



Interim IFRS Financial Statements (Unaudited) for
the period ended 30 June 2015 (3
Months Results)

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RAK UNITY PETROLEUM PLC

Unaudited IFRS Statement of Financial Position as at 30 June 2015

Note	30-Jun-15	30-Jun-14
ASSETS:	N' 000	N' 000
Non-Current Assets		
Property, plant and equipment	42,436	42,747
Non-current assets	42,436	42,747
Current Assets		
Inventories	-	-
Trade and other receivables	544,865	1,033,742
Cash and cash equivalents	143,615	258,995
Other assets	104,302	117,836
Current assets	792,782	1,410,573
Total Assets	835,217	1,453,320
EQUITY:		
	N' 000	N' 000
Share capital	28,312	28,312
Share premium	307,576	307,576
Retained Earnings	153,299	77,977
Total Equity	489,187	413,864
LIABILITIES:		
	N' 000	N' 000
Non-Current Liabilities		
Deferred tax liabilities	3,168	3,168
Non-current liabilities	3,168	3,168
Current Liabilities		
Trade payables and Other Payables	292,763	1,006,204
Current tax payables	49,657	30,084
Deferred Income	443	
Current liabilities	342,863	1,036,288
Total Liabilities	346,031	1,039,456
Total Equity and Liabilities	835,217	1,453,320

RAK UNITY PETROLEUM PLC

Unaudited IFRS Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2015

	Note	3 Months		3 Months
		30-Jun-15	30-Jun-14	2015 vs 2014
		N' 000	N' 000	%Change
Revenue	5	1,122,752	2,215,944	-49%
Cost of sales		(1,074,409)	(2,144,899)	-50%
Gross Profit		48,343	71,045	-32%
Operating Expenses:				
Employees' costs	7	3,496	4,217	-17%
Depreciation, amortisation, depletion and impairment	11	9,821	9,316	5%
Administrative and management expenses	8	8,793	11,289	-22%
Operating expenses		22,110	24,821	-11%
Operating Profit/(Loss)		26,233	46,224	-43%
Investment and other income	9	210	124	70%
Profit/(Loss) before interest expense and taxes		26,443	46,347	-43%
Profit/(Loss) before taxes		26,443	46,347	-43%
Income taxes		(7,933)	(12,699)	-38%
Profit for the period		18,509	33,648	-45%
Other Comprehensive Income:		-	-	0%
Total Comprehensive Income for the period		18,509	33,647.84	-45%
Earnings per share (EPS):	10	30-Jun-15	30-Jun-14	1%
- Basic EPS (in the nearest Naira)		0.33	0.59	-45%
- Diluted EPS (in the nearest Naira)		0.33	0.59	-45%
- Number of Shares ('000)		56,625	56,625	0%

RAK UNITY PETROLEUM PLC

Unaudited IFRS Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2015

	Note	3 Months	
		30-Mar-15	30-Jun-14
		N' 000	N' 000
Revenue	5	100%	100%
Cost of sales		96%	97%
Gross Profit		4%	3%
Operating Expenses:			
Employees' costs	7	0.31%	0.19%
Depreciation, amortisation, depletion and impairment	11	0.87%	0.42%
Administrative and management expenses	8	0.78%	0.51%
Operating expenses		1.97%	1.12%
Operating Profit/(Loss)		2.34%	2.09%
Investment and other income	9	0.02%	0.01%
Profit/(Loss) before interest expense and taxes		2.36%	2.09%
Profit/(Loss) before taxes		2.36%	2.09%
Income taxes		0.71%	0.57%
Profit for the period		1.65%	1.52%
Other Comprehensive Income:		-	-
Total Comprehensive Income for the period		1.65%	1.52%
Earnings per share (EPS):	10	30-Dec-14	30-Sep-13
- Basic EPS (in the nearest Naira)		0.00	0.00
- Diluted EPS (in the nearest Naira)		0.00	0.00
- Number of Shares ('000)		56,625	56,625

