		(3,096,047)	(2,892,844)	(3,096,757)	(3,068,522)
Loss attributable to:					
Owners of the Company		(3,160,542)	(2,900,609)	(3,161,252)	(3,076,287)
Non-controlling interests		-	-	-	-
		(3,160,542)	(2,900,609)	(3,161,252)	(3,076,287)
Total comprehensive income attributable to:					
Owners of the Company		(3,096,047)	(2,892,844)	(3,096,757)	(3,068,522)
Non-controlling interests		-	-	-	-
		(3,096,047)	(2,892,844)	(3,096,757)	(3,068,522)
Earnings per share:					
Basic and diluted loss per share (kobo)	11	(269)	(247)	(269)	(262)

*Total other comprehensive income has been recognised at gross because the criteria for recognition of the corresponding deferred tax asset was not met (Note 23a).

The notes on pages 31 to 76 form an integral part of these financial statements.

Consolidated Statement Of Changes In Equity

For the year ended 31 December 2017

Group	Attributable to equity holders of the Group						
	Share capital	Share premium	Revaluation reserve	Retained earnings	Total	Non-controlling interest	Total equity
	N '000	N '000	N '000	N '000	N '000	N '000	N '000
Balance as at 1 January 2016	588,177	409,862	2,864,778	(3,918,241)	(55,424)	14,686	(40,738)
Loss for the year	-	-	-	(2,900,609)	(2,900,609)	-	(2,900,609)
Other comprehensive income	-	-	-	7,765	7,765	-	7,765
Total comprehensive income for the year	-	-	-	(2,892,844)	(2,892,844)	-	(2,892,844)
Transactions with owners, recorded directly in equity							
Acquisition of NCI without a change in control	-	-	-	585	585	(14,686)	(14,101)
Balance at 31 December 2016	588,177	409,862	2,864,778	(6,810,500)	(2,947,683)	-	(2,947,683)
Balance as at 1 January 2017	588,177	409,862	2,864,778	(6,810,500)	(2,947,683)	-	(2,947,683)
Total comprehensive income for the year:							
Loss for the year	-	-	-	(3,160,542)	(3,160,542)	-	(3,160,542)
Other comprehensive income	-	-	-	64,495	64,495	-	64,495
Total comprehensive income for the year	-	-	-	(3,096,047)	(3,096,047)	-	(3,096,047)
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-
Balance at 31 December 2017	588,177	409,862	2,864,778	(9,906,547)	(6,043,730)	-	(6,043,730)

The notes on pages 31 to 76 form an integral part of these financial statements.

Statement Of Changes In Equity

For the year ended 31 December 2017

Company	Attributable to equity holders of the Company				
	Share capital	Share premium	Revaluation Reserve	Retained Earnings	Total equity
	N '000	N '000	N '000	N '000	N '000
Balance as at 1 January 2016	588,177	409,862	2,864,778	(4,163,624)	(300,807)
Loss for the year	-	-	-	(3,076,287)	(3,076,287)
Other comprehensive income	-	-	-	7,765	7,765
Total comprehensive income for the year	-	-	-	(3,068,522)	(3,068,522)
Balance at 31 December 2016	588,177	409,862	2,864,778	(7,232,146)	(3,369,329)
Balance as at 1 January 2017	588,177	409,862	2,864,778	(7,232,146)	(3,369,329)
Loss for the year	-	-	-	(3,161,252)	(3,161,252)
Other comprehensive income	-	-	-	64,495	64,495
Total comprehensive income for the year	-	-	-	(3,096,757)	(3,096,757)
Balance at 31 December 2017	588,177	409,862	2,864,778	(10,328,903)	(6,466,086)

The notes on pages 31 to 76 form an integral part of these financial statements.

Consolidated And Separate Statements Of Cash Flows

For the year ended 31 December 2017

		Group		Company	
	Notes	2017	2016	2017	2016
		N '000	N '000	N '000	N '000
Cash flows from operating activities					
Loss for the year		(3,160,542)	(2,900,609)	(3,161,252)	(3,076,287)
Adjustments for:					
Interest on commercial papers & import facility	8	571,499	1,210,641	571,499	1,211,317
Finance income	8	(90,696)	(196,829)	(124,084)	(183,834)
Income tax expense	10	14,893	81,310	-	-
Minimum tax		8,497	16,871	8,497	16,871
Employee benefit plan charge	9(b)	(10,330)	38,623	(10,330)	38,623
Depreciation of Property, plant & equipment	12	101,722	260,077	95,239	251,185
Amortisation of Intangible assets	13	3,396	24,013	2,284	22,901
Impairment of goodwill	14	33,999	-	-	-
Gain on sale of Property, plant & equipment	9(a)	(7,170)	(13,914)	(7,170)	(13,684)
		(2,534,732)	(1,479,817)	(2,625,317)	(1,732,908)
Changes in:					
Other receivables		(135,659)	(130,257)	(135,659)	(130,257)
Inventories		890,919	3,809,787	495,756	3,253,838
Trade and other receivables*		154,999	1,392,793	646,655	1,414,617
Prepayments		18,355	6,930	5,050	19,476
Trade and other payables**		534,255	(835,929)	588,507	(379,003)
Cash generated from operating activities		(1,071,863)	2,763,507	(1,025,008)	2,445,763
Employee benefits paid	22(a,b)	(11,839)	(17,233)	(11,839)	(17,233)
Income taxes paid	10(d)	(62,638)	(152,462)	-	(134,080)
VAT paid*		(180,342)	(244,041)	(180,342)	(244,041)
Net Cash generated from operating activities		(1,326,682)	2,349,771	(1,217,189)	2,050,409
Cash flows from investing activities					
Finance income received	8	54,390	196,829	44,313	183,834
Proceeds from sale of property, plant and equipment		7,170	17,882	7,170	17,652
Acquisition of intangible		(2,718)	-	-	-
Acquisition of property, plant and equipment		(51,912)	(80,561)	(51,663)	(69,647)
Net cash used in investing activities		6,930	134,150	(180)	131,839
Cash flows from financing activities					
Interest on commercial papers & import facilities	8	(571,499)	(1,210,641)	(571,499)	(1,211,317)
Acquisition of non-controlling interests		-	(14,101)	-	-
Net increase/(decrease) in borrowings during the year		359,338	(2,002,013)	359,338	(2,002,013)
Dividends paid	28	(4,093)	-	(4,093)	-
Net cash used in financing activities		(216,254)	(3,226,755)	(216,254)	(3,213,330)
Net decrease in cash and cash equivalents		(1,536,006)	(742,834)	(1,433,623)	(1,031,082)
Cash and cash equivalents at 1 January		(5,012,100)	(4,269,266)	(5,345,655)	(4,314,573)
Cash and cash equivalents at 31 December	20	(6,548,106)	(5,012,100)	(6,779,278)	(5,345,655)

** Value Added Tax (VAT) paid shown separately above has been adjusted for in deriving the change in trade and other payables.

* Withholding tax utilized during the year has been adjusted for in deriving the change in trade and other recievables.

The notes on pages 31 to 76 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Reporting entity
R.T. Briscoe (Nigeria) PLC (the 'Company') is domiciled in Nigeria. The Company was incorporated in Nigeria as a limited liability company on 9 March 1957 and became a public limited liability company in 1973. The Company's registered office is at 18, Fatai Atere Way, Matori, Oshodi, Lagos State. This financial statements comprise the Company and its subsidiaries (collectively 'the Group' and individually 'Group companies'). The Group is primarily engaged in the sales and servicing of Toyota and Ford motor vehicles, technical equipment, including forklifts, industrial compressors, mining and drilling equipment and generating sets, facility management, property development and leasing of property.

2 Basis of preparation

(a) Statement of compliance
These consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act Cap C20, laws of the federation of Nigeria, 2004 and the Financial Reporting Council (FRC) of Nigeria Act, 2011. They were authorised for issue by the Board of Directors on 29 March 2018.

(b) Basis of measurement
The consolidated and separate financial statements have been prepared on the historical cost basis except for defined benefit liability measured at the present value of the defined benefit obligation, inventories measured at the lower of cost and net realisable value and property plant and equipment (land and building) measured at fair value as described in note 4 to the financial statements. Financial assets and liabilities are measured initially at fair value/less transaction cost and subsequently measured at amortised cost.

(c) Functional and presentation currency
These consolidated and separate financial statements have been presented in Nigerian Naira, which is the Company's functional currency. All amounts have been rounded to the nearest thousands, except when otherwise indicated.

(d) Use of judgments and estimates
In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

(i) Judgements
Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

Note 16 – Consolidation; whether the group has de facto control over an investee

Note 6 – Revenue: whether the Group acts as an agent in the transaction rather than as a principal

Note 10 – Tax expense; whether the amount provided for prior year back-duty assessment is adequate.

Note 23 – Recognition of deferred tax assets: availability of future taxable profit against which carry forward tax losses can be used.

Note 30 – Contingencies key assumptions about the likelihood and magnitude of an outflow of resources.

Note 33 – The Company's ability to continue as a going concern.

Note 3(e)(iii) & 12(g) - Depreciation of buildings over a period of 100 years.

(ii) Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 December 2017 is included in the following notes:
Note 7 – Recognition of impairment of receivables: assumptions about the likelihood and magnitude of an outflow of resources
Note 14 – Goodwill impairment testing; key assumptions of underlying recoverable amounts.
Note 22 – Measurement of defined benefit obligation; Key actuarial assumptions.

(iii) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Significant valuation issues are reported to the Group's Board of Directors and Audit Committee. The Board has established a process in respect to the measurement of fair values especially level 3 fair values where an independent valuation specialist is engaged who reports directly to the chief finance officer.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 12: Property plant and equipment.

(e) Change in accounting estimate

In 2016, the Company reviewed the estimated useful life of its leasehold land as unlimited on the basis that it is reasonably certain that the Government will usually renew the lease upon expiration and that the substance of the lease is that the Company has ownership of the land, not a right to use the land for a predefined period. This change in accounting estimate was applied prospectively in accordance with IAS 8 -{Accounting Policy and Changes in Accounting Estimates and Error}Further information on the impact of the change in accounting estimate is included in Note 3(e)(iii) and 12.
The Company also reviewed the estimated useful life of buildings from lease period to 100 years. Management engaged the services of an independent structural engineer to determine the estimated useful life of the office building. The revised useful life was based on the report from the engineers.

3 Significant accounting policies

The Group has consistently applied the significant accounting policies set out below to all periods presented in these financial statements.

(a) Basis of consolidation

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.
Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group (see (a)(ii) below). The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment (see (f) below). Any gain on a bargain purchase is recognised in profit or loss immediately.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Separate disclosure is made for non-controlling interest.

(iii) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iv) Loss of control

On the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated on consolidation.

(b) Foreign currency transactions

Transactions in foreign currencies are translated and recorded in Naira at the actual exchange rates as of the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into naira at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into Naira at the exchange rate when the fair value was determined. Non- monetary items that are measured on historical cost in foreign currency are translated using the exchange rate at the dates of the transactions Foreign currency differences are generally recognised in profit or loss.

(c) Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Once a Group entity becomes party to such a contract, the financial instrument is recognised either as a financial asset or as a financial liability. The Group classifies non-derivative financial assets into the loans and receivables category. The Group classifies non-derivative financial liabilities into the other financial liabilities category.

(i) Non-derivative financial assets and financial liabilities - Recognition and derecognition

The Group initially recognises loans and receivables on the date they are originated. All other financial assets and financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Non-derivative financial assets-measurement

The Company's non-derivative financial assets are classified as loans and receivables and cash and cash equivalents.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method. Loans and receivables comprises trade and other receivables.

Cash and Cash equivalents

Cash and cash equivalents comprise cash on hand; cash balances with banks and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group/Company's cash management are included as a component of cash and cash equivalents for the purpose of statement of cash flows.

(iii) Non-derivative financial liabilities- measurement

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

The Group has the following other financial liabilities: loans and borrowings, bank overdrafts and trade and other payables.Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management which are included as a component of cash and cash equivalents in the statement of cash flows. Cash and cash equivalents are measured at amortised cost.

(d) Share capital

The Company has only one class of shares, ordinary shares. Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects. Where the Group or any member of the Group purchases the Group's share capital, the consideration paid is deducted from the shareholders' equity and held in a separate 'reserve for own shares' account until they are cancelled or disposed. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

Ordinary shares 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. The use of the share premium account is governed by S.120(3) of CAMA. All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time.

