




Interim IFRS Financial Statements (Unaudited) for  
the period ended 31 December 2016  
(9 Months Results)

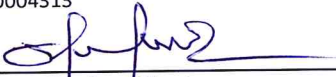
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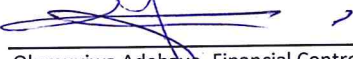
RAK UNITY PETROLEUM PLC

Statement of Financial Position as at 31 December 2016

	Note	31 December 2016	31 March 2016
		N' 000	N' 000
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	11	86,774	67,272
Prepayment non-current		41,760	61,162
<b>Non-current assets</b>		<b>128,534</b>	<b>128,434</b>
<b>Current Assets</b>			
Inventories	12	43,689	50,552
Trade and other receivables	12	971,743	819,103
Cash and cash equivalents	13	129,783	379,217
Other assets	14	29,084	32,387
<b>Current assets</b>		<b>1,174,298</b>	<b>1,281,259</b>
<b>Total Assets</b>		<b>1,302,832</b>	<b>1,409,693</b>
<b>EQUITY:</b>			
		N' 000	N' 000
Share capital	15	28,312	28,312
Share premium	15	307,576	307,576
Retained Earnings	16	235,466	170,448
<b>Total Equity</b>		<b>571,354</b>	<b>506,336</b>
<b>LIABILITIES:</b>			
		N' 000	N' 000
<b>Non-Current Liabilities</b>			
Deferred tax liabilities		13,967	7,274
<b>Non-current liabilities</b>		<b>13,967</b>	<b>7,274</b>
<b>Current Liabilities</b>			
Trade payables and Other Payables	21	691,277	868,604
Current tax payables	10	26,234	27,029
Deferred Income	20	(0)	450
<b>Current liabilities</b>		<b>717,511</b>	<b>896,084</b>
<b>Total Liabilities</b>		<b>731,478</b>	<b>903,357</b>
<b>Total Equity and Liabilities</b>		<b>1,302,832</b>	<b>1,409,693</b>

  
James Ogungbemi, Chief Executive Officer/Managing Director  
FRC/2013/NIM/00000004313

  
Chukwumobi Obumneme Okonkwo, Director  
FRC/2014/NIM/00000008764

  
Olumuyiwa Adebayo, Financial Controller  
FRC/2013/ICAN/0000000863

The accompanying Financial Statement set out on pages 2 to 22 form an integral part of these financial statements

RAK UNITY PETROLEUM PLC

Unaudited IFRS Statement of Profit or Loss and Other Comprehensive Income for the period ended 31 December 2016  
(Common-Size Analysis)

	Note	3 Months	9 Months	3 Months	9 Months
		31-Dec-16	31-Dec-16	31-Dec-15	31-Dec-15
		N' 000	N' 000	N' 000	N' 000
Revenue	5	100%	100%	100%	100%
Cost of sales		97%	96%	96%	96%
<b>Gross Profit</b>		<b>3%</b>	<b>4%</b>	<b>3%</b>	<b>4%</b>
<b>Operating Expenses:</b>					
Employees' costs	7	1.13%	1.31%	1.66%	0.94%
Depreciation, amortisation, depletion and impairment	11	0.09%	0.10%	0.16%	0.18%
Administrative and management expenses	8	1.41%	1.39%	1.96%	1.77%
<b>Operating expenses</b>		<b>2.63%</b>	<b>2.80%</b>	<b>1.45%</b>	<b>1.90%</b>
<b>Operating Profit/(Loss)</b>		<b>0.12%</b>	<b>1.15%</b>	<b>1.53%</b>	<b>2.34%</b>
Investment and other income	9	0.00%	0.01%	0.10%	0.07%
<b>Profit/(Loss) before interest expense and taxes</b>		<b>0.13%</b>	<b>1.16%</b>	<b>1.55%</b>	<b>2.36%</b>
<b>Profit/(Loss) before taxes</b>		<b>0.13%</b>	<b>1.16%</b>	<b>1.55%</b>	<b>2.36%</b>
Income taxes		0.04%	-0.37%	-0.03%	-0.44%
<b>Profit for the period</b>		<b>0.17%</b>	<b>0.79%</b>	<b>0.86%</b>	<b>1.65%</b>
<b>Other Comprehensive Income:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the period</b>		<b>0.17%</b>	<b>0.79%</b>	<b>0.86%</b>	<b>1.65%</b>

