R.T. BRISCOE (NIGERIA) PLC

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
31 DECEMBER 2023

R.T. BRISCOE (NIGERIA) PLC

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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R.T. BRISCOE (NIGERIA) PLC

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors present their annual report on the affairs of R.T. Briscoe (Nigeria) Plc ("the Company") and its subsidiaries ("the Group"), together with the financial statements and independent Auditor's report for the year ended 31 December 2023.

Legal form

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

Principal Activity and Business Review

The principal activities of the Company are sales and service of Toyota motor vehicles, technical equipment (including forklifts, industrial compressors, mining and drilling equipment), generating sets, facilities management, property development, project and estate management services.

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

Name	**Principal activity**	**Direct & Indirect Shareholding %**
Briscoe Properties Limited	Facility management, property development and sale and leasing of property.	100
Briscoe Technical Products & Services Limited	Trading of Industrial Equipment	100
Briscoe Leasing Limited	Not Operational	100
Briscoe Material Handling Ltd.	Not Operational	100
Briscoe Motors Limited	Not Operational	100
Briscoe Garages Limited	Not Operational	100

The financial results of these subsidiaries have been consolidated in these financial statements.
The name of Briscoe-Elgi Equipment Nigeria Limited was changed to Briscoe Techinical Products and Services Limited with effect from May 10th, 2022.

Operating Results

The following is a summary of the Group and Company's operating results and accumulated loss:

	Group		**Company**	
	2023	2022	**2023**	2022
	₦'000	₦'000	**₦'000**	₦'000
Revenue	**14,592,325**	17,883,014	**13,664,037**	16,781,334
Results from operating activities	**378,788**	1,084,552	**487,083**	1,059,454
Net finance costs	**(1,332,548)**	(838,672)	**(1,306,528)**	(829,829)
(Loss) / Profit before income tax	**(953,760)**	245,880	**(819,445)**	229,625
(Loss) / Profit for the year after tax	**(1,242,790)**	123,354	**(1,082,838)**	112,287
Total comprehensive (Loss) / income for the yea	**(1,252,273)**	111,474	**(1,092,321)**	100,407
Accumulated loss, end of year	**(13,420,226)**	(12,167,953)	**(13,399,309)**	(12,306,988)

Directors and their interests

During the year under review, the Group was managed by a Board of seven Directors consisting of five non-Executive Directors which included the Chairman, and two Executive Directors comprising the Group Managing Director and Executive Director.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors who served during the year and their interest in the shares of the Company as recorded in the Register of Members and/or as notified by the Directors for the purpose of Section 301 of the Companies and Allied Matters Act and as disclosed in accordance with Section 303 of that Companies and Allied Matters Act are as follows:

	Ordinary Shares of 50k each as at 31 December		Approval Date of Accounts
Direct Interest:	**2023**	**2022**	**27-Mar-24**
Sir Sunday Nnamdi Nwosu (Chairman)	15,251	10,873	21,927
Mr. Bukola Oluseyi Onajide (Managing Director)	648,000	648,000	648,000
Dr. Olorunfemi Abidemi Eguaikhide (Executive Director)	1,095,346	-	1,095,346
Ms. Adeola Adenike Ade Ojo	-	-	-
Mr. Akin Ajayi	50,000	50,000	50,000
Alhaji Ali Safiyanu Madugu, mni	100,000	-	100,000
Mrs. Folasade Oluwatoyin Ogunde	-	-	-
Indirect Interest:			
Ms. Adeola Adenike Ade Ojo (through Classic Motors)	97,200,000	97,200,000	97,200,000

Alternate Director

Mrs. Aderemi Oluwatosin Akinsete-Chidi served as alternate to Ms. Adeola Adenike Ade Ojo during the year ended 31 December 2023.

Directors' interest in contracts

In accordance with section 303 of the Companies and Allied Matters Act, 2020 none of the Directors has notified the Company of any declarable interests in contracts with the Company.

Re-election of directors

In accordance with Section 285 of the Companies and Allied Matters Act, 2020, Sir Sunday Nwosu and Mrs. Folasade Ogunde retire by rotation and being eligible offer themselves for re-election.

Independent Non-Executive Directors

Three Independent Non-Executive Directors namely Sir Sunday Nnamdi Nwosu and Alhaji Ali Safiyanu Madugu,mni and Mrs. Folashade Oluwatoyin Ogunde served on the Board of the company during the year ended 31 December 2023. The independence of these Directors were ascertained in accordance with the provisions of the Nigerian Code of Corporate Governance 2018 which requires the Board to annually ascertain and confirm the continued independence of each Independent Non-Executive Director of the company.

An Independent Non-Executive Director is required by the Code to represent a strong independent voice on the Board, be independent in character and judgment and accordingly be free from such relationships or circumstances with the Company, its management, or substantial shareholders as may, or appear to, impair his or her ability to make independent judgment.

Diversity on the Board

The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. The composition of the Board is based on a number of considerations which include but are not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments are based on merit, and candidates are considered against objective criteria, having due regard for the benefits of diversity on the Board.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Frequency of Meetings

The table below shows the frequency of meetings of the Board of Directors, Board Committees, and members' attendance at these meetings, during the year ended 31 December 2023.