(e) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses except as indicated in note (iv) below. Cost includes expenditure that is directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the assets to a working condition for their intended use.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when the asset is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.
Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are recognised as a part of the cost of that asset.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives for the current and comparative years are as follows:

Leasehold land	-	Unlimited
Buildings	-	100 years
Plant & Machinery, Furniture & Fittings	-	6.7 years
I.T Equipment	-	3.3 years
Motor Vehicles	-	4 years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate, with the effect of changes in estimate is accounted for on a prospective basis.

During the year, the Company reviewed the estimated useful life of its buildings to 100 years as against Leasehold period used in the comparative period, based an assessment carried out by a professional firm of structural engineers on one of its oldest buildings, in conjuction with Lagos State Material Testing Agency. This is also premised on the fact that Leasehold periods for lands upon which the buildings are sitting are considered unlimited. The new estimate has been applied prospectively inline with the provisions of IAS 8.
Capital work-in-progress is not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

(iv) Revaluation of Property plant and equipment
With effect of 31 December 2014, the Group adopted the revaluation model for its land and building asset category of its property plant and equipment. After recognition, land and building whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.
When an item of property, plant and equipment is revalued, the carrying amount of that asset is adjusted to the revalued amount. At the date of the revaluation, the accumulated depreciation is eliminated against the gross carrying amount of the asset.

- If an asset's carrying amount is increased, the increase shall be recognised in other comprehensive income and accumulated in equity in ""revaluation surplus"". However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss
- If an asset's carrying amount is decreased, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset.
  The effects of taxes on income, if any, resulting from the revaluation of property, plant and equipment are recognised and disclosed as appropriate.

(f) Intangible assets and goodwill

(i) Recognition and measurement
Goodwill represents the excess of the consideration over the fair value of the net identifiable assets of an acquired entity at the date of the acquisition. Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

The excess of the purchase price over the carrying amount of non-controlling interest, when the Group increases its interest in an existing subsidiary, is recognised in equity. Goodwill is tested annually for impairment. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.
Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash-generating units that are expected to benefit from the business combination.
Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. "

(ii) Subsequent expenditure
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii) Amortisation
Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Goodwill is not amortised.
The Company's intangible assets with finite useful lives comprise acquired computer software. The estimated useful lives for the current and comparative years is 5 years.
Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.
An intangible asset is derecognized upon disposal or when the asset is permanently withdrawn from use and no future economic benefits are expected from the disposal.

(g) Inventories
Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. The basis of costing is as follows:
Motor Vehicles - Purchase cost on a specific item identification basis including transportation and clearing cost.
Spares and industrial equipment - Purchase cost on a weighted average basis including transportation and clearing costs.
Property Units - Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as property units. This would normally comprise expenditure incurred in acquiring the properties, production or conversion costs and other costs incurred in bringing them to their existing location and condition and are subsequently measured at the lower of cost and net realizable value.
Construction work-in-progress represents accumulated cost of ongoing real estate projects and is measured using the cost model on the basis of a valuation by an independent valuer. Borrowing costs that are directly attributable to work-in-progress and other directly attributable expenditure are capitalised to work in progress when it is probable that they will result in future economic benefits on completion of the project. To the extent that loans and borrowings are specifically used for the purpose of the work in progress, the amount of borrowing costs eligible for capitalisation is determined as the borrowing costs incurred on the loans and borrowings (measured at amortised cost) during the year less any investment income on the temporary investment of those borrowings.

(h) Impairment

(i) Non-derivative financial assets

Financial assets not classified as at fair value through profit or loss, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

Financial assets measured at amortised cost

The Group considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

(ii) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Provisions and Contingent liabilities

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed and not recognized as liabilities in the statement of financial position.

If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

(j) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(ii) Post employment benefits

(a) Defined contribution plans

A defined contribution plan is a post-employment benefit plan (pension fund) under which the Group/Company pays fixed contributions into a separate entity. The Group/Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

In line with the provisions of the Pension Reform Act 2014, the Group has instituted a defined contribution pension scheme for its permanent staff. Staff contributions to the scheme are funded through payroll deductions while the Group/Company's contribution is recognised in profit or loss as employee benefit expense in the periods during which services are rendered by employees.

Employees contribute 8% of their Basic salary, Transport and Housing Allowances to the Fund on a monthly basis. The Group's contribution is 10% of each employee's Basic salary, Transport & Housing Allowances for all employees.

(b) Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods, discounting that amount.
The discount rate is the yield at the reporting date on Federal Government bonds, that have maturity dates approximating the terms of the Group's obligations and that are denominated in the currency (Naira) in which the benefits are expected to be paid.
The calculation of the defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Long Service Award

The Group's instituted Long Service Awards scheme instituted for all permanent employees. The Group's obligations in respect of these schemes are the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on Federal Government of Nigeria issued bonds that have maturity dates approximating the term of the Company's obligation. The calculation is performed using the Projected Unit Credit method. Any actuarial gains and losses are recognized in profit or loss.

(k) Revenue

Revenue comprises of the fair value of consideration received or receivable for the goods and services provided, net of value-added tax, rebates and discounts and after elimination of sales within the group.

i Sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of value added tax, sales returns, trade discounts and volume rebates.

Revenue is recognised when persuasive evidence exists that the significant risks and rewards of ownership have been transferred to the buyer, the sales price is agreed or determinable, recovery of the consideration is probable and there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discount will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.
Transfer of significant risk and rewards of ownership is determined to be transferred to the buyer at the point of delivery to the buyer. This corresponds generally to the delivery date on the sale to customers.

ii. Rendering of services
Revenue from rendering of services is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed with reference to surveys of work performed.

iii. Rental income
Revenue from property rentals is recognised in the profit or loss on a straight line basis.

(l) Finance income and finance costs
Finance income comprises interest income on fixed deposits, loans to third parties. Finance income is recognized as it accrues in profit or loss, using the effective interest method.
Finance costs comprise interest expense on loans and borrowings, bank overdrafts and impairment losses recognised on financial assets.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

(m) Statement of cash flows
The statement of cash flows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cash flows such as translation differences, fair value changes, equity-settled share-based payments and other non-cash items, have been eliminated for the purpose of preparing the statement. Dividends paid to ordinary shareholders are included in financing activities. Finance cost is also included in financing activities while finance income received is included in investing activities.

(n) Tax
Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

(i) Current tax
Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.
Current tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

(ii) Deferred tax

Deferred tax is recognised in profit or loss account except to the extent that it relates to a transaction that is recognised directly in equity. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the amount will be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences:

a. the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss
b. differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future
c. temporary differences arising on the initial recognition of goodwill.

(iii) Tax exposures

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

(iv) Minimum taxation

Minimum tax payable is calculated using the tax rate applicable based on certain parameters stipulated in the Nigerian tax law. Any amount by which this minimum amount payable exceeds company income tax is shown as minimum tax expense and presented separately in the statement of profit or loss and other comprehensive income.

(o) Earnings per share

The Group/Company presents basic and diluted 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 period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held and for the effects of all dilutive potential ordinary shares, if any.

(p) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. All operating segments' operating results are reviewed regularly by the Company's Board of Directors (BOD) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Company's primary format for segment reporting is based on business segments. The business segments are determined by management based on the Company's internal reporting structure. Segment results, assets and liabilities, that are reported to the BOD includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(q) Dividends

Dividends are recognised as liability in the period they are declared.
Dividends which remained unclaimed for a period exceeding twelve (12) years from the date of declaration and which are no longer actionable by shareholders in accordance with Section 385 of Companies and Allied Matters Act of Nigeria are written back to retained earnings.

(r) Leases

(i) Leased assets

Leases in terms of which the Group/Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and the leased assets are not recognized in the Group/Company's statement of financial position.

(ii) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.
Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(s) Related parties

Related parties include the holding company and other group entities. Directors, their close family members and any employee who is able to exert a significant influence on the operating policies of the Company are also considered to be related parties. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

(t) Standards and interpretations

(i) New standards and interpretations not yet effective.

A number of new standards and amendments to standards are effective for annual periods beginning on or after 1 January 2018 and early application is permitted; however, the Company has not applied the new or amended standards in preparing these separate financial statements:

Those which may be relevant to the Company are set out below. The Company does not plan to adopt these standards early. These will be adopted in the period that they become mandatory.

Standards not yet effective		Date issued by IASB	Effective date	Summary of the requirements and impact assessment
IFRS 9	Financial	Jul-14	1 January 2018 Early adoption is permitted	On 24 July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which replaces IAS 39 Financial Instruments: Recognition and Measurement. The Company will apply IFRS 9 initially on 1 January 2018. This standard will have a significant impact on the Company, which will include changes in the measurement bases of the Company's financial assets to amortised cost, fair value through other comprehensive income or fair value through profit or loss. Even though these measurement categories are similar to IAS 39, the criteria for classification into these categories are significantly different. In addition, the IFRS 9 impairment model has been changed from an "incurred loss" model from IAS 39 to an "expected credit loss" model, which is expected to increase the provision for bad debts recognised in the Company. The Company uses the simplified model to estimate impairment adopting a provision matrix to determine the lifetime expected credit losses (ECLs) for its trade and other receivables. The provision matrix estimates ECLs based on the basis of historical default rates, adjusted for current and future economic conditions without undue cost and effort.

The Company applied its historical and current default rates adjusted for expected growth in default rates.

The estimated impact of application of IFRS 9 impairment requirements at 31 December 2017 is an impairment of N128 million, indicating an decrease of N77million over the impairment recognised under IAS 39. The table below provides information about the estimated exposure of credit risk and ECLs for trade and other receivables.

Estimated impact of adoption of IFRS 9

in thousands of Naira	As reported at 31 December 2017	Estimated adjustment due to adoption of IFRS 9	Estimated adjustments due to opening balance at 1 January 2018
Accumulated loss	(3,160,542)	128,173	(3,032,369)

The total estimated adjustment to the opening balance of the Company's equity at 1 January 2018 is N128million which is an increase in accumulated loss due to the impairment losses on trade receivables.
The above assessment is preliminary because not all transition work has been finalised. The actual impact of adopting IFRS 9 on 1 January 2018 may change due to the following reasons:

– the Company is refining and finalising its provision matrix (model) for ECL calculations
– the new accounting policies, assumptions, judgements and estimation techniques employed are subject to change until the Company finalises its first financial statements that include the date of initial application.

IFRS 15	Revenue from contracts with customers	May-14	1 January 2018 Early adoption is permitted	This standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC-31 Revenue -Barter of Transactions Involving Advertising Services. The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine. For the sale of products, which includes delivery to customers, revenue earned on both activities is currently recognised cummulatively which is at the point in time at which the customer accepts the goods and the related risks and rewards of ownership transfer. IFRS 15 does not have any impact on the measurement and the timing of revenue recognition. However, under IFRS 15, revenue will be disclosed separately for the sale of products and delivery to customers.
IFRS 16	Leases	Jan-16	1 January 2019 Early adoption is permitted only for entities that adopt IFRS 15 at or before the date of initial application of IFRS 16.	IFRS 16 was published in January 2016. It sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). IFRS 16 replaces the previous leases Standard, IAS 17 Leases, and related Interpretations. IFRS 16 includes a single model for lessees which will result in almost all leases being included in the Statement of Financial Position. No significant changes have been included for lessors . IFRS 16 also includes extensive new disclosure requirements for both lesees and lessors. The Company currently has no leases hence the impact is nil

(ii) Standards and interpretations effective during the year
New IFRS Standards and amendments to existing standards that became effective for annual periods commencing on 1 January 2017 have been applied in preparing the financial statements and resulted in additional disclosures (where applicable) but had no significant impact on the amounts and disclosures on this financial statement.

They are as listed below

- Disclosure Initiative (Amendments to IAS 7)
- Recognition of Deferred Tax Assets for unrealised losses (Amendments to IAS 12)
- Annual Improvements to IFRSs 2014-2016 Cycle (Amendments to IFRS 12 Disclosure of interests in Other Entities)

4 Determination of fair values

A number of the Group/Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. See note 29 (g) for basis of determination of fair value for financial assets and liabilities. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

a) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the measurement date. Fair value for short-term receivables with no stated interest rate is measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and for disclosure purposes, at each annual reporting date.

b) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For other non-derivative financial liabilities where the impact of discounting is not material, their carrying amounts are fair approximations of their fair values, hence no further fair value disclosures are made.