RAK UNITY PETROLEUM PLC

Unaudited IFRS Statement of Financial Position as at 30 June 2015

	Note	30-Jun-15	30-Jun-14
		N' 000	N' 000
ASSETS:			
Non-Current Assets			
Property, plant and equipment	11	5.08%	2.94%
Non-current assets		5.08%	2.94%
Current Assets			
Inventories	12	0.00%	0.00%
Trade and other receivables	13	65.24%	71.13%
Cash and cash equivalents	14	17.19%	17.82%
Other assets	15	12.49%	8.11%
Current assets		95%	97%
Total Assets		100%	100%
EQUITY:			
N' 000			
Share capital	16	3.39%	1.95%
Share premium	16	36.83%	21.16%
Retained Earnings	17	18.35%	5.37%
Total Equity		59%	28%
LIABILITIES:			
N' 000			
Non-Current Liabilities			
Deferred tax liabilities		0.38%	0.22%
Non-current liabilities		0.38%	0.22%
Current Liabilities			
Trade payables and Other Payables	21	35.05%	69.23%
Current tax payables		5.95%	2.07%
Deferred Income	20	0.05%	0.00%
Current liabilities		41.05%	71.30%
Total Liabilities		41.43%	71.52%
Total Equity and Liabilities		100%	100%

RAK UNITY PETROLEUM PLC
Audited IFRS Statement of Changes in Equity for the year ended 30 June 2015

30 June 2015

	Share Capital	Share Premium	Retained Earnings	Total Equity
	N' 000	N' 000	N' 000	N' 000
Balance as at 1st April 2015 (as previously reported)	28,312	307,576	134,789	470,677
Adjustments regarding restatements on Conversion to IFRS				-
Balance as at 1st April 2013 (restated) IFRS	28,312	307,576	134,789	470,677
Profit for the year			18,509	18,509
Other comprehensive income:				-
Total comprehensive income for the year	-	-	18,509	18,509
Transaction with owners' of equity:				
Additional paid in capital				-
Transactions with owners' of equity	-	-	-	-
Balance as at 30 June 2015	28,312	307,576	153,298	489,186

RAK UNITY PETROLEUM PLC
Unaudited IFRS Statement of Changes in Equity for the period ended 30 June 2014

30 June 2014

	Share Capital	Share Premium	Retained Earnings	Total Equity
	N' 000	N' 000	N' 000	N' 000
Balance as at 1 April 2014 (restated) IFRS	28,312	307,576	44,329	380,217
Profit for the year			33,648	33,648
Other comprehensive income:				-
Total comprehensive income for the year	-	-	33,648	33,648
Transaction with owners' of equity:				
Additional paid in capital				-
Transactions with owners' of equity	-	-	-	-
Balance as at 30 June 2014	28,312	307,576	77,977	413,864

RAK UNITY PETROLEUM PLC
Unaudited IFRS Statement of Cash Flows

	Note	30-Jun-15	30-Jun-14
		N' 000	N' 000
Cash Flows from Operating Activities:			
Profit for the year	6	18,509	33,648
Adjustments for:			
Income taxes recognised in profit or loss		7,933	12,699
Interest income	9	(210)	(124)
Depreciation, amortisation, depletion and impairment	11	9,821	9,316
		36,052	55,539
<i>Movements in working capital:</i>			
Increase in trade and other receivables	13	(35,260)	(254,364)
Increase in other assets	15	(9,710)	(6,983)
Increase in trade and other payables	19	107,391	222,850
Cash generated from operations		98,472	17,042
Tax paid		-	-
Net cash used in operating activities		98,472	17,042
Cash Flows from Investing Activities:			
Purchase of property, plant and equipment	11		-
Interests received		210	124
Net cash (used in)/generated by investing activities		210	124
Cash Flows from Financing Activities:			
Proceeds from issue of equity instruments		-	-
Net cash generated by financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		98,682	17,166
Cash and cash equivalents as at beginning of the year	14	44,933	241,829
Cash and cash equivalents at the end of the year	14	143,615	258,995

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 31 March 2013, the Company prepared its financial statements in accordance with Nigerian Generally Accepted Accounting Principles (NGAAP). These financial statements for the period ended 31 December 2014 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.