	Board of Directors	Audit Committee	Business Strategy Committee	Finance & Risks Management Committee	Governance Committee
Number of Meetings held	**5**	**3**	**2**	**4**	**2**
Sir Sunday Nnamdi Nwosu	4	N/A	N/A	N/A	N/A
Mr. Bukola Oluseyi Onajide	5	N/A	2	4	N/A
Dr. Olorunfemi Eguaikhide	5	N/A	2	4	N/A
Ms. Adeola Adenike Ade Ojo	5	N/A	N/A	4	2
Mr. Akin Ajayi	5	3	2	4	N/A
Alhaji Ali Safiyanu Madugu, mn	5	3	2	N/A	2
Mrs. Folasade Ogunde	5	N/A	2	4	2

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

The table below shows the dates that the meetings of the Board of Directors, Board Committees and the statutory Audit Committee of the company were held during the year ended 31 December 2023:

Dates of meetings

Board of Directors	Audit Committee	Business Strategy Committee	Finance & Risks Management Committee	Governance Committee
08.06.2023	08.06.2023	10.08.2023	25.05.2023	26.07.2023
27.07.2023	25.07.2023	12.12.2023	27.07.2023	05.12.2023
26.09.2023	24.10.2023	-	23.10.2023	-
24.10.2023	-	-	05.12.2023	-
12.12.2023	-	-		-

The Board held a post-Annual General Board Meeting on September 26, 2023.

Beneficial ownership

According to the Register of Members as at 31 December 2023, the following shareholders held more than 5% of the issued share capital of the Company.

	Number of Ordinary Shares of 50k each			
	2023	**2023**	**2022**	**2022**
		%		**%**
Mikeade Investment Limited	339,931,724	28.90	339,931,724	28.90
Classic Motors Limited	97,200,000	8.26	97,200,000	8.26
Nigerian public	739,220,332	62.84	739,220,332	62.84
	1,176,352,056	**100.00**	**1,176,352,056**	**100.00**

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The analysis of distribution of shares of the Company as at 31 December 2023 was as follows:

Shareholding between:	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
1-100	782	1.80	44,181	0.00
101-500	2,874	6.62	849,201	0.07
501-1000	7,796	17.97	7,063,973	0.60
1001-2500	11,045	25.45	19,337,086	1.64
2,501-5,000	6,693	15.42	22,825,795	1.94
5,001-7,500	2,306	5.31	14,108,253	1.20
7,501-10,000	6,086	14.02	48,183,321	4.10
10,001-100,000	5,079	11.70	132,374,324	11.25
100,001-1,000,000	656	1.51	181,234,281	15.41
100,001 and above	78	0.18	750,331,641	63.78
	43,395	**100**	**1,176,352,056**	**100**

Free Float

The free float of the company is in full compliance with the minimum free float requirements of the Nigerian Exchange for the Main Board. The free float analysis of the issued and paid-up share capital of the company as at December 31, 2023 and March 27, 2024 when the consolidated financial statements for the year ended 31st December, 2023 were approved is as follows:

	No. of ordinary shares held as at March 27, 2024	% of ordinary shares held as at March 27, 2024	No. of ordinary shares held as at 31 December 2023	% of ordinary shares held as at 31 December 2023	% of ordinary shares held as at 31 December 2022
Strategic Shareholding	437,131,724	37.16	437,131,724	37.16	37.16
Director's Direct Shareholding	1,915,273	0.16	1,908,597	0.16	0.06
Staff Schemes	13,255,923	1.13	13,255,923	1.13	1.13
Free Float	724,049,136	61.55	724,055,812	61.55	61.65
Total	**1,176,352,056**	**100**	**1,176,352,056**	**100**	**100**

Donations

The Group donated N400,000 (2022: N250,000) to the following charitable institution during the year.
Charitable donations to NAFRIC Officers mess - N100,000
Donation to Rumuokwurushi Community Annual Festival - N300,000;
In accordance with Section 43(2) of CAMA 2020, the Group did not make any donation or gift to any political party, political association or for any political purpose in the course of the year under review

Subsequent events

There were no other significant subsequent events which could have had a material effect on the Group's and the Company's financial position as at 31 December, 2023 that have not been adequately provided for or disclosed in these financial statements. (Note 36).

Distributors

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

Suppliers

The Company's significant suppliers are Toyota Nigeria Limited, Manitou France, SOCMA, Logitrans and ELGi Equipment Limited, India.

Acquisition of Company's own shares

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

Share Capital history

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

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

Employment and employees

a) Employment of physically challenged persons

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

b) Health, safety and welfare at work

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

c) Employee involvement and training

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

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Property, plant and equipment

Information relating to changes in property, plant and equipment is disclosed in Note 17 to the financial statements.

Audit Committee

Pursuant to Section 404 (3) of the Companies and Allied Matters Act 2020, the Company has an Audit Committee comprising of two directors and three shareholders. Details of the members, frequency of meetings held and attendance of members are below:

	Attendance of members at meetings held in the year		
	08.06.2023	**25.07.2023**	**24.10.2023**
Mr. Akin Ajayi (Chairman)	**P**	**P**	**P**
Mr. Kenneth Nnabike Nwosu	**P**	**P**	**P**
Alhaji Ali Safiyanu Madugu, mni	**P**	**P**	**P**
Mr. Adeniyi Araunsi Adebisi	**P**	**P**	**P**
Mr. Anthony Kanayo Katchy	**P**	**P**	**P**

*P - Present

The functions of the Audit Committee as laid down in Section 404(7) of the Companies and Allied Matters Act, 2020.

Corporate Governance

The Board is responsible for the corporate governance of the Group. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial status of the company and ensure that the financial statements comply with the provisions of Companies and Allied Matters Act, 2020 and the Financial Reporting Act. They are also responsible for safeguarding the assets of the Group by taking reasonable steps for the prevention and detection of fraud and other irregularities.