5 Segment Reporting

a Basis of segmentation

The Group has the following strategic divisions, which are its reportable segments. These divisions offer different products and services, and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations of each reportable segment

Reportable segments	Operations
Motor Vehicles	Sale of Toyota & Ford Vehicles
Industrial equipment	Sale and marketing of industrial equipment
Aftersales service	Servicing and maintenance of vehicles
Property development	Facility Management, Development, sale and leasing of property.

The Group Chief Executive Officer (CEO) reviews the internal management reports of each division at least quarterly.

b Information about reportable segments

Group

31 December 2017	Segment Revenue	Cost of sales	Gross profit
	N'000	N'000	N'000
Motor vehicles and accessories	2,556,166	(2,168,824)	387,342
Industrial equipment	557,079	(306,859)	250,220
Aftersales services and parts	1,044,144	(810,472)	233,672
Property development & facility management	219,470	(119,241)	100,229
Total	4,376,859	(3,405,396)	971,463

Group

31 December 2016	Segment Revenue	Cost of sales	Gross profit
	N'000	N'000	N'000
Motor vehicles and accessories	7,100,347	(6,454,809)	645,538
Industrial equipment	772,229	(577,579)	194,650
Aftersales services and parts	1,064,280	(619,729)	444,551
Property development & facility management	871,418	(596,377)	275,041
	9,808,274	(8,248,494)	1,559,780

Company

31 December 2017	Segment Revenue	Cost of sales	Gross profit
	N'000	N'000	N'000
Motor vehicles and accessories	2,556,166	(2,168,824)	387,342
Industrial equipment	268,667	(166,325)	102,342
Aftersales services and parts	1,057,778	(818,652)	239,126
	3,882,611	(3,153,801)	728,810

31 December 2016	Segment Revenue	Cost of sales	Gross profit
	N'000	N'000	N'000
Motor vehicles and accessories	7,100,347	(6,454,808)	645,539
Industrial equipment	567,686	(477,205)	90,481
Aftersales services and parts	1,083,186	(632,641)	450,545
	8,751,219	(7,564,654)	1,186,565

Assets and liabilities by reportable segments are not presented to the Chief Operating Decision Maker (Board of Directors) on a regular basis. Therefore, information on segment assets and liabilities has not been presented.

No customer provided up to 10% of the revenue generated by the Group/Company.

Geographical Information

Nigeria is the Group/Company's only geographical segment as all of the Group/Company's sales are made in Nigeria. Accordingly, no further geographical segment information is reported.

6 Revenue

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Sale of goods	3,830,692	8,630,815	3,559,810	8,426,272
Rendering of services	337,078	324,947	322,801	324,947
Sale of property units	-	690,307	-	-
Rents from investment properties	7,338	-	-	-
Facilities Management fees	201,751	162,205	-	-
	4,376,859	9,808,274	3,882,611	8,751,219

7 Income and expenses

(a) Other income

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Rental income from property sub-lease	21,614	22,376	21,614	20,126
Commission received	15,564	6,658	15,564	6,658
Insurance claims received	8,385	61,817	8,385	61,817
Gain on disposal of property, plant and equipment	7,170	13,914	7,170	13,684
Bad debts recovered	24,232	235,376	24,232	235,376
Sale of scrap items & other sundry income	6,853	5,805	5,427	4,319
	83,818	345,946	82,392	341,980

(b) Impairment loss

Impairment loss represents an impairment of the Company's trade and other receivables that are either considered irrecoverable or doubtful of recovery. These balances relate to customer balances, VAT receivables, VAT input and withholding tax receivables outstanding from customers. Analysed as follows:

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
VAT receivable write-offs	-	738,285	-	738,285
Other receivables written off	-	136,543	-	136,543
Allowance for doubtful receivables (trade, VAT and WHT)	45,804	563,866	45,804	563,866
Write-back of excess impairment of Inventories	-	(304,517)	-	(304,517)
	45,804	1,134,177	45,804	1,134,177

(c) Analysis of expenses by nature

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Cost of motor vehicles, accessories and parts	3,286,155	7,652,117	3,153,801	7,564,654
Personnel costs	510,534	629,143	431,993	517,556
Directors fees	1,110	1,110	1,110	1,110
Depreciation and amortisation	104,006	284,087	97,523	274,085
Rental expense	67,969	64,695	29,159	44,634
Maintenance expenses	26,344	42,538	26,850	44,247
Travelling expenses	34,976	48,190	30,662	42,299
Legal and professional fees	139,015	188,048	115,050	173,508
Bank charges	6,933	7,194	5,065	5,459
Rates and taxes	14,700	25,952	14,700	25,952
Gifts and donations	1,171	4,626	1,171	4,556
Business premises	228,438	127,055	173,975	107,734
Sales commissions & incentives	163,195	132,959	155,932	132,959
Advertising expenses	2,838	6,702	1,375	4,756
Entertainment expenses	10,934	11,139	10,877	10,929
Security expenses	26,599	38,546	25,337	37,912
Vehicle expenses	89,690	83,508	86,634	81,890

Analysis of expenses by nature contd.

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Meeting expenses	18,808	19,302	18,808	19,302
Stationery expenses	17,075	9,256	14,390	9,216
Cleaning expenses	16,042	17,537	15,885	17,152
Insurance premiums	28,200	27,213	24,995	24,185
Impairments (Note b)	45,804	1,134,177	45,804	1,134,177
Facility management expenses	53,244	22,370	-	-
Property development expenses	-	518,512	-	-
Total cost of sales, selling and distribution and administrative expenses	4,893,780	11,095,976	4,481,096	10,278,272
Analysed as follows:				
Cost of sales	(3,405,396)	(8,248,494)	(3,153,801)	(7,564,654)
Impairments	(45,804)	(1,134,177)	(45,804)	(1,134,177)
Selling and distribution expenses	(187,685)	(186,534)	(172,537)	(184,589)
Administrative expenses	(1,254,895)	(1,526,771)	(1,108,954)	(1,394,852)
	(4,893,780)	(11,095,976)	(4,481,096)	(10,278,272)

8 Net finance costs

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Interest on bank deposits	29,055	31,716	18,978	18,721
Investment income - Farapark	25,335	25,335	25,335	25,335
Interest on short term loan to related parties	-	5,435	43,465	5,435
Gains on foreign exchange translations	36,306	134,343	36,306	134,343
Finance income	90,696	196,829	124,084	183,834
Interest on bank overdrafts	(2,189,247)	(846,860)	(2,189,247)	(846,860)
Interest on commercial papers & import facilities	(571,499)	(1,210,641)	(571,499)	(1,211,317)
Finance cost	(2,760,746)	(2,057,501)	(2,760,746)	(2,058,177)
Net finance costs	(2,670,050)	(1,860,672)	(2,636,662)	(1,874,343)

9 Loss before income tax

(a) Loss before income tax is stated after charging/(crediting) the following items:

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Depreciation of property, plant and equipment (Note 12)	101,722	260,077	95,239	251,185
Amortisation of intangible assets (Note 13)	2,284	24,013	2,284	22,901
Auditors' remuneration	15,000	22,800	7,000	17,800
Directors' remuneration (Note(c))	29,488	29,701	17,210	17,210
Personnel expenses (Note (b(i))	510,534	629,153	431,993	517,566
Lease rental	67,969	64,695	29,159	44,634
Gain on disposal of property, plant and equipment	(7,170)	(13,914)	(7,170)	(13,684)

(b) Personnel expenses

	Group 2017	Group 2016	Company 2017	Company 2016
	N'000	N'000	N'000	N'000
(i) Personnel expenses comprise of:				
Salaries, wages and other employee costs	487,623	558,681	412,947	447,094
Contributions to compulsory pension fund scheme	25,599	26,196	21,769	26,196
Expenses related to benefit plans	(10,330)	38,623	(10,330)	38,623
Staff training	7,642	5,643	7,607	5,643
	510,534	629,143	431,993	517,556

(ii) The number of full time employees as at 31 December 2017 was as follows:

	Group 2017	Group 2016	Company 2017	Company 2016
	Number	Number	Number	Number
Managerial staff	16	18	14	16
Senior staff	101	143	85	115
Junior staff	106	127	72	79
Total number of employees	223	288	171	210

(iii) Employees of the Company, other than directors, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension contributions and certain benefits) in the following ranges:

	Group 2017	Group 2016	Company 2017	Company 2016
	Number	Number	Number	Number
N300,001- N350,000	0	1	-	-
N350,001- N400,000	0	11	-	-
N400,001- N450,000	0	4	-	-
N500,000 and above	223	272	171	210
	223	288	171	210

(c) Directors' remuneration

Directors' remuneration, excluding certain benefits of directors of the Company, who discharged their duties mainly in Nigeria is as follows:

	Group 2017	Group 2016	Company 2017	Company 2016
	N'000	N'000	N'000	N'000
Directors' fees	1,110	1,110	1,110	1,110
Remuneration - executive director(s)	28,378	28,591	16,100	16,100
	29,488	29,701	17,210	17,210

The emolument (excluding pension contributions and certain benefits) of the highest paid director was N16,100,000 (2016: N16,100,000).

The number of other directors (excluding the Chairman and highest paid director) who received emoluments excluding pension contributions and certain benefits were within the following ranges:

	2017	2016
	Number	Number
N 50,001- N100,000	-	-
N100,001- N150,000	6	6
	6	6

10 Tax expense

(a) The tax charge/(credit) for the year has been computed after adjusting for certain items of expenditure and income, which are not deductible or chargeable for tax purposes, and comprises:

	Group		Company	
	2017	2016	2017	2016
Current tax expense	N'000	N'000	N'000	N'000
Income tax – current year	14,893	75,439	-	-
Tertiary education tax	-	5,191	-	-
	14,893	80,630	-	-
Origination and reversal of temporary differences (note 23)	-	680	-	-
Total tax expense	14,893	81,310	-	-

The Company did not make provision for company income tax in current and prior years as it has no taxable income. The minimum tax of approximately N9million (2016: N17million) has been adequately accrued for.

(b) Income tax recognised directly in other comprehensive income

	Group and Company	
	2017	2016
	N'000	N'000
Revaluation of property, plant and equipment	-	-
Actuarial gain in other comprehensive income before tax	64,495	7,765
	64,495	7,765
Related tax expense	-	-

No tax expense was recognised for income recognised in other comprehensive income, because the criteria for recognition of the corresponding deferred tax asset was not met (Note 23a).

(c) Reconciliation of effective tax rate

	Group				Company			
		2017		2016		2017		2016
	%	N'000	%	N'000	%	N'000	%	N'000
Loss for the year		(3,160,542)		(2,900,609)		(3,161,252)		(3,076,287)
Total income tax expense		14,893		81,310		-		-
Loss before income tax		(3,145,649)		(2,819,299)		(3,161,252)		(3,076,287)
Income tax using the domestic tax rate	30	(943,695)	30	(845,790)	30	(948,376)	30	(922,886)
Effect of expenses not deductible in determining taxable profit	18	(555,976)	(6)	157,566	18	(566,188)	(5)	158,543
Tertiary education tax	-	-	-	5,191	-	-	-	-
Movement in deferred tax assets not recognised	(48)	1,514,564	(27)	764,343	(48)	1,514,564	(25)	764,343
Total tax expense	-	14,893	(3)	81,310	-	-	-	-

(d) Movement in current tax liability balance

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Balance, beginning of the year	126,358	214,664	46,717	182,024
Prior year under provision	-	(13,622)	-	-
Current year charge	14,893	80,630	-	-
Minimum tax charge*	8,497	16,871	8,497	16,871
Payments during the year	(62,638)	(152,462)	-	(134,080)
Withholding tax utilised during the year**	(20,084)	(19,723)	(16,871)	(18,098)
Balance, end of year	67,026	126,358	38,343	46,717

* In line with the provisions of section 28a of the Companies Income Act 1979, minimum tax charge has been computed using gross profit and turnover in excess of N500,000

* As at year end, the Group and Company has witholding tax credit notes available for use in settlement of its tax liability. An amount of N20million (2016: N17million) for Group and N20million (2016: N18million for Company has been utilised to offset tax liability. The Movement in witholding tax receivables is as follows:

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Balance, 1 January	585,713	421,923	576,835	421,823
Additions in the year	66,056	183,513	69,215	173,110
Witholding tax credit note utilised	(20,084)	(19,723)	(16,871)	(18,098)
Balance, end of the year	631,685	585,713	629,179	576,835

11 Earnings Per Share

Basic and diluted earnings per share for the Group is based on the loss after tax for the year of N3.144 billion (2016: N2.901 billion) and on 1,176,353,695 (2016: 1,176,353,695) ordinary shares of 50 kobo each being the number of ordinary in issue during the year.