3.3.3 Royalties

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably). Royalties determined on a time basis are recognised on a straight-line basis over the period of the agreement. Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement. There were no Royalties received within the period.

3.3.4 Dividend and Interest Income

* Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

* Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.3.5 Rental Income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue due to its operating nature.

3.4 Income Taxes

The income tax components are the current taxes and deferred taxes.

3.4.1 Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3.4.2 Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

** When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss*

** In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future*

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

** When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss*

** In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised*

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax liabilities arising from investment properties at fair value are measured based on the tax consequence of the presumption that the carrying amount of the investment properties measured at fair value will be recovered entirely through sale. This presumption is consistent with the management's business model for the Company's investment properties.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.4.3 Value Added Tax

Revenues, expenses and assets are recognised net of the amount of Value Added Tax, except:

** Where the Value Added Tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the Value Added Tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable*

** Receivables and payables are stated with the amount of Value Added Tax included. The net amount of Value Added Tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.*

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	5 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.

3.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a Weighted Average Cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

The company does not hold inventory and currently operates a Just in Time System for its Inventory Procurement.

3.9 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at date of inception. The arrangement is assessed to determine whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

3.9.1 The Company as a lessee

Finance leases, which transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Company, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in profit or loss on a straight line basis over the lease term. The company substantially only has operating

3.9.2 Embedded leases

All take-or-pay contracts are reviewed on inception to determine if they contain any embedded leases.

3.9.3 The Company as a lessor

Leases where the Company does not transfer substantially all of the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.10 Provisions

(i) General provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts: Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Restructurings: A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

Warranties: Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Company's obligation.

(ii) Decommissioning liability

The Company recognises a decommissioning liability where it has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made.

The obligation generally arises when the asset is installed or the ground/environment is disturbed at the field location. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related oil and gas assets to the extent that it was incurred by the development/construction of the field. Any decommissioning obligations that arise through the production of inventory are expensed when the inventory item is recognised in cost of goods sold.

Changes in the estimated timing of decommissioning or changes to the decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to oil and gas assets.

Any reduction in the decommissioning liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to profit or loss.

If the change in estimate results in an increase in the decommissioning liability and, therefore, an addition to the carrying value of the asset, the Company considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment in accordance with IAS 36. If, for mature fields, the estimate for the revised value of oil and gas assets net of decommissioning provisions exceeds the recoverable value, that portion of the increase is charged directly to expense.

Over time, the discounted liability is increased for the change in present value based on the discount rate that reflects current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in profit or loss as a finance cost.

The company recognises neither the deferred tax asset in respect of the temporary difference on the decommissioning liability nor the corresponding deferred tax liability in respect of the temporary difference on a decommissioning asset. The company currently has no provision for decommissioning

(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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a Company of financial assets is impaired. A financial asset or a Company of financial assets is deemed to be impaired if there is objective evidence of impairment as a result of one or more events that has occurred since the initial recognition of the asset (an incurred loss event) and that loss event has an impact on the estimated future cash flows of the financial asset or the Company of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor or a Company of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

3.11.2 Financial liabilities

Initial recognition and measurement:

Financial liabilities in the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification as described below.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in profit or loss.

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

Interest-bearing loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the EIR amortisation process.

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 as finance costs in profit or loss.

Compound Instruments

The component parts of compound instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to [share premium/ other equity [describe]]. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to [retained profits/other equity [describe]]. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

Derecognition

A financial liability is derecognised when the associated obligation is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

3.11.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

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.