Committee	Membership	Status
Business Strategy	Mr. Akin Ajayi	Chairman
	Mr. Bukola Oluseyi Onajide	Member
	Alhaji Ali Safiyanu Madugu	Member
	Mrs. Folasade Oluwatoyin Ogunde	Member
	Dr. Olorunfemi Eguaikhide	Member
Governance	Ms. Adeola Adenike Ade-Ojo	Chairman
	Alhaji Ali Safiyanu Madugu	Member
	Mrs. Folasade Oluwatoyin Ogunde	Member
Finance & Risks Management	Mrs. Folasade Oluwatoyin Ogunde	Chairman
	Mr. Bukola Oluseyi Onajide	Member
	Mr. Akin Ajayi	Member
	Ms. Adeola Adenike Ade-Ojo	Member
	Dr. Olorunfemi Eguaikhide	Member

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Appointment of Company Secretary

The Acting Company Secretary, Mr. Michael Olabode became the substantive Company Secretary/Legal Adviser with effect from October 20, 2022.

Compliance with the Code of Corporate Governance

During the year, the company complied with the Nigerian Code of Corporate Governance 2018 issued by the Financial Reporting Council of Nigeria.

Complaints Management Framework

The company has a Complaints Management Policy to handle and resolve complaints from shareholders, customers, business associates, employees, members of the public and other stakeholders. The details of the policy are hosted on the company's website.

Whistle Blowing Policy

The company also has a Whistle Blowing Policy which governs the procedure and provides for a confidential channel by which employees, customers and other members of the public might report any concerns about wrongdoing or improper conduct within the company to the Board of Directors or the Audit Committee. Reports by Whistle Blowers can be made in writing by email and addressed to whistleblowing@rtbriscoe.com or the personal emails of the Chairmen of the Committees as follows:

Ag. Chairman, Governance Committee	-	akinseteaderemi@hotmail.com
Chairman, Audit Committee	-	akinajayi1@yahoo.com
Chairman, Finance and Risk Management Committe	-	sadeogunde@ymail.com

Reports can also be made verbally either through telephone or in person. The following telephone lines should be used:

07056984101	-	(Ag. Chairperson, Governance Committee)
08023037318	-	(Chairman, Audit Committee)
09092154179	-	(Chairperson, Finance & Risks Management Committee)

The details of the policy are hosted on the company's website.

Securities Trading Policy

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

Independent Auditors

During the Annual General Meeting of 26th September, 2023; a resolution was passed for the appointment of Messrs. Crowe Dafinone as the External Auditors of the Company in accordance with Section 401 of the Companies and Allied Matters Act, 2020. A Resolution was also passed authorising the Directors to determine their remuneration.

BY ORDER OF THE BOARD

Michael Olabode
FRC/2022/PRO/NBA/002/23356
Company Secretary
18, Fatai Atere Way, Matori
Lagos, Nigeria

Dated: 27th March, 2024

R.T. BRISCOE (NIGERIA) PLC

REPORT OF THE AUDIT COMMITTEE
FOR THE YEAR ENDED 31 DECEMBER 2023

In compliance with the statutory provisions of Section 404(7) of the Companies and Allied Matters Act 2020, the Rules of the Nigerian Exchange and the Code of Corporate Governance 2018, the Members of the Audit Committee of R.T. Briscoe (Nigeria) PLC hereby report as follows:

i. The Committee met in exercise of its statutory functions under Section 404(7) of the Companies and Allied Matters Act, 2020 and we received the co-operation of the Management and Staff in the exercise of these responsibilities.

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

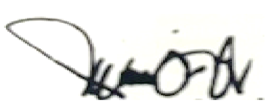
iii. We deliberated with the External Auditors and received confirmation that all necessary co-operation was received from Management and that they have issued a fair and objective report.

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

v. We are satisfied from our deliberations and the reports presented at the meetings that Management is pursuing the Company's goals and objectives and is taking the necessary steps to preserve the status of the Company as a going concern, and also minimize the adverse impact of the outcomes of the Corona virus pandemic on the business activities and financial results of the company.

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

vii. We are satisfied that the methods or procedures for determining transaction prices between R.T. Briscoe (Nigeria) PLC and Toyota Nigeria Limited have not changed since the approval granted by shareholders at the last Annual General Meeting on 26th September, 2023; and the methods or procedures are sufficient to ensure that the transactions are carried out on normal commercial terms and are not prejudicial to the interests of the company and its minority shareholders.



Mr. Akin Ajayi
FRC/2013/PRO/DIR/003/00000004485
Chairman
Dated: 27th March, 2024

Members:
Mr. Akin Ajayi
Alhaji Ali Safiyanu Madugu, mni
Mr. Kenneth Nnabike Nwosu
Mr. Adeniyi Araunsi Adebisi
Mr. Anthony Kanayo Kachy

R.T. BRISCOE (NIGERIA) PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

In accordance with the provisions of the Companies and Allied Matters Act, 2020, the Directors are responsible for the preparation of consolidated and separate financial statements which give a true and fair view of the state of affairs of the Group at the end of the year and its profit or loss for the year ended on that date.

The responsibilities include ensuring that:

i. The Group keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group and comply with the requirements of the Companies and Allied Matters Act, 2020.
ii. Appropriate and adequate internal controls are established to safeguard its assets and to prevent and detect fraud and other irregularities;
iii. The Group prepares its Consolidated and separate Consolidated and separate financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied; and
iv. It is appropriate for the Consolidated and separate financial statements to be prepared on a going concern basis.

The Directors accept responsibility for the preparation of the consolidated and separate financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in accordance with the International Financial Reporting Standards; in compliance with the provisions of the Financial Reporting Council Act No. 6, 2011 and in the manner required by the Companies and Allied Matters Act, 2020.