**RAK UNITY PETROLEUM PLC**  
**Statement of Changes in Equity as at 31 December 2016**

	31 December 2016			Total Equity N' 000
	Share Capital	Share Premium	Retained Earnings	
	N' 000	N' 000	N' 000	
Balance as at 1 April 2016	28,312	307,576	170,448	506,337
Profit for the year			65,018	65,018
Other comprehensive income:				-
<b>Total comprehensive income for the year</b>	-	-	65,018	65,018
Transaction with owners' of equity:				
Transactions with owners' of equity	-	-	-	-
<b>Balance as at 31 December 2016</b>	<b>28,312</b>	<b>307,576</b>	<b>235,465</b>	<b>571,354</b>

	31 March 2016			Total Equity N' 000
	Share Capital	Share Premium	Retained Earnings	
	N' 000	N' 000	N' 000	
Balance as at 1 April 2015 (as previously reported)	28,312	307,576	134,089	469,977
Profit for the year			53,346	53,346
Other comprehensive income:				-
<b>Total comprehensive income for the year</b>	<b>28,312</b>	<b>307,576</b>	<b>187,435</b>	<b>523,323</b>
Transaction with owners' of equity:				
Dividend paid			(16,987)	(16,987)
Transactions with owners' of equity	-	-	(16,987)	(16,987)
<b>Balance as at 31 March 2016 IFRS</b>	<b>28,312</b>	<b>307,576</b>	<b>170,448</b>	<b>506,336</b>

RAK UNITY PETROLEUM PLC

Financial statements for the period ended 31 December 2016

1 General information about the reporting entity

Rak Unity Petroleum Plc was incorporated in Nigeria under the Companies and Allied Matters Act as a private limited liability company on 20th December 1982 and converted to a public company on 16th November 1987. The Company is domiciled in Nigeria and the address of its registered office is Block 5 Ijora Gra Beside Lagos State Water Corporation Ijora Lagos. The principal activities of the Company are to carry on the business of Petroleum sales, Marketing, Store oils, Petrol, Gas, Kerosene, Filling station, erect structures for that purpose. The Company deals in Retail and Bulk supply of Petroleum Products.

2 Application of new and revised International Financial Reporting Standards (IFRSs)

2.1 New and revised IFRSs affecting amounts reported and/or disclosures in the financial statements

In the current year, the Company has applied a number of new and revised IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2014.

*Amendments to IFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities*  
*New and revised Standards on consolidation, joint arrangements, associates and disclosures*  
*IFRS 13 Fair Value Measurement*  
*IFRIC 21 Levies*

*Amendments to IAS 1 Presentation of Items of Other Comprehensive Income*

*Amendments to IAS 1 Presentation of Financial Statements (as part of the Annual Improvements to IFRSs 2009 – 2011 Cycle issued in May 2012)*

2.2 New and revised IFRSs in issue but not yet effective

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial Instruments**
Amendments to IFRS 9 and IFRS 7	Mandatory Effective Date of IFRS 9 and Transition Disclosures*

\* Effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

\*\* Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

3 Significant Accounting Policies

3.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by International Accounting Standard Board (IASB).

3.2 Basis of Preparation and Adoption of IFRS

The Company prepares its financial statements in accordance with International Financial Reporting Standards (IFRSs) as issued by International Accounting Standard Board (IASB). Accordingly, these are the Company's first annual financial statements prepared in accordance with IFRS as issued by the IASB.