- * Useful lives of property, plant and equipment
- * Fair value measurements and valuation processes

5 Revenue

	30-Jun-15	30-Jun-14
	N' 000	N' 000
Revenue from AGO	962,340	1,996,209.52
Revenue from petroleum PMS	158,402	152,114
Revenue from DPK	1,298	65,854
Revenue from LUBES	712	1,766
	1,122,752	2,215,944

6 Segment information

All of the Company's assets and operations are located in Nigeria. For management reporting purposes, the Company is organised into business units based on the main types of activities and has three reportable operating segments, as follows:

- * Bulk Segment relates to Bulk Commercial Sale of Petroleum Product such as PMS, AGO, DPK and Lubes
- * Retail Segment relates to sale of Petroleum Product via the Retail Outlets
- * Dump Segment relates to the sale of Petroleum Product via Dumpsites provided at customers site/premises.

No operating segments have been aggregated to form the above reportable operating segments.

The Executive Management Committee monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements. However, the Company's financing (including finance costs and finance income) and income taxes are managed on a Company basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

The accounting policies used by the Company in reporting segments internally are the same as those contained in the financial statements.

Operating Segments Results for the period ended 31 December 2015

	Bulk	Retail	Dump	Unallocated	Total
	N' 000	N' 000	N' 000	N' 000	N' 000
Revenue:					
External customers	825,838	250,852	46,061		1,122,752
Inter-segment		-			-
Total Revenue	825,838	250,852	46,061	-	1,122,752
Other Income		210			210
Total Income	825,838	251,062	46,061	-	1,122,962
Total Expenses:					
Cost of Sales	(789,512)	(245,485)	(39,412)		(1,074,409)
Employees' costs				(3,496)	(3,496)
Depreciation, amortisation, depletion and impairment		(7,499)		(2,321)	(9,821)
Administrative and management expenses		(1,400)		(7,393)	(8,793)
	(789,512)	(254,384)	(39,412)	(13,211)	(1,096,519)
Profit before tax	36,326	(3,532)	6,650	(13,211)	26,443
Income tax expense				(7,933)	(7,933)
Profit for the year					18,510

All revenue is generated from sales to customers located in Nigeria.

7 Employees' Costs	30-Jun-15	30-Jun-14
	N' 000	N' 000
Salaries and wages	3,228	4,016
Other allowances	38	8
Post employment benefits - Defined Contribution Plan	230	193
	3,496	4,217

*** Compensation of key management personnel**

No Directors Fees was due or paid during the year. No dividend was paid or proposed to be paid within the year.

Numbers and carde of key management personnel

	30-Jun-15	30-Jun-14
	N' 000	N' 000
Managing Director (MD)	1	-
Chief Operating Office - COO	1	1
Chief Finance Officer/Financial Controller	1	-
	3	1

8 Administrative and Management Expenses	30-Jun-15	30-Jun-14
	N' 000	N' 000
Bank charges	201	553
Entertainment, advertisement and public relations	33	77
Insurance expense	104	113
Amortization of Prepaid Leases	-	-
Operating costs 8a	1,819	3,740
Professional services 8b	4,628	5,102
Repairs and maintenance	1,200	1,112
Board Remuneration	809	383
Travel and accommodation expense	-	209
	8,793	11,289

8a Operating Cost	30-Jun-15	30-Jun-14
	N' 000	N' 000
Industrial Training Fund	28	35
Security - Admin	-	30
Telephone Expenses	80	85
Dues & Subscription	-	567
Software & Internet Expenses	160	368
Courier & Postages Exp.	4	-
Printing & Stationery Exp.	51	-
Permits & Licenses	548	885
Rent & Rates - Office	950	953
	1,819	2,921

8b	Professional Services	30-Jun-15	30-Jun-14
		N' 000	N' 000
	Audit Fees	875	875
	Technical and Management Fees	2,796	4,227
	Legal Fees	957	
		4,628	5,102

9	Investment and other income	30-Jun-15	30-Jun-14
		N' 000	N' 000
	Non Fuel Income (NFI)	210	124
		210	124
	<i>*This income relates to Rental of Marts at the Retail Outlets</i>		

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.