The Directors are of the opinion that the group Consolidated and separate financial statements give a true and fair view of the state of the financial affairs of the Group, in accordance with the International Financial Reporting Standards in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011 and in the manner required by Companies and Allied Matters Act, 2020.

The Directors further accept responsibility for the maintenance of adequate accounting records as required by the Companies and Allied Matters Act, 2020 and for such internal controls as the Directors determine is necessary to enable the preparation of Consolidated and separate financial statements that are free from material misstatements whether due to fraud or error.

Going Concern:
The Consolidated and separate financial statements have been prepared assuming the Group and company will continue as a going concern. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the near future with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations. In assessing whether the going concern assumption is appropriate, management takes into account all available information in the near future, in particular for the twelve months from the date of the Consolidated and separate financial statements.

As at 31 December 2023, the Group's current liabilities exceeded its current assets by N14.86 billion (2022 : N13.24 billion) and the Company by N14.94 billion (2022 : N13.48 billion), while Group total liabilities exceeded its total assets by N9.2 billion (2022 : N8.0 billion) and the Company by N9.2 billion (2022 :N8.13 billion). As a result of the losses incurred over the years, the shareholders' fund has been totally eroded to the tune of N9.2 billion deficit as at 31 December 2023 for both Group and Company respectively. These conditions, along with other matters set forth in Note 2.3 of this financial statements, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Directors however are optimistic about the successful resolution of the group's going concern issue. The group holding company has feasible strategy and plan to diversify activities and is reducing cost across the companies in the group. There are key performance indicators on cost monitoring and control. Restructuring of the Group's distribution network for cost effectiveness to increase dealers' margin and sales will bring back the Group to profitability in the near future.

Signed on behalf of the board of directors by:

Sir Sunday N. Nwosu (Chairman)
FRC/2014/PRO/DIR/003/00000006788

Dated: 27th March, 2024

Mr. Oluseyi Onajide
FRC/2013/PRO/DIR/003/00000002194

Dated: 27th March, 2024

R.T. BRISCOE (NIGERIA) PLC

CORPORATE RESPONSIBILITY FOR FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Certification Pursuant to Section 405(1) of Companies and Allied Matter Act, 2020

Pursuant to S405(1) of the Company's and Allied Matters Act, 2020, we hereby confirm that the Chief Executive Officer and Chief Financial Officer of R.T. Briscoe (Nigeria) PLC have reviewed the audited financial statements and accept responsibility for the financial and other information contained within the annual report. The following certifications and disclosures regarding the true and fair view of the financial statements as well as the effectiveness of the internal controls established within the Group are hereby set out below:

Financial Information

i) The audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading;

ii) The audited financial statements and all other financial information included in the statements fairly represent, in all material respect, the financial conditions and results of operations of the Group as of and for the period ended 31st December 2023.

Effective Internal Controls

a) Effective Internal Controls have been designed to ensure that material information relating to the company and its subsidiaries are made known by the relevant staff, particularly during the period in which the audited financial statement report is being prepared.

b) The effectiveness of the Group's Internal Controls have been evaluated within 90 days prior to 31st December 2023.

c) The Group's Internal Controls are effective as at 31st December 2023.

Disclosures

i. There were no significant deficiencies in the design or operation of Internal Controls which could adversely affect the Group's ability to record, process, summarize and report financial data. Furthermore, there were no identified material weaknesses in the Group's Internal Control systems

ii. There were no occurences of fraud events involving Senior Management or other employees who have a significant role in company's internal control

iii. There were no significant changes in internal controls or other factors that could adversely affect the effectiveness of the internal controls.

Mr. Oluseyi Onajide	**Mr. Jubril Adetokunbo Shittu**
Group Managing Director/CEO	**Chief Financial Officer**
FRC/2013/PRO/DIR/003/00000002194	**FRC/2013/PRO/ICAN/001/00000000728**
Dated: 27th March, 2024	**Dated: 27th March, 2024**

R.T. BRISCOE (NIGERIA) PLC

CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Certification Pursuant to Section 11 of SEC Guidance on implementation of Sections 60-63 of ISA Act 2007

To comply with the provisions of Section 11 of SEC Guidance on implementation of Section 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the internal controls of R.T. Briscoe Nigeria Plc for the year ended 31 December 2023.

I Jubril Adetokunbo Shittu, certify that:

a) I have reviewed this Management assessment on internal control over financial repoirting of R.T. Briscoe Nigeria Plc

b) Based on my knowledge, the report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the Statements made, in light of the circumstances under whiuch such statements were made, not misleading with respect to the period covered by this report;

c) Based on my knoweldge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d) The entity's other certifying officer and I

1) are responsible for estsablishing and maintaining internal controls;

2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

3) have designed such internal control system, or caused such internal control system to be designed under our supervision to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

4) have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures as of the end of the period covered by this report based on such evaluation.

e) The entity's other certifying officer and I have disclosed, based on our most recent evalution of internal control system, to the entity's auditors and the audit committee of the entity's board of directors;

1) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information: and

2) Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f) The entity's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Mr. Oluseyi Onajide	**Mr. Jubril Adetokunbo Shittu**
Group Managing Director/CEO	**Chief Financial Officer**
FRC/2013/PRO/DIR/003/00000002194	**FRC/2013/PRO/ICAN/001/00000000728**
Dated: 27th March, 2024	**Dated: 27th March, 2024**

R.T. BRISCOE (NIGERIA) PLC

MANAGEMENT'S ANNUAL ASSESSMENT OF, AND REPORT ON THE ENTITY'S INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.3 of SEC Guidance on implementation of Sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the internal controls of R.T. Briscoe Nigeria Plc for the year ended 31 December 2023.

i.) R.T Briscoe Nig Plc's management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

ii.) R.T Briscoe Nig Plc's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR.

iii.) R.T Briscoe Nig Plc's management has assessed that the entity's ICFR as of the end of 31 December 2023 is effective.

iv.) R.T Briscoe Nig Plc's external auditor Messrs. Crowe Dafinone that audited the financial statements, included in the annual report, has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of Messrs. Crowe Dafinone that audited its financial statements will be filed as part of its annual report.