The Group and Company did not have any instrument that had a dilutive potential at the end of the year.

12 Property, plant and equipment

(a) The movement for the year was as follows:

Group

	Leasehold land N'000	Office buildings N'000	Plant and machinery, furniture and fittings N'000	I.T equipment N'000	Motor vehicle and transport equipment N'000	Capital Work in progress N'000	Total N'000
Cost:							
At 1 January 2016	3,609,608	1,515,720	448,947	173,304	537,773	25,772	6,311,124
Additions	2,000	197	5,505	3,828	9,770	59,261	80,561
Reclassifications	-	-	9,678	-	-	(9,678)	-
Revaluations	-	-	-	-	-	-	-
Disposals/write offs	-	-	-	-	(11,067)	-	(11,067)
At 31 December 2016	3,611,608	1,515,917	464,130	177,132	536,476	75,355	6,380,618
At 1 January 2017	3,611,608	1,515,917	464,130	177,132	536,476	75,355	6,380,618
Additions	-	8,065	390	249	-	43,208	51,912
Reclassifications	-	(29,701)	29,701	-	(11,561)	-	(11,561)
Revaluations	-	-	-	-	-	-	-
Disposals/write offs	-	-	-	-	(24,610)	-	(24,610)
At 31 December 2017	3,611,608	1,494,281	494,221	177,381	500,305	118,563	6,396,359
Accumulated depreciation:							
At 1 January 2016	284,675	331,538	342,256	151,753	420,865	-	1,531,087
Depreciation for the year	-	151,950	33,340	11,029	63,758	-	260,077
Reclassifications	-	-	-	-	-	-	-
Disposals/write offs	0	-	-	-	(7,099)	-	(7,099)
At 31 December 2016	284,675	483,488	375,596	162,782	477,524	-	1,784,065
At 1 January 2017	284,675	483,488	375,596	162,782	477,524	-	1,784,065
Depreciation for the year	-	17,144	29,062	8,329	47,187	-	101,722
Reclassifications	-	(21,889)	21,889	-	(9,977)	-	(9,977)
Disposals/write offs	-	-	-	-	(24,610)	-	(24,610)
At 31 December 2017	284,675	478,743	426,547	171,111	490,124	-	1,851,200
Carrying amounts :							
At 31 December 2016	3,326,933	1,032,429	88,534	14,350	58,952	75,355	4,596,553
At 31 December 2017	3,326,933	1,015,538	67,674	6,270	10,181	118,563	4,545,159

(b) The movement for the year was as follows:
Company

	Leasehold land N'000	Office buildings N'000	Plant and machinery, furniture and fittings N'000	I.T equipment N'000	Motor vehicle and transport equipment N'000	Capital Work in progress N'000	Total N'000
Cost:							
At 1 January 2016	3,609,608	1,515,721	437,852	164,643	504,351	25,772	6,257,947
Additions	2000	197	5,218	2,971	-	59,261	69,647
Reclasifications	-	-	9,678	-	-	(9,678)	-
Transfers	0	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-
Disposals/write offs	0	-	-	-	(8,267)	-	(8,267)
At 31 December 2016	3,611,608	1,515,918	452,748	167,614	496,084	75,355	6,319,327
At 1 January 2017	3,611,608	1,515,918	452,748	167,614	496,084	75,355	6,319,327
Additions	-	8,065	390	-	-	43,208	51,663
Transfers	-	-	-	-	-	-	-
Reclasifications	-	(29,701)	29,701	-	(11,561)	-	(11,561)
Revaluations	-	-	-	-	-	-	-
Disposals/write offs	-	-	-	-	(24,610)	-	(24,610)
At 31 December 2017	3,611,608	1,494,282	482,839	167,614	459,913	118,563	6,334,819
Accumulated depreciation							
At 1 January 2016	284,675	331,538	335,528	144,262	394,803	-	1,490,806
Depreciation for the year	-	151,950	32,184	10,095	56,956	-	251,185
Disposals/write offs	0	-	-	-	(4,299)	-	(4,299)
At 31 December 2016	284,675	483,488	367,712	154,357	447,460	-	1,737,692
At 1 January 2017	284,675	483,488	367,712	154,357	447,460	-	1,737,692
Depreciation for the year	-	17,144	27,992	7,686	42,417	-	95,239
Reclasifications	0	(21,889)	21,889	-	(9,977)	-	(9,977)
Disposals/write offs	0	-	-	-	(24,610)	-	(24,610)
At 31 December 2017	284,675	478,743	417,593	162,043	455,290	-	1,798,344
Carrying amounts							
At 31 December 2016	3,326,933	1,032,430	85,036	13,257	48,624	75,355	4,581,635
At 31 December 2017	3,326,933	1,015,539	65,246	5,571	4,623	118,563	4,536,473

(c) Revaluation of Property, plant and equipment

In 2015, the Company carried out a revaluation of the leasehold land and building asset category of property, plant and equipment. The Company engaged an independent valuer, Gbenga Olaniyan and Associates (FRC/2013/00000000001837) to carry out the revaluation. The effective date of the revaluation was 31 December 2015. No revaluation was carried out in 2016 and 21017 as management consider that there has been no material change in fair value of the properties during the year.

The carrying amount that would have been recognised had the revalued land and building been carried under cost model is shown below:

Group and Company

Asset Category	Leasehold land and building	
	2017	2016
	N'000	N'000
Cost		
At 1 January	1,402,534	1,400,337
Additions	8,065	2,197
Transfers	-	-
At 31 December	1,410,599	1,402,534
Accumulated depreciation		
At 1 January	510,374	358,424
Depreciation for the year	17,144	151,950
At 31 December	527,518	510,374
Carrying amount at 31 December	883,081	892,160

No revaluation surplus was recognised during the year (2016: NIL).

	2017	2016
	N'000	N'000
Balance as at 1 January	2,864,778	2,864,778
	2,864,778	2,864,778

(d) Security

The Company provided negative pledges over its assets in respect of its term loans, import finance facilities and overdraft facilities with its bankers.

(e) Capital work in progress

This represents an item of plant and machinery which was yet to be available for use as at the end of the year.

(f) Capital commitments

The Group and the Company had no authorised or contracted capital commitments at the reporting date (2016: nil).

(g) Depreciation of buildings

The Company's leasehold land at 18 Fatai Atere road, Matori has a certificate of occupancy which expires by 2021, the building on the land is however depreciated over 100 years based on the assessment of useful life of the building carried out by a commissioned firm of Structural Engineers, People & Projects Limited, (whose Principal Partner, Engr. Stephen Adekunle's FRCN Number is FRCN/2018/00000018214) in conjuction with Lagos State Material Testing Agency, and the assumption that the lease on the land will be renewed by Lagos State Government when expired.

13 Intangible assets

Intangible assets comprise computer software, the movement on the account for the year was as follows:

	Group	Company
Cost	N'000	N'000
At 1 January 2016	53,813	49,365
Additions	-	-
At 31 December 2016	53,813	49,365
At 1 January 2017	53,813	49,365
Additions	1,606	-
At 31 December 2017	55,419	49,365
Accumulated amortisation		
At 1 January 2016	25,847	24,180
Charge for the year	24,013	22,901
At 31 December 2016	49,860	47,081
At 1 January 2017	49,860	47,081
Charge for the year	2,284	2,284
At 31 December 2017	52,144	49,365
Carrying amount		
At 31 December 2016	3,953	2,284
At 31 December 2017	3,275	-

The Company provided negative pledges over its assets in respect of its term loans, import finance facilities and overdraft facilities with its bankers.

14 Goodwill

	2017 (N'000)			2016 (N'000)		
Group	Cost	Impairment	Carrying value	Cost	Impairment	Carrying value
Goodwill	33,999	(33,999)	-	33,999	-	33,999

Effective 30th October 2011, R.T Briscoe (Nigeria) PLC, ("The Company"), acquired controlling shares in Briscoe Properties Limited. The goodwill on acquisition is the excess of purchase consideration over the net assets acquired. For the purpose of impairment testing, goodwill has been allocated to Briscoe Properties Limited. Goodwill is tested for impairment annually. Impairment is determined by comparing the carrying amount of the cash generating unit with the recoverable amount. At the reporting date, the goodwill was considered fully impaired as explained below.

Cash Generating Units

The recoverable amount of the cash generating units is determined based on the value in use calculation which uses cash flow projections based on five year projection of current year EBITDA and an average cost of capital of 14.34% per annum (2016: 14% per annum).

In current year, the estimated recoverable amount of the subsidiary is less than its carrying amount which is as a result of the decline in the earnings of the subsidiary due to the change in the business model of the subsidiary from sale of property to rental income on investment property. Thus, the Group has recognised an 100% impairment on the goodwill arising from the investment in Briscoe Property Limited for the year ended 31 December 2017.

Key forecast assumptions

The key assumptions used in the value in use calculations for the cash generating units are as follows:

- Discount rate: 14.54% (2016: 14%. The discount rate was a pre-tax measure estimated based on the historical industry average weighted- average cost of capital, with a possible market interest rate of 17.7%.

- Net cash flow: The Net cash flow is based on 5-year forcast using 2017 as the base year.

- Budgeted EBITDA growth rate: The growth rate of 10% (2016: 10%) has been applied based on management expectations of improvement in performance of the Company.

- Inflation rate: Inflation rate is based on forecast consumer price indices during the period for the Country. An inflation rate of 18% has been applied for the current year (2016: 13%). The value assigned to the key assumption is consistent with the external sources of information.

- Terminal growth rate: The terminal growth rate of 9%(2016:9%) has been applied based on management's estimate of long-term compound annual EBITDA growth rate, consistent with the assumption that a market participant would make.

15 Other investments

Other investments relates to the Company's investment in 'equity notes' in Fara Park Limited classified as loans and receivables, with a guaranteed return of 18% per annum. Management has commenced procedures to redeem these notes.
The information about the Group's exposure to credit and market risks, and fair value measurements, is included in Note 29.

16 Investments in subsidiaries

(a) Investments in subsidiaries comprise:

	Company	
	2017	2016
	N'000	N'000
Briscoe Properties Limited	155,501	155,501
CAWS Technical Nigeria Limited	1,000	1,000
Suite Resorts Limited	4,075	4,075
Briscoe Leasing Limited*	2,000	2,000
IMC Airpower Limited*	10,000	10,000
Briscoe-Ford Nigeria Limited*	10,000	10,000
Briscoe Garages Limited*	1,000	1,000
Impairment of investment in non-operational entities	(23,000)	-
	160,576	183,576

* This represents the investment in non-operational entities owned by the Company.

(b) Group structure

Subsidiary	Direct and Indirect Holding % 2017	2016
Briscoe Properties Limited	100	100
CAWS Technical Nigeria Limited	100	100
Suite Resorts Limited	100	100
Briscoe Leasing Limited	100	100
IMC Airpower Limited	100	100
Briscoe-Ford Nigeria Limited	100	100
Briscoe Garages Limited	100	100

17 Inventories

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Motor vehicles, parts & accessories	466,080	696,819	539,178	696,819
Industrial equipment & parts	464,050	442,865	363,095	372,632
Service work in progress	37,911	50,468	37,911	50,468
Trading properties	39,912	395,534	-	-
Consumables	2,218	5,169	2,218	5,169
Inventories in transit	2,835	299,837	-	299,837
	1,013,006	1,890,692	942,402	1,424,925
Less: Allowance for obsolete spares and slow moving stock	(89,017)	(75,784)	(89,017)	(75,784)
	923,989	1,814,908	853,385	1,349,141

The cost of inventory recognised in the Company's cost of sales amounted to N3.1 billion (2016: N7.6billion). In current year, there was N13m write-down of inventories to net realisable value (2016: NIL).

The Company provided negative pledges over its assets in respect of its term loans, import finance facilities and overdraft facilities with its bankers.