	30-Jun-15	30-Jun-14
	N	N
Basic earnings per share - Naira	0.33	0.59

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.

	30-Jun-15	30-Jun-14
	N' 000	N' 000
Profit for the year attributable to owners of the Company	18,510	33,648
Dividends paid on convertible non-participating preference shares		-
Earnings used in the calculation of basic earnings per share	18,510	33,648
Others		
Earnings used in the calculation of basic earnings per share	18,510	33,648

	30-Jun-15	30-Jun-14
	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

	30-Jun-15	30-Jun-14
	N' 000	N' 000
Weighted average number of ordinary shares used in the calculation of basic earnings per share	56,625	56,625
<i>Potential shares deemed to be issued for no consideration in respect of:</i>		
• Employee options	-	-
• Partly paid ordinary shares	-	-
• Convertible notes	-	-
• Others	-	-
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	56,625	56,625

11 **Property, plant and equipment**

	30-Jun-15	30-Jun-14
	N' 000	N' 000
•Leasehold Improvement	12,661	12,817
• Plants and machinery	9,509	5,802
• Motor vehicles	2,010	3,321
• Office equipment	434	700
• Furniture and fittings	17,823	17,167
	42,436	39,807

30-Jun-15							
	Leasehold properties	Plant & Machinery	Motor Vehicles	Office Equipment	Leasehold Improvement	Furniture & Fittings	Total
	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000
Cost/Valuation							
As at 1 Apr 2015	3,313	16,275	4,195	1,001	15,449	22,424	62,657
Additions during the year	-	-	-	-	-	-	-
As at 30 June 2015	3,313	16,275	4,195	1,001	15,449	22,424	62,657
Accumulated Depreciation and impairment							
As at 1 Apr 2015	3,313	5,839	1,923	517	2,025	4,283	17,899
Depreciation charges	-	927	262	50	386	696	2,321
As at 30 June 2015	3,313	6,766	2,185	567	2,411	4,979	20,221
Carrying Amount							
As at 30 June 2014	-	10,437	2,272	484	13,425	18,141	44,758
As at 30 June 2015	-	9,509	2,010	434	13,038	17,445	42,436

11.1 **Impairment losses recognised in the year**

There were no Impairment Losses within the year.

12 Inventories

The Company operates a Just in Time Inventory system such that no inventory is carried at anytime within the Financial Year but Inventory is made available by the supplier once the company receives a demand for product from any of its customers.

13 Trade and other receivables

	30-Jun-15	30-Jun-14
	N' 000	N' 000
Trade Receivables	544,865	1,033,742
Other Receivables	-	-
Trade and other receivables	544,865	1,033,742

13a Trade and other receivables

	30-Jun-15	30-Jun-14
	N' 000	N' 000
Trade receivables - 3rd parties	544,865	1,033,742
Trade receivables - related parties	-	-
Trade receivables	544,865	1,033,742
Allowance for doubtful debts - 3rd parties	-	-
Allowance for doubtful debts - related parties	-	-
Allowance for doubtful debts	-	-
Trade Receivables, net of allowance for doubtful debts	544,865	1,033,742

Analysis of Allowance for Doubtful Debts

	30-Jun-15	30-Jun-14
	N' 000	N' 000
As at 1st April	-	-
Impairment losses recognised on trade receivables	-	-
As at 30 June	-	-

There were no allowance for doubtful doubtful debt as at 31st March 2014

14 Cash and cash equivalents

	30-Jun-15	30-Jun-14
	N' 000	N' 000
Cash	143,615	241,829
Demand Deposits	-	-
Short-term deposits	-	-
Cash and cash equivalent as per statement of financial position	143,615	241,829
Bank overdrafts	-	-
Cash and cash equivalent as per statement of cash flows	143,615	241,829

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown statement of cash flows can be reconciled to the related items in the statement of financial position (as shown above). The carrying amount of these assets is approximately equal to their Fair Value.