Mr. Oluseyi Onajide
Group Managing Director / CEO
FRC/2013/PRO/DIR/003/00000002194

Dated: 27th March, 2024

Sir Sunday N. Nwosu
Chairman
FRC/2014/PRO/DIR/003/00000006788

Dated: 27th March, 2024

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Independent auditor's attestation on management's assessment of internal control over financial reporting

Our opinion

In our opinion, nothing has come to our attention that the internal control procedures over the financial reporting systems that were put in place by the management of R. T Briscoe Nigeria Plc were not adequate as of 31st December 2023, having regard to the SEC Guidance on Implementation of Section 60 – 63 of The Investments and Securities Act 2007 issued by The Securities and Exchange Commission together with the requirement of the Financial Reporting Council regulations on this issue.

What we have performed

We have performed an assurance engagement on R. T Briscoe Nigeria Plc's internal control over financial reporting as of December 31, 2023, based on Financial Reporting Council Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria. The company's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying report by Messers Doyin Owolabi and Co., who act as the internal auditor of the Company. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our assurance engagement.

Basis for opinion

We conducted our assurance engagement in accordance with the Guidance, which requires that we plan and perform the assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting controls and systems based on our assurance engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control systems put in place by the management over financial reporting.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the bank; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the bank are being made only in accordance with authorizations of management and directors of the bank; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the bank's assets that could have a material effect on the financial statements.

Crowe

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other matter

We also have audited, in accordance with the International Standards on Auditing, the financial statements of R. T Briscoe Nigeria Plc and our report dated *27th March, 2024,* expressed an unqualified opinion.

Igho Dafinone
Engagement Partner
FRC/2012/ICAN/0000000622
For Crowe Dafinone
Chartered Accountants
27th March, 2024

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0295138

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REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF R.T. BRISCOE (NIGERIA) PLC

Opinion

We have audited the consolidated and separate financial statements of RT Briscoe (Nigeria) Plc ("the company") and its subsidiaries ("the group") which comprise, the consolidated and separate statements of financial position as at 31st December 2023, the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of the changes in equity, the consolidated and separate statements of cash flows for the year then ended, and the notes to the financial statements, which include a summary of the significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the company and its subsidiaries as at 31st December 2023, and of its consolidated and separate financial performance and its consolidated and separate cash flows from the year then ended and are in accordance with the International Financial Reporting Standards as set out in the manner required by the Financial Reporting Council of Nigeria Act, 2011, the Companies and Allied Matters Acts 2020, the Investment and Securities Act together with the relevant guidelines and the listing requirements of the Nigerian Stock Exchange.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated and separate financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Independence

We are independent of the company and its subsidiaries in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our ethical responsibilities in accordance with the IESBA Code.

Emphasis of matters

Material uncertainty relating to going concern

Without qualifying our opinion, we draw attention to page 9 of these consolidated and separate financial statements, which sets out that the statement of financial position as at 31st December 2023 discloses net liabilities of ₦ 9.2 billion (2022: ₦ 7.9 billion) for the group and ₦ 9.2 billion (2021: ₦ 8.1 billion) for the company. Included in these liabilities is ₦ 12.9 billion (2022: ₦ 12.1 billion) which relate to the amounts owed to various banks. The ability of the company to continue as a going concern is dependent on the settlement of these debts. We draw attention to note 2.3 of these financial statements which indicate the steps that have and are currently been taken by the management of the group to resolve the issues.

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF R.T. BRISCOE (NIGERIA) PLC (CONTINUED)

Key audit matters

Key audit matters were those matters that, in our professional judgment, were of the most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matters described in the emphasis of matters section, we have determined the matters described below to be a key audit matter to be communicated in our report.

Key audit matter	***How our audit addressed the key audit matter***
(a) Revenue recognition	
The primary determinant and key performance indicators of performance is revenue generated given the nature of its business. The significance makes revenue a matter of focus in our audit. Refer to significant accounting policies (Note4.10) and revenue on (Note 8) of the consolidated and separate financial statements.	We have reviewed the documentation and tested the accounting systems and internal controls pertaining to the processing and delivery of goods and services, the receipt and recording of the contractual income in respect of such revenue. The result of the tests provided sufficient evidence that reliance could be placed on such systems. We reviewed the accounting policies of the company in respect of the recognition and disclosure of the turnover derived through the principal activity to ensure the revenue recognised and disclosed gave a true and fair record of such revenue. We have also obtained written representation from management, particularly confirming that the override of the system by management did not occur. We have accordingly placed reliance on these systems. We carried out substantive tests in respect of the revenue and the trade receivables that existed as at the reporting date and obtained written confirmation from the related parties on the volume and value carried out through these related parties. We also confirm that the sales to related parties were at arm's length and all the revenues that was earned met the requirements of IFRS 15 and other relevant standards. We evaluated whether revenue transactions occurring both prior and post the year end date were recognised in the correct period. No evidence of any error or misstatement in respect of amounts disclosed as revenue or the related debts came to our notice.