18 Trade and other receivables

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Trade receivables	419,873	493,387	205,622	364,770
Staff loans and advance	39,498	56,197	38,285	55,411
Due from related parties (Note 25)	12,123	131,700	170,511	316,303
Other receivables	28,201	93,958	28,201	93,958
Advances to suppliers	-	56,955	-	56,955
	499,695	832,197	442,619	887,397
Value added tax receivables	20,542	96,833	15,636	95,842
Withholding tax receivables	631,685	585,713	629,179	576,835
	1,151,922	1,514,743	1,087,434	1,560,074
Non-current	381,773	246,114	381,773	246,114
Current	770,149	1,268,629	705,661	1,313,960
	1,151,922	1,514,743	1,087,434	1,560,074

The Group's exposure to credit and currency risks, and impairment losses related to trade and other receivables is disclosed in Note 29.

19 Prepayments

Prepayments representing prepaid rent and insurance comprise:

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Prepaid rent	22,907	38,778	22,907	38,778
Other prepaid expenses	26,536	29,020	20,964	10,143
	49,443	67,798	43,871	48,921
Non-current	-	4,555	-	4,555
Current	49,443	63,243	43,871	44,366
	49,443	67,798	43,871	48,921

20 Cash and cash equivalents

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Cash in hand	4,852	3,479	4,260	2,274
Bank balance	438,211	728,570	207,631	396,220
Cash and bank deposits in the statement of financial position	443,063	732,049	211,891	398,494
Bank overdrafts used for cash management purposes	(6,991,169)	(5,744,149)	(6,991,169)	(5,744,149)
Cash and cash equivalents in the statement of cash flows	(6,548,106)	(5,012,100)	(6,779,278)	(5,345,655)

Included in cash and cash equivalents are unclaimed dividend amounting to N17 million (2016: N59 million) held in separate bank deposit account in accordance with the guidelines issued by the Securities and Exchange Commission. This amount is restricted from use by the Company.

The Company's exposure to credit, currency and liquidity risks related to cash and cash equivalents is disclosed in Note 29.

21 Investment properties

Investment property comprises of residential housing units located at Orchid Court, Ikeja GRA Lagos state which are on rental and are fully occupied as at year end. The fair value of investment property as at 31 December 2017 was determined by the Company's internal valuer, having appropriately recognised professional qualifications and recent experience in the location and category of property valued. The fair value of the investment property as at 31 December 2017 amounts to N356million.

22 Employee benefits

Group and Company

	2017	2016
	N'000	N'000
Defined benefit (gratuity) liability (note (b))	20,085	79,572
Long service award benefit obligation (note (a))	19,980	57,880
Total employee benefit liabilities	40,065	137,452

The Company's defined benefit end of service gratuity obligation represents the estimated amount of future benefit that employees have earned in return for their service in the current and prior periods and that benefit is discounted to determine its present value. In determining the liability under the defined benefit scheme, consideration is given to future increases in salary rates and the Company's experience with staff turnover. The recognised liability is determined by an independent actuarial valuation performed by Giant Consultants Limited using the projected unit credit method. The report was signed on behalf of the firm by Femi Odutola Odulana (FRC/2013/NAS/00000001320).

The Company also operates a long service award scheme for all permanent employees to reward their meritorious service during employment. The Company's obligations in respect of this scheme is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The recognised liability is determined by an independent actuarial valuation using the projected unit credit method by the same firm.

The subsidiaries do not operate long service award scheme and defined benefit end of service gratuity obligation .

(a) Movement in the present value of the long service awards obligation
Group and Company

	2017	2016
	N'000	N'000
Balance at 1 January	57,880	42,080
Charged to profit or loss	(36,450)	16,300
Payments during the year	(1,450)	(500)
Balance at 31 December	19,980	57,880

This represents the present value of the long service award scheme obligation in respect of the Company's employees as at year end.

(b) Movement in present value of the defined benefit gratuity obligation
Group and Company

	2017	2016
	N'000	N'000
Balance at 1 January	79,572	81,747
Included in profit or loss		
Current service costs	14,064	13,174
Interest costs on obligation	12,056	9,149
	26,120	22,323
Included in other comprehensive income		
Actuarial gain recognised in other comprehensive income	(64,495)	(7,765)
	(64,495)	(7,765)
Unpaid benefits transferred to current liabilities	(10,723)	-
Benefits paid	(10,389)	(16,733)
Balance at 31 December	20,085	79,572

(c) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages) fall under two broad categories. These assumptions depict management's estimate of the likely future experience of the Company. The same assumptions has been used for both defined benefit obligation and Long Service Award.

Financial Assumptions

	2017	2016
Discount rate (p.a.)	14%	15%
Future salary increase (p.a.)	10%	14%
Future rate of inflation (p.a.)	10%	10%
Benefit increase rate (p.a)	0	12%

Demographic assumptions

Assumptions regarding future mortality are based on published statistics and mortality tables.

Mortality in Service

The rates of mortality assumed for employees are the rates published in the A67/70 Ultimate Tables, published jointly by the Institute and Faculty of Actuaries in the UK. This is due to unavailability of published reliable demographic data in Nigeria.

	Number of deaths in a year out of 10,000 lives	
Sample age	2017	2016
25	7	7
30	7	7
35	9	9
40	14	14
45	26	26

Withdrawal from Service

Withdrawal from service means retirement; voluntary or compulsory disengagement from service.

	Rate	
Age Band	2017	2016
Up to 30	0.05	0.05
31-35	0.05	0.05
36-40	0.05	0.05
41-45	0.02	0.02
46-50	0.02	0.02
51 and above	Nil	Nil

The calculation of the defined benefit obligation is sensitive to the mortality assumptions set out above. As the actuarial estimates of mortality continue to be refined, an increase of one year in lives shown above is considered reasonably possible in the next financial year.

(d) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the employee benefit obligation as shown below.

Defined benefit liability (Gratuity)	Rate	N'000 2017	N'000 2016
Discount rate	-1%	20,923	79,606
	1%	19,302	79,554
Future Salary increase rate	-1%	19,825	79,558
	1%	20,363	79,595

Defined benefit liability (Long Service Awards)

	Rate	N'000 2017	N'000 2016
Discount rate		21,576	64,820
		18,561	51,932

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

23 Deferred taxation

(a) Unrecognised deferred tax assets (Company)

Deferred tax assets have not been recognised in respect of the following items, because it was considered improbable that future taxable profit will be available against which the Company can use the benefits therefrom.

In thousands of naira	2017	2016
Property, plant and equipment	278,752	(420,932)
Employee benefits	12,020	41,236
Impairment allowance on trade receivables	13,741	113,908
Unabsorbed capital allowance carry-forward	165,915	138,457
Unrelieved tax losses carried forward	2,362,270	1,445,466
	2,832,698	1,318,135

(b) Movement in deferred tax balances (Group)

Deferred tax liabilities are attributable to the following:

2017

In thousands of naira	Balance 1 January	Recognised in profit or loss	Recognised in other comprehensive income	Balance 31 December 2017	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	(2,143)	-	-	(2,143)	-	(2,143)
	(2,143)	-	-	(2,143)	-	(2,143)
2016						
Property, plant and equipment	(1,463)	(680)	-	(2,143)	-	(2,143)
	(1,463)	(680)	-	(2,143)	-	(2,143)

24 Trade and other payables

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Trade payables	466,451	316,053	509,366	274,251
Accrued expenses	719,723	240,616	523,847	152,229
Deposit by customers	324,873	429,661	324,873	429,661
Pension payable (Note a)	11,212	8,957	11,212	8,957
Non income taxes	42,861	261,464	25,227	255,539
Other payables	175,220	129,676	149,058	129,342
Amounts due to related parties	-	-	71,096	-
	1,740,340	1,386,427	1,614,679	1,249,979

The Group and Company's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 28.

(a) The movement in pension payable is as follows:

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Balance at 1 January	8,957	10,413	8,957	9,528
Contribution for the year	45,157	45,157	42,657	42,657
Payments during the year	(42,902)	(46,613)	(40,402)	(43,228)
Balance at 31 December	11,212	8,957	11,212	8,957

25 Loans and borrowings

Loans and borrowings at the year end is analysed as follows:

	Group		Company	
	2017	2016	2017	2016
Current borrowings:	N'000	N'000	N'000	N'000
Term loan facility due within 1 year	469,248	2,050,381	469,248	2,050,381
Import finance facilities due within 1 year	4,221,712	1,979,957	4,221,712	1,979,957
Commercial papers due within 1 year	7,000	7,718	7,000	7,718
	4,697,960	4,038,056	4,697,960	4,038,056
Non Current borrowings:				
Term loan facility due after 1 year	-	300,566	-	300,566
Total loans and borrowings	4,697,960	4,338,622	4,697,960	4,338,622

(i) Terms and conditions of outstanding loans were as follows:

				2017	2016
	Currency	Nominal interest Rate (%)	Year of maturity	Carrying amount	Carrying amount
				N'000	N'000
Secured term loan facility	NGN	18.90-20.00	2018	469,248	2,350,947
Secured import finance facility	NGN	16.50 - 19.00	2016	4,221,712	1,979,957
Unsecured Commercial papers	NGN	10.00 -14.00	2016	7,000	7,718
Total Interest bearing liabilities				4,697,960	4,338,622

The bank facilities are secured with a negative pledge over the Company's assets.

26 Related party transactions

During the year, the Company entered into contractual relationships with its related parties. Transactions with the related party are mainly in the nature of payments for expenses on behalf of each other and sale of goods.

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Amount due from related parties (Note 18)	12,123	131,700	170,511	316,303
Amount due to related parties (Note 24)	-	-	(71,096)	-
	12,123	131,700	99,415	316,303

Related party	Nature of transaction	Transaction value		Balance receivable/ (payable)	
		2017	2016	2017	2016
		N'000	N'000	N'000	N'000
Subsidiaries:					
Briscoe Properties Limited	Sale of goods and services and inter-company loan.	103,424	15,736	(71,096)	6,349
CAWS Technical Nigeria Limited	Purchase of goods and services and Inter Company loan	76,332	92,528	158,388	178,254
Other related parties:					
Olawoyin & Olawoyin	Legal services	-	750	-	-
Toyota Nigeria Limited	Purchase of goods	1,662,385	2,800,712	12,123	131,700
				99,415	316,303

Related party transactions disclosed is inclusive of the relevant value added tax applicable on the transactions.

The amounts outstanding are unsecured and will be settled in cash. No provisions have been made for doubtful debts in respect of the amounts owed by related parties as the amounts are deemed to be recoverable.

(b) Key management personnel compensation comprised:

In addition to their salaries, the Group and Company also provides non-cash benefits to directors and executive officers, and operates a post-employment defined benefit scheme on their behalf. In accordance with the terms of the plan, directors and executive officers are entitled to receive post employment benefits.

Key management personnel compensation comprised:

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Short-term employee benefits	65,961	65,961	53,893	53,893
Contribution to compulsory pension fund scheme	6,520	6,520	5,314	5,314
	72,481	72,481	59,207	59,207

27 Capital and reserves

(a) Share capital is analysed as follows:

	Group 2017	Group 2016	Company 2017	Company 2016
	N'000	N'000	N'000	N'000
Authorised ordinary shares of 50 kobo each				
At 1 January	3,250,000	3,250,000	3,250,000	3,250,000
Additions	-	-	-	-
At 31 December	3,250,000	3,250,000	3,250,000	3,250,000
Issued, allotted and fully paid ordinary shares of 50 kobo each				
At 1 January	588,177	588,177	588,177	588,177
At 31 December	588,177	588,177	588,177	588,177
(b) Share Premium				
At 1 January	409,862	409,862	409,862	409,862
At 31 December	409,862	409,862	409,862	409,862

All shares rank equally with regard to the Company's residual assets. The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

(c) Revaluation reserve

The revaluation reserve relates to the revaluation of property, plant and equipment as shown in Note 12(c).

	2017	2016
Group and Company	N'000	N'000
Balance as at 1 January	2,864,778	2,864,778
Revaluation surplus	-	-
	2,864,778	2,864,778

28 Dividend Payable

	Group 2017	Group 2016	Company 2017	Company 2016
	N'000	N'000	N'000	N'000
Balance at 1 January	116,535	81,047	116,535	81,047
Payments during the year	(4,093)	-	(4,093)	-
Amounts statue barred during the year	(5,142)	-	(5,142)	-
Transfer from registrar	-	35,488	-	35,488
Balance at 31 December	107,300	116,535	107,300	116,535

As at 31 December 2017, an amount of N5.4 million (2016: N56 million) of the total dividend payable was held with the Company's registrars, Meristem Registrars Limited.