15 Other assets

	30-Jun-15	30-Jun-14
	N' 000	N' 000
Prepayments	104,063	117,597
Deposits to suppliers	240	240
Others	-	-
	104,302	117,836

16 Issued and related capital

	30-Jun-15	30-Jun-14
	N' 000	N' 000
Share capital	28,312	28,312
Share premium	307,576	307,576
	335,889	335,889

.Issued capital comprises of Ordinary Share Capital of 56.6 million shares of 50 kobo each.

17 Retained earnings

	30-Jun-15	30-Jun-14
	N' 000	N' 000
As at 1st April,	134,789	44,329
Profit for the year	18,509	33,648
Dividend paid	-	-
Transfers from/(to) within equity	-	-
	153,298	77,977

Transfer within Equity relates to Deferred Expense from prior period now written off against Equity.

18	Deferred Income		30-Jun-15	30-Jun-14
			N' 000	N' 000
	Deposits by customers for goods and/or services		443	443
			443	443

Details of Deferred Revenue

* This resulted from Non Fuel Income from the Rental of the Marts in the Retail Outlets.

19	Trade payables		30-Jun-15	30-Jun-14
			N' 000	N' 000
	Trade Payables	Note 21a	262,506	946,622
	Other Payables	Note 21b	30,257	59,580
			292,763	1,006,202

19 (a)	Trade payables		30-Jun-15	30-Jun-14
			N' 000	N' 000
	Trade payable - 3rd parties		262,506	946,622
	Trade payable - related parties		-	-
			262,506	946,622

19 (b)	Other payables		30-Jun-15	30-Jun-14
			N' 000	N' 000
	Accrued expenses		24,327	53,650
	Related Party		5,930	5,930
			30,257	59,580

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

20 Financial risk management disclosure

20.1 Capital management disclosure

The Company manages its capital to ensure the entity will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from 1 April 2014.

The capital structure of the Company consists of debt and equity. The Company is not subject to any externally imposed capital requirements or any form of regulatory capital.

The Company's risk management committee reviews the capital structure of the Company on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The Company is currently been fund 100% by Equity

Gearing ratio:

The gearing ratio at end of the reporting period was as follows.

		30-Jun-15	30-Jun-14
		N' 000	N' 000
	Debts (current and non-current) - (a)	-	-
	Less: cash and cash equivalents	143,615	241,829
	Net Debts	(143,615)	(241,829)
	Equity - (b)	489,187	413,864
	Net debt to equity ratio (a/b)		

(b) - Equity includes all capital and reserves of the Company that are managed as capital.

20.2 Financial risk management objectives

The Company's Treasury/Finance function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's Treasury/Finance function reports quarterly to the Company's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

20.3 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: commodity price risk, interest rate risk and currency risk. Financial instruments affected by market risk include: loans and borrowings, deposits, trade receivables, trade payables, accrued liabilities and derivative financial instruments.

20.4 Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

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)

	30-Jun-15					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	
FINANCIAL ASSETS:						
Other financial assets:						
Trade receivables	-	544,865	-	-	-	544,865
Other receivables	-	-	-	-	-	-
Cash and cash equivalents	-	143,615	-	-	-	143,615
Total Financial Assets	-	688,480	-	-	-	688,480
FINANCIAL LIABILITIES:						
Other financial liabilities						
- Trade payables	-	262,506	-	-	-	262,506
- Other payables	-	30,257	-	-	-	30,257
Total Financial Liabilities	-	292,763	-	-	-	292,763
Liquidity GAP						
Financial Assets	-	688,480	-	-	-	688,480
Financial Liabilities	-	292,763	-	-	-	292,763
Liquidity GAP (+/-)	-	395,717	-	-	-	395,717

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.