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF R.T. BRISCOE (NIGERIA) PLC (CONTINUED)

Key audit matter	*How our audit addressed the key audit matter*
(b) Impairment of trade receivables	
The company is exposed to credit risk arising from the company's receivables. The ECL model used in the calculation of any impairment for long-term overdue credits requires significant management judgments. Trade and other receivables are significant to this company as they account for about that 28% of the total assets value and 61% of the current asset value. Refer to significant accounting policies (Note 4.7), and Trade and other receivables (Note 21) of the consolidated financial statements. The ECL model involves the application of considerable level of judgement and estimation in determining inputs which are derived from historical records obtained within and outside the group into a complex financial model. The Group considered the following in determining the inputs for the ECL model. • Determining criteria for assigning the Probability of Default rates (PO Rates). • Assessing the relationship between the quantitative factors such as defaults and qualitative factors such as macro-economic variables. • The Group incorporates forward-looking information in the model building process. • Factors incorporated in determining the Probability of Default (PO). • Factors considered in cash flow estimation including rate of recovery for customers.	We evaluated and tested the accounting principles underlying revenue recognition which form the basis for the recognition of trade receivables. We evaluated the model used to calculate the recoverable amounts to check if it complies with the requirements of IFRS 9 and if it is in agreement with our understanding of the client's business, the industry in which the Group operates, and the reasonableness of the assumptions used.
(c) Borrowings	
Bank overdrafts at 31st December 2023 stood at ₦ 12.9 billion (2022: ₦ 12.1 billion). The company has not been able to repay the bank overdrafts, and this has led to winding up case by one of the banks. Included in these overdrafts, is an amount of ₦ 4.6 billion, which was taken over by Assets Management Corporation of Nigeria (AMCON) in 2018. In 2021, AMCON restructured this indebtedness leading to a waiver of ₦ 2.36 billion to the company. This amount has been recognised as deferred income in these financial statements.	We reviewed pending legal winding-up cases against the company. We reviewed and ensured that accrued interest charges are not materially misstated; We reviewed bank overdrafts reconciliations noting outstanding reconciling items and how they were dealt with in the book; We reviewed the Agreements precedent to granting the waiver and Terms of Settlement with AMCON to ensure compliance.

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF R.T. BRISCOE (NIGERIA) PLC (CONTINUED))

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report, Corporate Governance Report, Statement of Corporate Responsibility for Financial Reports, Statement of Directors' Responsibilities and Report of the Audit Committee, which we obtained prior to the date of this audit report, and Corporate Profile, Governance and Chairman's Statement which are expected to be made available to us after that date.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work that we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Corporate Profile, Governance and Chairman's Statement, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of the directors and those charged with governance for the financial statements

The directors are responsible for the preparation of the consolidated and separate financial statements that give a true and fair view in accordance with the International Financial Reporting Standards in the manner required by the Financial Reporting Council of Nigeria Act, 2011 and the requirements of the Companies and Allied Mattes Act and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Their attestation in respect to their duties is enclosed on page ---- We have reviewed the procedures carried out by the management of the company and our report is as set out on page ----.

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF R.T. BRISCOE (NIGERIA) PLC (CONTINUED))

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Crowe

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF R.T. BRISCOE (NIGERIA) PLC (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

For the matters communicated to those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The Companies and Allied Matters Act and the Financial Reporting Council Act require that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) the company and its subsidiaries have kept proper books of account, so far as appears from our examination of those books

iii) the Group's consolidated and separate statement of financial position, and consolidated and separate statement of comprehensive income are in agreement with the books of account.

IghoDafinone

Igho Dafinone
Engagement Partner
FRC/2012/ICAN/0000000622
For Crowe Dafinone
Chartered Accountants
27th March 2024

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0295137

R.T. BRISCOE (NIGERIA) PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION
AT 31 DECEMBER 2023

		Group		The Company	
		2023	2022	**2023**	2022
	Notes	**N'000**	N'000	**N'000**	N'000
Assets					
Non-current assets					
Property, plant and equipment	17	**4,638,894**	4,791,624	**4,617,059**	4,758,540
Intangible assets	18	**2,706**	236	**16**	236
Other receivables	21	**1,036,148**	501,376	**996,638**	474,123
Investment in subsidiaries	19	**-**	-	**155,501**	155,501
		5,677,748	5,293,236	**5,769,214**	5,388,400
Current assets					
Inventories	20	**2,377,720**	860,261	**2,304,771**	757,207
Inventories under development	20.1	**227,179**	108,091	**-**	-
Trade and other receivables	21	**1,811,413**	2,556,103	**1,567,759**	2,222,351
Other current assets	22	**62,630**	44,478	**57,630**	32,631
Cash and cash equivalents	23	**450,000**	382,129	**360,636**	342,485
		4,928,942	3,951,062	**4,290,796**	3,354,674
Total assets		**10,606,690**	9,244,298	**10,060,010**	8,743,074
Current liabilities					
Trade and other payables	30	**3,860,494**	2,444,212	**3,324,079**	2,112,772
Current tax payable	15.2	**118,318**	144,634	**92,121**	118,869
Bank overdraft	23.1	**12,991,854**	12,102,491	**12,991,854**	12,102,491
Deferred income	23.2	**2,362,392**	2,362,392	**2,362,392**	2,362,392
Borrowings	24	**460,133**	137,885	**460,133**	137,885
		19,793,191	17,191,614	**19,230,579**	16,834,409
Net current liabilities		**(14,864,249)**	(13,240,552)	**(14,939,783)**	(13,479,735)
Non-current liabilities					
Deferred tax liability	15.4.2	**39,383**	39,383	**34,398**	34,399
Defined benefit plan	29	**21,939**	**8,850**	**21,939**	**8,850**
Total non-current liabilities		**61,322**	48,233	**56,337**	43,249
Net liabilities		**(9,247,823)**	(7,995,550)	**(9,226,906)**	(8,134,585)
Equity					
Ordinary shares	25.2	**588,177**	588,177	**588,177**	588,177
Share premium	26	**409,862**	409,862	**409,862**	409,862
Revaluation reserves	27	**3,174,364**	3,174,364	**3,174,364**	3,174,364
Accumulated loss	28	**(13,420,226)**	(12,167,953)	**(13,399,309)**	(12,306,988)
Equity attributable to equity holder of the parent		**(9,247,823)**	(7,995,550)	**(9,226,906)**	(8,134,585)
Total equity		**(9,247,823)**	(7,995,550)	**(9,226,906)**	(8,134,585)