For all periods up to and including the period ended 30 September 2013, the Company prepared its financial statements in accordance with Nigerian Generally Accepted Accounting Principles (NGAAP). These financial statements for the period ended 30th September 2014 are the first the Company has prepared in accordance with IFRS.

The financial statements have been prepared on a historical cost basis. The carrying values of recognised assets and liabilities are at Deem Cost. The financial statements are presented in Nigerian Naira and all values are rounded to the nearest thousand (N'000), except when otherwise indicated.

3.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

3.3.1 Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods, including:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, value added taxes, excise duties and similar levies. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

3.3.2 Rendering of Services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract. The stage of completion of the contract is determined as follows:

- Installation fees are recognised by reference to the stage of completion of the installation, determined as the proportion of the total time expected to install that has elapsed at the end of the reporting period.
- Installation fees are recognised by reference to the stage of completion of the installation, determined as the proportion of the total time expected to install that has elapsed at the end of the reporting period.
- Revenue from time and material contracts is recognised at the contractual rates as labour hours and direct expenses are incurred.



### 3.5 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred.

Property, plant and equipment transferred from Third Party of Related Parties is initially measured at the fair value at the date on which control is obtained. Land and buildings are measured at fair value, less accumulated depreciation on buildings, and impairment losses recognised at the date of revaluation. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

A revaluation surplus is recognised in other comprehensive income and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in the income statement, in which case the increase is recognised in the income statement. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the assets and depreciation based on the asset's original cost. Additionally, accumulated depreciation at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

*The following useful lives are used in the calculation of depreciation:*

• Plants and machinery	10-years
• Motor vehicles	4 years
• Office equipment	3 years
• Computer equipment	4 years
• Furniture and fittings	4 years

### 3.6 Intangible assets

#### 3.6.1 Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

#### 3.6.2 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

### 3.7 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

*(iii) Environmental expenditures and liabilities*

Environmental expenditures that relate to current or future revenues are expensed or capitalised as appropriate. Expenditures that relate to an existing condition caused by past operations and do not contribute to current or future earnings are expensed.

Liabilities for environmental costs are recognised when a clean-up is probable and the associated costs can be reliably estimated. Generally, the timing of recognition of these provisions coincides with the commitment to a formal plan of action or, if earlier, on divestment or on closure of inactive sites.

The amount recognised is the best estimate of the expenditure required. Where the liability will not be settled for a number of years, the amount recognised is the present value of the estimated future expenditure.

**3.11 Financial instruments – initial recognition and subsequent measurement**

**3.11.1 Financial Assets**

*Initial recognition and measurement:*

Financial assets in the scope of IAS 39 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, available-for-sale financial assets, or derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss which do not include transaction costs.

Purchases or sales of financial assets that require delivery of assets in a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date at which the Company commits to purchase or sell the asset.

The Company's financial assets include cash and short-term deposits, trade and other receivables, loan and other receivables, quoted and unquoted financial instruments and derivative financial instruments.

*Subsequent measurement*

The subsequent measurement of financial assets depends on their classification, as follows:

*Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as finance costs (negative changes in fair value) or finance revenue (positive net changes in fair value) in the statement of comprehensive income.

Financial assets designated upon initial recognition at fair value through profit or loss are designated at the initial recognition date and only if the criteria in IAS 39 are satisfied. The Company has not designated any financial assets upon initial recognition as at fair value through profit or loss.

*Subsequent measurement*

Financial assets at fair value through profit or loss continued

The Company evaluates its financial assets as held for trading, other than derivatives, to determine whether the intention to sell them in the near term is still appropriate. When, in rare circumstances, the Company is unable to trade these financial assets due to inactive markets and management's intention to sell them in the foreseeable future significantly changes, the Company may elect to reclassify them. The reclassification to loans and receivables, available-for-sale or held to maturity depends on the nature of the asset. This evaluation does not affect any financial assets designated at fair value through profit or loss using the fair value option at designation, as these instruments cannot be reclassified after initial recognition.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value, with changes in fair value recognised in profit or loss. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in profit or loss. The losses arising from impairment are recognised in profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

*Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is derecognised when:

The rights to receive cash flows from the asset have expired

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and either:

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

#### 3.11.4 Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; a discounted cash flow analysis or other valuation models.