29 Financial risk management and Financial instruments

The Group and Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- operational risk.

This note presents information about the Group and Company's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has delegated the responsibility for developing and monitoring the Group's risk management policies to the management of the Group. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to controls. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of the reporting period was as follows:

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Trade and other receivables*	499,695	775,242	442,619	830,442
Cash and bank balances	443,063	732,049	211,891	398,494
Other investments	140,000	140,000	140,000	140,000
	1,082,758	1,647,291	794,510	1,368,936

* Advance payments, with-holding tax and VAT receivables have been excluded as they are not financial instruments.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group considers that it is not exposed to major concentration of credit risk in relation to the trade receivables. However, credit risk can arise in the event of non-performance of a counterparty. Purchase limits are established for each customer, which represents the maximum allowed open amount. These limits are reviewed bi-annually. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a cash-and-carry basis.

The Group considers that the concentration of credit risk with respect to trade receivables is limited given that the Group grants a credit period of 30 to 45 days to selected customers, which mitigates the risk of default by customers. In addition, the Group tries to mitigate the credit risk by adopting specific control procedures, including regular assessment the credit worthiness of the counterparty and limiting the exposure to any one counterparty.

Deductions are made on a monthly basis from staff emoluments to recover any outstanding loan liabilities, and any other outstanding loan balance is deducted from an exiting employee's final entitlements. There has been no history of default in respect of amounts due from related companies as such amounts are always settled in full. Accordingly management does not consider any credit risk in respect of amount due from related parties.

The maximum exposure to credit risk for trades and other receivables at the reporting date was:

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Trade receivables	1,456,690	1,548,683	1,242,439	1,420,066
Staff loans and advance	39,498	56,197	38,285	55,411
Amounts due from related parties	12,123	131,700	170,511	316,303
Other receivables	28,201	93,958	28,201	93,958
	1,536,512	1,830,538	1,479,436	1,885,738

Impairment losses

The ageing of trade receivables at the reporting date was:

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Not past due	922,036	401,039	707,785	272,422
Past due 91-180 days	7,995	21,897	7,995	21,897
Past due 181-360 days	117,059	41,716	117,059	41,716
Past due above 360 days	409,600	1,084,031	409,600	1,084,031
	1,456,690	1,548,683	1,242,439	1,420,066

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Balance at 1 January	(1,642,468)	(841,423)	(1,642,468)	(841,423)
Additional allowance during the year	(45,804)	(563,866)	(45,804)	(563,866)
Amounts written off during the year	78,427	(237,179)	78,427	(237,179)
	-	-	-	-
Balance at 31 December	(1,609,845)	(1,642,468)	(1,609,845)	(1,642,468)

Cash and cash equivalents

The Company held cash and cash equivalents which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with bank and financial institution counterparties, which are reputable and have a sound financial position.

Other investments

The Company held 'equity notes' amounting to N140 million which represents its maximum credit exposure on this asset. The Company has consistently earned interest income at the agreed rate and so far there is no indication of impairment on this asset.

(b) Liquidity risk

Liquidity risk is the risk that the Group and company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's and company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group and company has an appropriate liquidity risk management framework for the Group's and company's short, medium and long term liquidity requirements and makes monthly cash flow projections, which assists in monitoring cash flow requirements and optimizing cash return on investments.

Typically the credit terms with customers are more favourable compared to payment terms to its vendors in order to help provide sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

Group

31 December 2017	Note	Carrying amount	Contractual cash flows	1 year or less	1 to 2 years
		N'000	N'000	N'000	N'000
Non-derivative financial liabilities					
Trade and other payables*		1,266,409	1,266,409	1,266,409	-
Loans and borrowings	25	4,697,960	4,697,960	4,697,960	-
Bank overdrafts	20	6,991,169	6,991,169	6,991,169	-
		12,955,538	12,955,538	12,955,538	-
31 December 2016					
Non-derivative financial liabilities					
Trade and other payables*		1,257,084	1,257,084	1,257,084	-
Loans and borrowings	25	4,338,622	4,338,622	4,038,056	300,566
Bank overdrafts	20	5,744,149	5,744,149	5,744,149	-
		11,339,855	11,339,855	11,039,289	300,566

Company

	Note	Carrying amount	Contractual cash flows	1 year or less	1 to 2 years
Non-derivative financial liabilities		N'000	N'000	N'000	N'000
Trade and other payables*		1,486,556	1,486,556	1,486,556	-
Loans and borrowings	25	4,697,960	4,697,960	4,697,960	-
Bank overdrafts	20	6,991,169	6,991,169	6,991,169	-
		13,175,685	13,175,685	13,175,685	-
31 December 2016					
Non-derivative financial liabilities					
Trade and other payables*		1,124,903	1,124,903	1,124,903	-
Loans and borrowings	25	4,338,622	4,338,622	4,038,056	300,566
Bank overdrafts	20	5,744,149	5,744,149	5,744,149	-
		11,207,674	11,207,674	10,907,108	300,566

*Trade and other payables has been adjusted for statutory deductions like PAYE, VAT, WHT, ITF etc. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

(c) Market risk

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates and interest rates. There has been no change to the Group's exposure to market risks or the manner in which it is manages and measures the risk during the year.

i. Foreign currency risk

The Group is exposed to currency risk on sales and purchases that are denominated in a currency other than the functional currency of the Group, primarily the Naira. The currencies in which these transactions primarily are denominated are Euro, United States Dollar (USD), Japanese Yen (JPY) and United kingdom pound sterling (GBP). The currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates.

The Group's policy is to ensure that its net exposure in respect of monetary assets and liabilities denominated in foreign currencies are kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short term imbalances."

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk as reported to the Management of the Company based on its risk management policy was as follows:

	31 December 2017				31 December 2016			
	Euro	USD	JPY	GBP	Euro	USD	JPY	GBP
Amounts in thousands								
Trade and other receivables	21	23	6	-	8	812	6	-
Cash and cash equivalents	7	30	-	2	2	259	-	2
Trade and other payables	(254)	(156)	(16,250)	-	(146)	(40)	-	-
Net exposure	(226)	(103)	(16,244)	2	(136)	1,031	6	2

The following significant exchange rates applied during the year;

	Average rate		Year end spot rate	
	2017	2016	2017	2016
Euro	430	325	366.26	322.11
United States Dollars (USD)	365	315	305.5	305
GBP	485	380	412.98	375.18
JPY	2.7	1.7	2.05	1.65

ii. Sensitivity analysis

A reasonable possible strenghtening/ (weakening) of the Naira, as indicated below, against major foreign currencies would have affected the measurement of financial instruments denominated in foreign currency and (increased)/ decreased equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest and inflation rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in thousands of Naira

	(Increase)/ decrease in profit or loss
	2017
Euro (20% weakening of the Naira)	18,047
USD (20% weakening of the Naira)	6,325
	2016
Euro (20% weakening of the Naira)	9,230
USD (20% weakening of the Naira)	(62,871)

A 20 percent weakening of the Naira against the above currencies at the reporting date would have had the equal but opposite effect to the amounts shown above.

(d) Interest rate risk

The Group adopts a policy of ensuring that its interest rates for its import finance facilities and commercial papers are at a fixed rate, as much as possible, other facilities are at variable rates.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	Group		Company	
	Carrying Amount		Carrying Amount	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Variable rate instruments				
Bank overdrafts	6,991,169	5,744,149	6,991,169	5,744,149
Fixed rate instruments				
Loans and borrowings	4,697,960	4,338,622	4,697,960	4,338,622

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A decrease of 100 basis points (BP) in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Group		Company	
	Profit or loss		Profit or loss	
	2017	2016	2017	2016
	100 BP	100 BP	100 BP	100 BP
	N'000	N'000	N'000	N'000
Variable rate instruments	11,535	9,478	11,535	9,478
Cash flow sensitivity (net)	11,535	9,478	11,535	9,478

An increase of 100 basis points (BP) in interest rates at the reporting date would have had the equal but opposite effect to the amounts shown above.

(e) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to management. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- Documentation of processes, controls and procedures
- Periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified by the risk management committee
- Training and development of employees
- Appropriate segregation of duties, including the independent authorization of transactions
- Monitoring of compliance with regulatory and other legal requirements
- Requirements for reporting of operational losses and proposed remedial action
- Reconciliation and monitoring of transactions
- Development, communication and monitoring of ethical and acceptable business practices
- Risk mitigation, including insurance when this is effective
- Monitoring of business process performance and development and implementation of improvement mechanisms thereof

Compliance with the Company's standards, established procedures and controls is supported by periodic reviews undertaken by management. Deficiencies are discussed with management for corrective action with summaries submitted to Board of the Company.

(f) Capital management

The Group's objectives, when managing capital, are to safeguard the Group's ability to continue as a going concern in order to provide returns for the shareholders and to maintain an optimal capital structure to reduce cost of capital. In order to maintain or adjust the capital structure, the Company or its subsidiaries may, among other things, issue new shares or convert debt to equity.

The debt to adjusted capital ratio at the end of the year was as follows:

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Total liabilities	13,656,203	11,851,686	13,499,716	11,633,454
Less: cash and cash equivalents	(443,063)	(732,049)	(211,891)	(398,494)
Net debt	13,213,140	11,119,637	13,287,825	11,234,960
Total equity	(6,043,730)	(2,947,683)	(6,466,086)	(3,369,329)
Debt to adjusted capital ratio	(2)	(4)	(2)	(3)

Due to the position above, management is exploring various options as detailed in Note 33 to achieve a better debt to equity ratio.

(g) Accounting classification and fair values

The analysis below shows the carrying amounts of financial assets and liabilities.

Group

31 December 2017	Carrying amount: Loans and receivables	Other financial liabilities	Total
	N'000	N'000	N'000
Financial assets not measured at fair value			
Trade and other receivables	499,695	-	499,695
Other investments	140,000	-	140,000
Cash and cash equivalents	443,063	-	443,063
	1,082,758	-	1,082,758
Financial liabilities not measured at fair value			
Trade and other payables	-	1,266,409	1,266,409
Bank overdrafts	-	6,991,169	6,991,169
Loans and borrowings	-	4,697,960	4,697,960
Dividend payable	-	107,300	107,300
	-	13,062,838	13,062,838

31 December 2016	Carrying amount: Loans and receivables	Other financial liabilities	Total
Financial assets not measured at fair value	N'000	N'000	N'000
Trade and other receivables	775,242	-	775,242
Other investments	140,000	-	140,000
Cash and cash equivalents	732,049	-	732,049
	1,647,291	-	1,647,291
Financial liabilities not measured at fair value			
Trade and other payables	-	1,124,903	1,124,903
Bank overdrafts	-	5,744,149	5,744,149
Loans and borrowings	-	4,338,622	4,338,622
Dividend payable	-	116,535	116,535
	-	11,324,209	11,324,209

Company

31 December 2017	Carrying amount: Loans and receivables	Other financial liabilities	Total
Financial assets not measured at fair value	N'000	N'000	N'000
Trade and other receivables	442,619	-	442,619
Other investments	140,000	-	140,000
Cash and cash equivalents	211,891	-	211,891
	794,510	-	794,510

Financial liabilities not measured at fair value			
Trade and other payables	-	1,486,556	1,486,556
Bank overdrafts	-	6,991,169	6,991,169
Loans and borrowings	-	4,697,960	4,697,960
Dividend payable	-	107,300	107,300
	-	13,282,985	13,282,985

31 December 2016			
Financial assets not measured at fair value			
Trade and other receivables	830,442	-	830,442
Other investments	140,000	-	140,000
Cash and cash equivalents	398,494	-	398,494
	1,368,936	-	1,368,936

Financial liabilities not measured at fair value			
Trade and other payables	-	1,124,903	1,124,903
Bank overdrafts	-	5,744,149	5,744,149
Loans and borrowings	-	4,338,622	4,338,622
Dividend payable	-	116,535	116,535
	-	11,324,209	11,324,209

Except as highlighted above, the fair value of all other financial instruments have not been disclosed because their carrying amounts are a reasonable approximation of fair values.