These consolidated and separate financial statements were approved by the Board of Directors on **27th March 2024** and signed on its behalf by:

Sir. Sunday Nnamdi Nwosu	**Mr. Oluseyi Onajide**	**Mr. Jubril Adetokunbo Shittu**
FRC/2014/PRO/DIR/003/00000006788	**FRC/2013/PRO/DIR/003/00000002194**	**FRC/2013/PRO/ICAN/001/00000000728**
Chairman	**Group Managing Director/CEO**	**Chief Financial Officer**

The accompanying explanatory notes and statement of significant accounting policies form an integral part of these consolidated and separate financial statements.

R.T. BRISCOE (NIGERIA) PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

		The Group		The Company	
		2023	2022	**2023**	2022
	Notes	**N'000**	N'000	**N'000**	N'000
Continuing operations					
Revenue	8	**14,592,325**	17,883,014	**13,664,037**	16,781,334
Cost of sales	9	**(11,557,160)**	(13,746,181)	**(11,104,467)**	(13,193,763)
Gross profit		**3,035,165**	4,136,833	**2,559,570**	3,587,571
Other income	10	**396,698**	322,005	**503,720**	419,072
Selling & Distribution expenses	12.4	**(724,995)**	(973,574)	**(687,351)**	(922,888)
Administrative expenses	12.4	**(2,328,080)**	(2,400,712)	**(1,888,856)**	(2,024,301)
Operating profit		**378,788**	1,084,552	**487,083**	1,059,454
Net finance costs	13	**(1,332,548)**	(838,672)	**(1,306,528)**	(829,829)
(Loss) / Profit before taxation		**(953,760)**	245,880	**(819,445)**	229,625
Tax expense	15.1	**(289,030)**	(122,526)	**(263,393)**	(117,338)
(Loss) / Profit for the year from continuing operations		**(1,242,790)**	123,354	**(1,082,838)**	112,287
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss:					
Re-measurement loss on defined benefit plans	29.2	**(9,483)**	(11,880)	**(9,483)**	(11,880)
Other comprehensive (loss) / income for the year		**(9,483)**	(11,880)	**(9,483)**	(11,880)
Total comprehensive (loss) or profit for the year		**(1,252,273)**	111,474	**(1,092,321)**	100,407
Total (Loss) or Profit attributable to:					
Equity holders of the parent		**(1,242,790)**	123,354	**(1,082,838)**	112,287
		(1,242,790)	123,354	**(1,082,838)**	112,287
Total comprehensive (loss) or profit attributable to:					
Equity holders of the parent		**(1,252,273)**	111,474	**(1,092,321)**	100,407
(Loss) / profit for the year		**(1,252,273)**	111,474	**(1,092,321)**	100,407
(Loss) / profit per share from continuing operations:					
Basic/diluted (loss) / profit per share (Naira)	16	**(1.06)**	0.10	**(0.92)**	0.10

The accompanying explanatory notes and statement of significant accounting policies form an integral part of these consolidated and separate financial statements.

R.T. BRISCOE (NIGERIA) PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	Issued share capital N'000	Share premium N'000	Accumulated Loss N'000	Revaluation reserves N'000	Total N'000
Attributable to equity holders of the Group					
At 1 January 2022	588,177	409,862	(12,279,427)	3,174,364	(8,107,024)
Profit for the year	-	-	123,354	-	123,354
Re-measurement loss on defined benefit plans	-	-	(11,880)	-	(11,880)
Total comprehensive loss	-	-	111,474	-	111,474
At 31 December 2022	**588,177**	**409,862**	**(12,167,953)**	**3,174,364**	**(7,995,550)**
As at 1st January 2023	**588,177**	**409,862**	**(12,167,953)**	**3,174,364**	**(7,995,550)**
Loss for the year	**-**	**-**	**(1,242,790)**	**-**	**(1,242,790)**
Re-measurement loss on defined benefit plans	**-**	**-**	**(9,483)**	**-**	**(9,483)**
Total comprehensive (loss) / profit	**-**	**-**	**(1,252,273)**	**-**	**(1,252,273)**
At 31 December 2023	**588,177**	**409,862**	**(13,420,226)**	**3,174,364**	**(9,247,823)**

The accompanying explanatory notes and statement of significant accounting policies form an integral part of these consolidated and separate financial statements.

R.T. BRISCOE (NIGERIA) PLC

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	Issued share capital N'000	Share premium N'000	Accumulated Loss N'000	Revaluation reserves N'000	Total equity N'000
Attributable to equity holders of the Company					
At 1 January 2022	588,177	409,862	(12,407,395)	3,174,364	(8,234,992)
Profit for the year	-	-	112,287	-	112,287
Re-measurement loss on defined benefit plans	-	-	(11,880)	-	(11,880)
Total comprehensive profit	-	-	100,407	-	100,407
At 31 December 2022	588,177	409,862	(12,306,988)	3,174,364	(8,134,585)
At 1 January 2023	**588,177**	**409,862**	**(12,306,988)**	**3,174,364**	**(8,134,585)**
Re-measurement loss on defined benefit plans	**-**	**-**	**(9,483)**	**-**	**(9,483)**
Loss for the year	**-**	**-**	**(1,082,838)**	**-**	**(1,082,838)**
Total comprehensive (loss) / profit	**-**	**-**	**(1,092,321)**	**-**	**(1,092,321)**
At 31 December 2023	**588,177**	**409,862**	**(13,399,309)**	**3,174,364**	**(9,226,906)**

The accompanying explanatory notes and statement of significant accounting policies form an integral part of these consolidated and separate financial statements.