#### 3.11.5 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and at hand and short term deposits with an original maturity of three months or less, but exclude any restricted cash which is not available for use by the Company and therefore is not considered highly liquid – for example, cash set aside to cover decommissioning obligations. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents, as defined above, net of outstanding bank overdrafts.

#### 3.12 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks.
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

#### 3.13 Employee benefits

##### 3.13.1 Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as personnel expenses in profit or loss in the periods during which related services are rendered. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the reporting period in which the employees render the service are discounted to their present value.

##### 3.13.2 Termination benefits

The company recognizes termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or providing benefits as a result of an offer made to encourage voluntary termination. Benefits falling due more than twelve months after the end of the reporting period are discounted to their present value.

#### 3.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (a qualifying asset) are capitalised as part of the cost of the respective assets. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available for a short term from funds borrowed specifically to finance a project, the income generated from the temporary investment of such amounts is also capitalised and deducted from the total capitalised borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the period.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### 4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### 4.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see note 5.2 below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

- \* Revenue recognition
- \* Deferred taxation and recovery of deferred tax assets
- \* Contingencies

##### 4.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.



10 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

The basic and diluted earnings per share are the same as there are no instruments that have a dilutive effects on earnings.

	31-Dec-16	31-Dec-15
	N	N
Basic earnings per share - Naira	1.15	0.71

10.1 Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows.

	31-Dec-16	31-Dec-15
	N' 000	N' 000
Profit for the year attributable to owners of the Company	65,018	40,054
Dividends paid on convertible non-participating preference shares	-	-
Earnings used in the calculation of basic earnings per share	65,018	40,054
Others	-	-
<b>Earnings used in the calculation of basic earnings per share</b>	<b>65,018</b>	<b>40,054</b>

	31-Dec-16	31-Dec-15
	N' 000	N' 000
Weighted average number of ordinary shares for the purposes of basic earnings per share	56,625	56,625

\*Diluted EPS is same with Basic EPS because there are no potential instruments/shares with dilutive attribute

12.2 Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows.

	42735	42369
	N' 000	N' 000
Earnings used in the calculation of basic earnings per share	1.15	1
Interest on convertible notes (after tax at 30%)	-	-
Earnings used in the calculation of diluted earnings per share	1.15	1
Others	-	-
<b>Earnings used in the calculation of diluted earnings per share</b>	<b>1.15</b>	<b>1</b>

The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of ordinary shares

	31-Dec-16	31-Dec-15
	N' 000	N' 000
Weighted average number of ordinary shares used in the calculation of basic earnings per share	56,625	56,625
Potential shares deemed to be issued for no consideration in respect of:		
• Employee options	-	-
• Partly paid ordinary shares	-	-
• Convertible notes	-	-
• Others	-	-
<b>Weighted average number of ordinary shares used in the calculation of diluted earnings per share</b>	<b>56,625</b>	<b>56,625</b>

The following potential ordinary shares are anti-dilutive and are therefore excluded from the weighted average number of ordinary shares for the purpose of diluted earnings per share.

	2013	2012
	'000	'000
• Convertible notes	-	-
• Others	-	-

11 Property, plant and equipment

	31-Dec-16	31-Mar-16
	N' 000	N' 000
• Leasehold Improvement and Properties	24,402	27,338
• Plants and machinery	16,990	16,336
• Motor vehicles	437	1,223
• Office equipment	450	625
• Capital Work in Progress	25,226	-
• Furniture and fittings	19,270	21,749
	86,774	67,272

11.1 Impairment losses recognised in the year

There were no Impairment Losses within the year.