30 Contingencies

(a) Ongoing litigation with Diamond Bank (Nigeria) PLC and others

In 2016, one of the Company's bankers, Diamond Bank Nigeria PLC (DBN) petitioned the Federal High Court Lagos to wind up the Company and applied for and obtained an Ex-parte Order restraining the Company from dealing with its properties and/or withdrawing any of its funds with DBN and other financial institutions in Nigeria. This was on the basis that the Company was unable to liquidate and/or offset the various facilities granted to it by the bank.

Ex-parte Order

The Company applied to the Court on 22 June 2016 to set aside the Interim Order (Ex-parte Order) on the ground that the Petitioner suppressed material facts in obtaining the Order. The Application was heard on 8 July 2016 and the Court ruled in the Company's favour and set aside the Ex-parte Order.

Winding-up Case

At the hearing of the case on 27 September 2016, First Bank of Nigeria Limited, Skye Bank PLC and United Bank for Africa PLC joined DBN and were represented in Court as interested parties. The Court however directed the parties to try to reach an amicable resolution of the matter. Unfortunately, they were unable to agree on settlement terms consequent upon which the mater proceeded to the Federal High Court.

During the year, Guaranty Trust Bank, FSDH Merchant bank and the Federal Inland Revenue Service brought applications before the Federal High Court as interested partied in the winding up proceedings. The case is ongoing and the matter has been adjourned till 10 October 2018.

Petition - Apppointment of Liquidator/Receiver
During the year, there was an application placed before the court by First Bank of Nigeria Limited and Diamond Bank Nigeria PLC (DBN) for the appointment of a provisional liquidator and an Interim Official Receiver respectively. These applications were dismissed as lacking merit by the Federal High Court on 11 June 2018.

(b) Pending litigation and claims
The Group and Company are defendants in various law-suits that have arisen in the normal course of business. In the opinion of the directors, the Group and Company's liability is not likely to be significant, thus no provision has been made in these financial statements.

(c) Contigent liabilities
The Group and Company is subject to ongoing statutory review by regulatory bodies. The reviews are yet to be completed as at the reporting date and the directors are of the opinion that the regulatory reviews are not likely to result in material adverse effect on the Group and Company.

(d) Financial commitments
As at the end of year, the Company has no financial commitments to any counterparty. 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.

31 Operating leases
The Group and Company lease business premises and employee accommodation under operating lease agreements which typically run for a period of one to four years, with an option to renew at the expiration of the initial lease periods. Leases are paid for in advance and amounts expensed have been disclosed in Note 9.

32 Subsequent events
A restructuring exercise took place subsequent to year end, resulting in a Holding Company structure with five subsidiaries. The Group was restructured for greater efficiency and to positioning the various component (now subsidiaries) to attract potential investors.

Other than as described above and the matter in Note 30(a) above, there were no other significant subsequent events which could have had a material effect on the Group's and the Company's financial position as at 31 December 2017 that have not been adequately provided for or disclosed in these financial statements.

33 Going Concern
The Group and Company incurred a loss of N3.16 billion for the year ended 31 December 2017 (2016: N2.9 billion for Group and N3.1 billion for Company) and as of that date, the Group's current liabilities exceeded its current assets by N11.3 billion (2016: N7.4 billion) and the Company by N11.5 billion (2016: N7.9 billion), while its total liabilities exceeded its total assets by N6.0 billion (2016: N2.9 billion) and the Company by N6.4 billion (2016: N3.4 billion). As a result of the losses incurred over the last six (6) years, the shareholders' fund has reduced significantly to a deficit of N6 billion and N6.5 billion as at 31 December 2017 for the Group and Company respectively.

The loss for the year was mainly attributable to the decline in the Company's revenue from N8.8 billion in 2016 to N3.9 billion and the Group from N9.8 billion in 2016 to N4.4 billion. Finance costs also remain high at N2.8 billion during the current year (2016 : N2.1 billion) for both Group and Company.

The decline in revenue has contributed to the Company's inability to generate sufficient cash from its operations to settle its obligations and hence has resulted in:

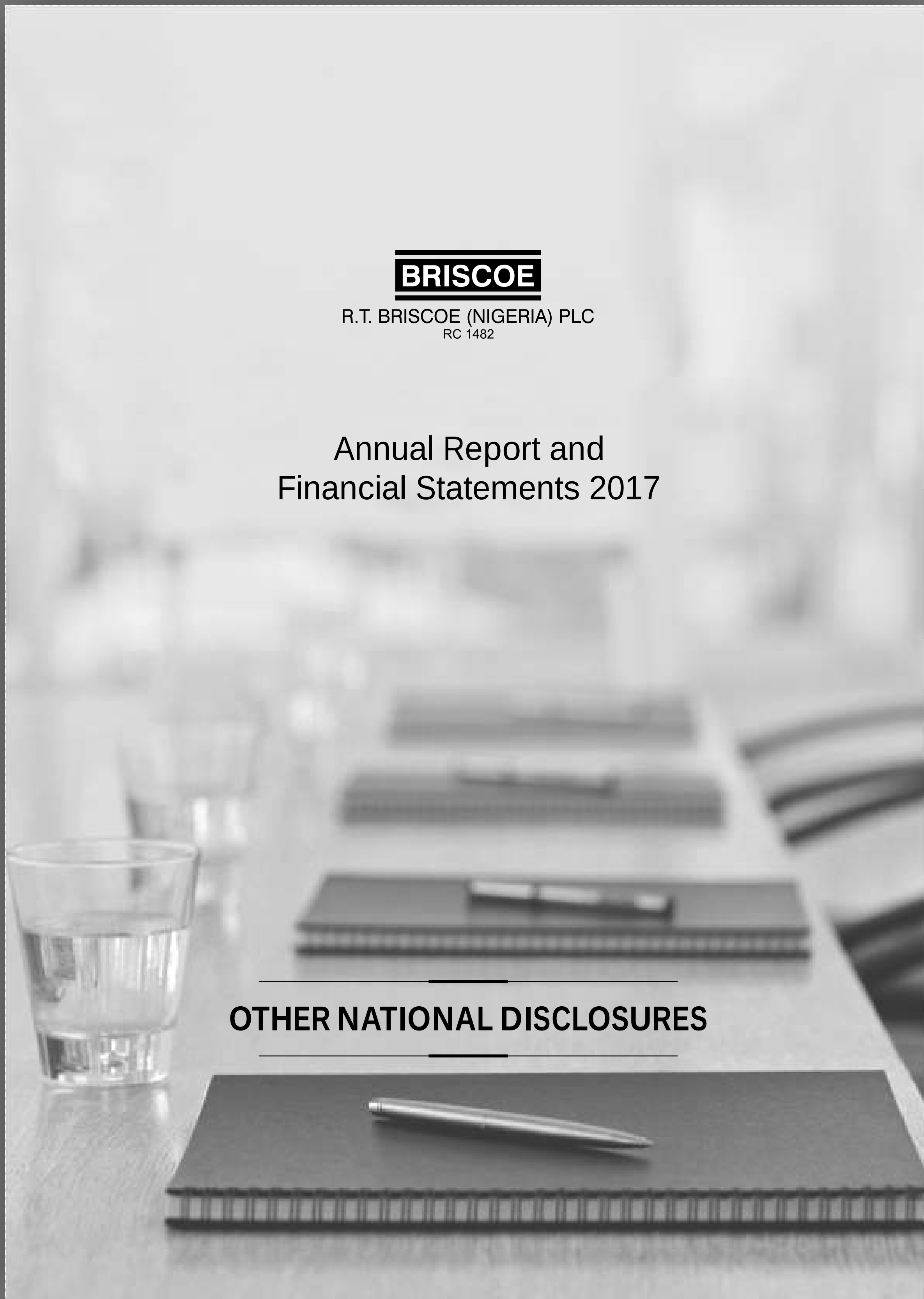
- Difficulty in meeting its obligations with respect to its import finance/stock replacement finance and overdraft facilities with the Company's bankers which has resulted in petition by some of its bankers to wind up the Company (Note 30(a)).
- Delays in remittance of some statutory government deductions.
- Delays in settlement of its obligations to suppliers and other service providers contrary to the terms of agreement.

These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. In order to address this, the directors have commenced the implementation of a number of measures aimed at returning the Company to profitability and a healthy financial position as follows:

- General restructuring of the Company's operations for greater efficiency and profitability, and positioning the Company and or its subsidiaries to attract potential investors (refer to Note 32).
- Downsized the business operations due to the low demand for capital goods with the following measures taken:
  - Stopped all imports of products except where extremely necessary
  - Drastic reduction in overhead costs
- Actively exploring the raising of additional equity of N10 billion. In order to acheive this, we have engaged an Investment adviser, with the mandate to raise additional capital to refinance existing debts, finance start-up of new business and enhance working capital ("Project Auto"). The Company is offering investors the opportunity to participate in its present and future business prospects which includes expansion of the sustainable and profitable subsidiaries.
  The Investment adviser, has received expression of interest from one prospective investors with a target purchase consideration of a maximum of USD10, 000,000.
  However, management believes that the process will be concluded on or before October 2018.

- Following the planned recapitalisation, the Company intends to:
  - Commence comprehensive marketing campaign primarily to drive sales
  - Expand the non – auto businesses in order to achieve better sales margins.
  - Commence assembly of motor vehicles and generators.
- Disposal of some items of property plant and equipment identified to be surplus to current business requirements subject to the outcome of the pending court case.

The Directors believe that the above on-going actions and plans will end up successfully, and remains confident of the validity of the going concern assumption. Accordingly, the financial statements have been prepared on the basis of accounting policies applicable to a going concern.



BRISCOE

R.T. BRISCOE (NIGERIA) PLC
RC 1482

Annual Report and Financial Statements 2017

OTHER NATIONAL DISCLOSURES

Value Added Statement

For the year ended 31 December 2017

	Group		Company	
	2017	2016	2017	2016
	N'000	N'000	N'000	N'000
Revenue	4,376,859	9,808,274	3,882,611	8,751,219
Bought in materials and services				
- Imported	(431,324)	(3,796,893)	(395,158)	(3,407,198)
- Local	(3,881,915)	(6,402,711)	(3,556,422)	(6,079,422)
	63,620	(391,330)	(68,969)	(735,401)
Other income	83,818	345,946	82,392	341,980
Finance income	90,696	196,829	124,084	183,834
Value added	238,134	151,445	137,507	(209,587)

Distribution of Value Added		%		%		%		%
To Government as:								
Taxation	23,390	10	81,310	54	8,497	6	16,871	(8)
To Employees:								
Salaries, wages, fringe and end of service benefits	510,534	214	629,153	415	431,993	314	517,566	(247)
To Providers of Finance:								
- Finance costs	2,760,746	1,159	2,057,501	1,359	2,760,746	2,008	2,058,177	(982)
Retained in the Business								
To maintain and replace;								
- property, plant and equipment	101,722	43	260,077	172	95,239	69	251,185	(120)
- intangible assets	2,284	1	24,013	16	2,284	2	22,901	(11)
To deplete reserves	(3,160,542)	(1,327)	(2,900,609)	(1,916)	(3,161,252)	(2,299)	(3,076,287)	1,468
Value added	238,134	100	151,445	100	137,507	100	(209,587)	100

Group

Statement of profit or loss and other comprehensive income

	31 Dec 2017	31 Dec 2016	31 Dec 2015	31 Dec 2014	31 Dec 2013
	N'000	N'000	N'000	N'000	N'000
Revenue	4,376,859	9,808,274	11,945,313	20,942,572	21,768,366
(Loss)/profit before income tax	(3,145,649)	(2,819,299)	(4,306,120)	(1,435,068)	(151,602)
Income tax expense	(14,893)	(81,310)	124,479	(386,774)	59,586
(Loss)/profit for the year	(3,160,542)	(2,900,609)	(4,181,641)	(1,821,842)	(92,016)
Total comprehensive income for the year	(3,096,047)	(2,892,844)	(3,300,229)	(207,297)	(84,242)
Earnings per share	(269)	(247)	(355)	(155)	(8)