16	Retained earnings		31-Dec-16	31-Mar-16
			N' 000	N' 000
	As at 1st April,		170,448	134,089
	Profit for the year		65,018	53,346
	Dividend paid		-	(16,987)
	Transfers from/(to) within equity		-	-
	<b>At 30th September,</b>		<b>235,466</b>	<b>170,448</b>
	<i>Transfer within Equity relates to Deferred Expense from prior period now written off against Equity.</i>			
17	Deferred Income		31-Dec-16	31-Mar-16
			N' 000	N' 000
	Deposits by customers for goods and/or services		-	420
			-	420
	<b>Details of Deferred Revenue</b>			
	<i>* This resulted from Non Fuel Income from the Rental of the Marts in the Retail Outlets.</i>			
18	Trade payables		31-Dec-16	31-Mar-16
			N' 000	N' 000
	Trade Payables	Note 18a	647,532	295,179
	Other Payables	Note 18b	43,745	30,123
			<b>691,277</b>	<b>325,302</b>
18 (a)	Trade payables		31-Dec-16	31-Mar-16
			N' 000	N' 000
	Trade payable - 3rd parties		130,693	295,179
	Trade payable - related parties		516,838	-
			<b>647,532</b>	<b>295,179</b>
19 (b)	Other payables		31-Dec-16	31-Mar-16
			N' 000	N' 000
	Accrued expenses		33,331	24,193
	Related Party		5,930	5,930
	Others		4,484	-
			<b>43,745</b>	<b>30,123</b>

\* The related party balance is an amount owed to Toparte by RAK Unity. Toparte is the Majority shareholder in RAK Unity.

20.5 **Foreign currency risk**

The Company has transactional currency exposures that arise from sales or purchases in currencies other than the respective functional currency. The Company manages this risk by matching receipts and payments in the same currency and monitoring movements in exchange rates.

20.6 **Liquidity risk**

The Company monitors its risk to a shortage of funds by monitoring its debt rating and the maturity dates of existing payables.

**Liquidity GAP Analysis (Asset - Liability Matching)**

	31-Dec-16					Total N' 000
	On Call N' 000	< 1 year N' 000	1 - 2 years N' 000	2 - 5 years N' 000	> 5 years N' 000	
<b>FINANCIAL ASSETS:</b>						
Other financial assets:						
Trade receivables	-	971,743	-	-	-	971,743
Other receivables	-	-	-	-	-	-
Cash and cash equivalents	-	129,783	-	-	-	129,783
<b>Total Financial Assets</b>	<b>-</b>	<b>1,101,526</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,101,526</b>
<b>FINANCIAL LIABILITIES:</b>						
Other financial liabilities						
- Trade payables	-	647,532	-	-	-	647,532
- Other payables	-	43,745	-	-	-	43,745
<b>Total Financial Liabilities</b>	<b>-</b>	<b>691,277</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>691,277</b>
<b>Liquidity GAP</b>						
Liquidity GAP	On Call N' 000	< 1 year N' 000	1 - 2 years N' 000	2 - 5 years N' 000	> 5 years N' 000	Total N' 000
Financial Assets	-	1,101,526	-	-	-	1,101,526
Financial Liabilities	-	691,277	-	-	-	691,277
<b>Liquidity GAP (+/-)</b>	<b>-</b>	<b>410,249</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>410,249</b>

20.7 **Credit risk**

The Company trades only with recognised, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures, which include an assessment of credit rating, short-term liquidity and financial position. The Company obtains sufficient collateral (where appropriate) from customers as a means of mitigating the risk of financial loss from defaults. In addition, receivable balances are monitored on an ongoing basis, with the result that the Company's exposure to bad debts is not significant.

Refer to Note 27 for analysis of trade receivables ageing.

21 **Events after the reporting period**

There are no significant or material events that occurred after the end of the reporting period and before the financial statements is authorised for issue by the management of the entity.

22 **Contingencies and commitments**

The company has no contingent liabilities in respect of legal claims arising in the ordinary course of business. It is not anticipated that any material liabilities will arise.