Statement of financial position

	31 Dec 2017	31 Dec 2016	31 Dec 2015	31 Dec 2014	31 Dec 2013
	N'000	N'000	N'000	N'000	N'000
Property, plant and equipment	4,545,159	4,596,553	4,780,037	4,247,719	1,177,588
Investment properties	355,622				
Intangible assets	3,275	3,953	27,966	27,576	12,966
Goodwill	-	33,999	33,999	33,999	33,999
Deferred tax assets	-	-	-	-	523,010
Non current prepayments	-	4,555	14,259	-	-
Other non current receivables	381,773	246,114	115,857	155,768	586,087
Net current liabilities	(11,287,351)	(7,392,696)	(4,451,877)	(743,255)	1,214,112
Employee benefits	(40,065)	(137,452)	(123,827)	(142,260)	(124,774)
Loans and borrowings	-	(300,566)	(435,689)	-	-
Deferred Income	-	-	-	-	-
Deferred tax liabilities	(2,143)	(2,143)	(1,463)	(322,496)	(373,234)
Net assets	(6,043,730)	(2,947,683)	(40,738)	3,257,051	3,049,754

Equity

	31 Dec 2017	31 Dec 2016	31 Dec 2015	31 Dec 2014	31 Dec 2013
	N'000	N'000	N'000	N'000	N'000
Share capital	588,177	588,177	588,177	588,177	588,177
Share premium	409,862	409,862	409,862	409,862	409,862
Revaluation reserve	2,864,778	2,864,778	2,864,778	2,007,167	-
Retained earnings	(9,906,547)	(6,810,500)	(3,918,241)	240,964	2,043,548
Non-controlling interest	-	-	14,686	10,881	8,167
	(6,043,730)	(2,947,683)	(40,738)	3,257,051	3,049,754

Company

Statement of profit or loss and other comprehensive income

	31 Dec 2017	31 Dec 2016	31 Dec 2015	31 Dec 2014	31 Dec 2013
	N'000	N'000	N'000	N'000	N'000
Revenue	3,882,611	8,751,219	11,040,841	21,618,130	21,093,788
(Loss)/profit before income tax	(3,161,252)	(3,076,287)	(4,404,355)	(215,033)	(377,923)
Income tax expense	-	-	156,536	111,246	(4,102)
(Loss)/profit for the year	(3,161,252)	(3,076,287)	(4,247,819)	(103,787)	(382,025)
Total comprehensive income for the year	(3,096,757)	(3,068,522)	3,366,407	(96,013)	(392,162)
Loss per share	(269)	(262)	(361)	(159)	(9)

Statement of financial position

	31 Dec 2017	31 Dec 2016	31 Dec 2015	31 Dec 2014	31 Dec 2013
	N'000	N'000	N'000	N'000	N'000
Property, plant and equipment	4,536,473	4,581,635	4,767,141	4,223,324	1,160,696
Intangible assets	-	2,284	25,185	23,683	12,966
Investment in subsidiary	160,576	183,576	169,475	169,475	141,475
Deferred tax assets	-	-	-	-	521,409
Non current prepayments	-	4,555	14,259	-	-
Other non current receivables	381,773	246,114	115,857	155,768	586,087
Net current (liabilities)/assets	(11,504,843)	(7,949,475)	(4,833,208)	(1,043,940)	978,982
Employee benefits	(40,065)	(137,452)	(123,827)	(142,260)	(124,774)
Loans and borrowings	-	(300,566)	(435,689)	-	-
Deferred tax liabilities	-	-	-	(320,450)	(368,166)
Net assets	(6,466,086)	(3,369,329)	(300,807)	3,065,600	2,908,675

Equity

	31 Dec 2017	31 Dec 2016	31 Dec 2015	31 Dec 2014	31 Dec 2013
	N'000	N'000	N'000	N'000	N'000
Share capital	588,177	588,177	588,177	588,177	588,177
Share premium	409,862	409,862	409,862	409,862	409,862
Revaluation reserve	2,864,778	2,864,778	2,864,778	2,007,167	-
Retained earnings	(10,328,903)	(7,232,146)	(4,163,624)	60,394	1,910,636
	(6,466,086)	(3,369,329)	(300,807)	3,065,600	2,908,675

BRISCOE

R.T. BRISCOE (NIGERIA) PLC

RC 1482

Annual Report and Financial Statements 2017

SHAREHOLDERS' INFORMATION

E-Dividend/Unclaimed Dividends

The Securities and Exchange Commission Nigeria ("SEC") as the apex regulator of the Nigerian Capital Market and in furtherance of its investor protection and market development mandate had directed the discontinuance of the issuance of physical dividend warrants by public companies with effect from December 31, 2017. The payment of dividends are now to be done solely by e-dividend whereby payments will be made electronically to the bank accounts of the concerned shareholders. All shareholders who are not registered for e-dividend are advised to fill the E-Dividend Mandate Activation Form in this report and submit same to the Registrars for the collection of their unclaimed dividends and subsequent dividends electronically. We advise all shareholders with unclaimed dividends to write our Registrars for their unclaimed dividends. The list of unclaimed dividends are available on our Registrar's web site – www.meristemregistrars.com

Electronic Dispatch of Annual Reports

To ensure that our shareholders receive their annual reports as early as possible and within a reasonable time before the Annual General Meeting, arrangements have been put in place for electronic copies to be forwarded timeously to shareholders' e-mail addresses. Hard copies would be dispatched in advance to the Shareholders' Associations registered by SEC while hard copies would also be made available on the day of the AGM. Shareholders are requested to provide our Registrars with their e-mail addresses to facilitate the prompt delivery of their annual reports.

Complaints Management Policy

The Complaints Management Policy is available on the company's website – www.rtbriscoe.com

The unclaimed dividend as at 31st December, 2017 are as follows:

Dividend	Date Paid	N'000
24	25/04/2008	24,599,328.49
25	15/05/2009	24,642,555.23
26	28/05/2010	7,180,441.82
27	27/05/2011	8,837,868.74
28	29/06/2012	14,137,856.35
TOTAL		79,398,050.63

S/N	Sript No.	Date of Issue
1	01	29.08.75
2	02	18.10.76
3	03	14.10.77
4	04	31.10.80
5	05	30.11.81
6	06	29.10.82
7	07	24.04.03
8	08	29.04.04
9	09	26.04.07
10	10	24.04.08
11	11	01.04.09
12	12	21.04.10
13	13	29.04.11
14	14	26.06.12

For further information, we advise that you get in touch with either of the following:

The Company Secretary
R. T. Briscoe (Nigeria) Plc
18, Fatai Atere Way,
Matori, Lagos.

Telephone Lines:
01– 2703477
01– 2703487

e-mail address:
Briscoemail@rtbriscoe.com

Website:
www.rtbriscoe.com

The Registrar
Meristem Registrars and Probate Services Ltd.
213, Herbert Macaulay Way
Adekunle, Yaba, Lagos.

Telephone Lines:
+234 (1) 2809250-3

e-mail address
info@meristemregistrars.com

Website:
www.meristemregistrars.com

E-dividend Mandate Activation Form

Affix
Current
Passport

(To be stamped by Bankers)

Write your name at the back of your passport photograph

Only Clearing Banks are acceptable

MERISTEM
REGISTRARS AND PROBATE SERVICES LIMITED
RC No: 489029
213, Herbert Macaulay Way, Adekunle, Yaba
P. O. Box 51585, Falomo Ikoyi, Lagos.
Phone: +234 (1) 2809250-3, 0700MERIREG
Fax: 01-2702361 e-mail: info@meristemregistrars.com
Website: www.meristemregistrars.com

Instruction
Please complete all sections of this form to make it eligible for processing and return to the address below

The Registrar
Meristem Registrars and Probate Services Limited
213, Herbert Macaulay Way
Adekunle-Yaba
Lagos State

I\We hereby request that henceforth, all my\our Dividend Payment(s) due to me\us from my\our holdings in R.T Briscoe (Nigeria) Plc be credited directly to my \our bank account detailed below:

Bank Verification Number

Bank Name

Bank Account Number

Account Opening Date

Shareholder Account Information

Surname/Company's Name | First Name | Other Names

Address:

City | State | Country

Previous Address (If address has changed)

CHN | CSCS A/c No

Name of Stockbroker

Mobile Telephone 1 | Mobile Telephone 2

Email Address

Signature(s) | Company Seal (If applicable)

Joint\Company's Signatories

Help Desk Telephone No/Contact Centre Information for Issue resolution or clarification: 01-2809250-4

Please
Affix
Postage
Stamp

THE REGISTRARS,

MERISTEM

REGISTRARS AND PROBATE SERVICES LIMITED

RC No: 489029

213, Herbert Macaulay Way, Adekunle, Yaba
P. O. Box 51585, Falomo Ikoyi, Lagos.
Phone: +234 (1) 2809250-3, 0700MERIREG
Fax: 01-2702361 e-mail: info@meristemregistrars.com

Website: www.meristemregistrars.com

R. T. BRISCOE (NIGERIA) PLC (RC: 1482)
ANNUAL GENERAL MEETING to be at held at 11.00 a.m. on Thursday, the 29th of November, 2018 at NECA HOUSE, PLOT A2, HAKEEM BALOGUN STREET, CENTRAL BUSINESS DISTRICT, ALAUSA, IKEJA, LAGOS.

I/We*...
being a member/members of R. T. BRISCOE (NIGERIA) PLC hereby appoint

**..or failing him/her, Sir S. N. Nwosu or failing him, Mr. B. O. Onajide as my/our proxy to vote for me/us at the General Meeting of the Company to be held on 29th November, 2018 at 11.00 a.m. and at any adjournment thereof. Unless otherwise instructed, the proxy will vote or abstain from voting as he thinks fit.

Dated this......................Day of... 2018.

Signed:...

* In the case of joint Shareholders, anyone of such may complete the form, but the names of all joint holders must be stated.

To be effective, this proxy form should be duly completed and stamped by the Commissioner for Stamp Duties in accordance with the Stamp Duties Act before posting it to reach the address below not less than 48 hours before the time for holding the Meeting.

NUMBER OF SHARES HELD:		
Resolutions	For	Against
To re-elect as directors: 1. Dr. Adewale Olawoyin, SAN 2. Ms. Adeola Adenike Ade-Ojo		
To authorise the Directors to fix the remuneration of the Auditors.		
To elect members of the Audit Committee.		
To fix the remuneration of the Directors.		
To authorise the company to procure goods and services necessary for its operations from related companies.		
Please indicate with 'X' in the appropriate square how you wish your vote to be cast on the resolutions set out above.		

Before posting the above form, please cut off this part and retain it.

R. T. BRISCOE (NIGERIA) PLC
18, FATAI ATERE WAY, MATORI, OSHODI, P. O. BOX 2104, LAGOS.

ADMISSION FORM

R. T. BRISCOE (NIGERIA) PLC (RC: 1482)
ANNUAL GENERAL MEETING to be at held at 11.00 a.m. on Thursday, the 29th of November, 2018 at NECA HOUSE, PLOT A2, HAKEEM BALOGUN STREET, CENTRAL BUSINESS DISTRICT, ALAUSA, IKEJA, LAGOS.

Name of Shareholder
....

If you are unable to attend the Meeting, please note that:
A member (Shareholder) who is unable to attend the Company's General Meeting is allowed by law to vote on a poll by proxy. The representative of any Corporation, which is a member, may also vote on a show of hands. The above proxy form has been prepared to enable you to exercise your right to vote, in case you cannot personally attend the above Annual General Meeting.

Following the normal practice, the names of two directors of the Company have been entered on the form to ensure that someone will be at the Meeting to act as your proxy, but if you wish, you may insert in the blank space on the form (marked **) the name of any person, whether a member of the Company or not, who will attend and vote on your behalf instead of one of the directors.

Please sign the above proxy form, have it stamped by the Commissioner for Stamp Duties and then post it so as to reach the address on the reverse side of the proxy not less than 48 hours before the time for holding the Meeting.

Please
Affix
Postage
Stamp

THE REGISTRARS,

MERISTEM

REGISTRARS AND PROBATE SERVICES LIMITED

RC No: 489029

213, Herbert Macaulay Way, Adekunle, Yaba
P. O. Box 51585, Falomo Ikoyi, Lagos.
Phone: +234 (1) 2809250-3, 0700MERIREG
Fax: 01-2702361 e-mail: info@meristemregistrars.com

Website: www.meristemregistrars.com

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BRISCOE

R.T. BRISCOE (NIGERIA) PLC
RC 1482
18, Fatai Atere Way, Matori, Oshodi, P.O. Box 2104, Lagos.
Tel: (01) 2703477, 2703478 Fax: (01) 2793216
E-mail – briscoemail@rtbriscoe.com

BRANCHES: ABUJA // ASABA // AKURE // IKEJA // KANO // LEKKI // PORT HARCOURT // UMUAHIA // VICTORIA ISLAND