R.T. BRISCOE (NIGERIA) PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

		The Group		The Company	
		2023	2022	**2023**	2022
	Notes	**N'000**	N'000	**N'000**	N'000
Cash flows from operating activities					
(Loss) / Profit for the year		**(1,242,790)**	123,354	**(1,082,838)**	112,287
Adjustment for:					
Depreciation of property, plant and equipment	17	**60,826**	59,196	**48,402**	50,347
Finance income	13.1	**(7,768)**	**(4,439)**	**(33,788)**	**-**
Finance cost	13.2	**107,547**	110,614	107,547	110,614
Profit on disposal of property, plant and equipment	10	**(119,995)**	(21,005)	**(119,995)**	(12,356)
Profit on disposal of investment property	10	**-**	(20,240)	**-**	-
Employee benefit plan charged	29	**12,284**	10,667	**12,284**	10,667
Amortisation of Intangible assets	18	**756**	221	**219**	220
Return on planned assets	29	**(6,583)**	(5,039)	**(6,583)**	(5,039)
Adjustment for impairment of trade receivable	21.1		8,277		7,614
Income tax expenses	15	**289,030**	122,526	**263,393**	117,338
		(906,693)	384,132	**(811,359)**	391,692
Changes in:					
Increase in inventories		**(1,517,459)**	(184,253)	**(1,547,564)**	(122,054)
IIncrease in inventories under development		**(119,088)**	(108,091)	**-**	**-**
(increase)/decrease in trade receivables		**741,463**	297,276	**654,592**	678,310
Increase in other receivables		**(534,772)**	9,776	**(522,515)**	28,304
Decrease / (increase) in other current assets		**(18,152)**	69,478	**(24,999)**	70,281
(Decrease) / increase in trade and other payables		**1,416,282**	(78,565)	**1,211,307**	(531,549)
Cash used in operating activities		**(938,419)**	389,753	**(1,040,537)**	514,984
Movement in employee benefit plan	29	**(2,096)**	(1,327)	**(2,096)**	(1,327)
Income taxes paid	15.3	**(315,345)**	(48,328)	**(290,141)**	(44,915)
Net cash used in operating activities		**(1,255,860)**	340,098	**(1,332,774)**	468,742
Purchase of property plant and equipment	17	**(63,201)**	(153,821)	**(62,026)**	(124,512)
Proceeds from sale of investment property		**-**	124,500	**-**	-
Proceeds from sale of property, plant and equipment		**275,100**	21,005	**275,100**	12,356
Addition to investment property		**-**	(13,008)	**-**	-
Net cash from investing activities		**211,899**	(21,324)	**213,074**	(112,156)
Finance cost	13.2	**(107,547)**	(110,614)	**(107,547)**	(110,614)
Finance income	13.1	**7,768**	4,439	**33,788**	-
Movement in LPO financing facility	24	**322,248**	(712,003)	**322,248**	(712,003)
Net cash from financing activities		**222,469**	(818,178)	**248,489**	(822,617)
Net decrease in cash and cash equivalents		**(821,492)**	(499,404)	**(871,211)**	**(466,031)**
Cash and cash equivalents at 1 January		**(11,720,362)**	(11,220,959)	**(11,760,006)**	(11,293,975)
Cash and cash equivalents at 31 December	23	**(12,541,854)**	**(11,720,362)**	**(12,631,218)**	**(11,760,006)**

The accompanying explanatory notes and statement of significant accounting policies form an integral part of these consolidated and separate financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. The reporting entity

1.1. Legal form

R.T. Briscoe (Nigeria) PLC (the 'Company') is domiciled in Nigeria. The Company was incorporated in Nigeria as a limited liability company on 9 March 1957 and became a public limited liability company in 1973. The Company's registered office is at 18, Fatai Atere Way, Matori, Oshodi, Lagos State. This set of financial statements comprise the Company and its subsidiaries (collectively 'the Group' and individually 'Group companies').

1.2. Principal activity

The Group is primarily engaged in the sales and servicing of Toyota and Ford motor vehicles, technical equipment (including forklifts, industrial compressors, mining and drilling equipment and generating sets), facility management, property development and leasing of property.

2. Basis of preparation

2.1 Statement of compliance with IFRSs

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), and in compliance with Financial Reporting Council of Nigeria Act No 6 2011. Additional information required by national regulations has been included where appropriate.

The consolidated financial statements comprise of the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position, the statement of changes in equity, the consolidated statement of cashflows and notes to the financial statements.

2.2. Basis of measurement

The financial statements have been prepared in accordance with the going concern principle under the historical cost convention, except for financial instruments measured at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates, it also requires management to exercise its judgment in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and therefore the Group's financial statements present the financial position and results fairly.

2.3. Going concern status

As at 31 December 2023, the Group's current liabilities exceeded its current assets by N14.86 billion (2022 : N13.24 billion) and the Company by N14.94 billion (2022 : N13.48 billion), while Group total liabilities exceeded its total assets by N9.2 billion (2022 : N8.0 billion) and the Company by N9.2 billion (2022 :N8.13 billion). As a result of the losses incurred over the years, the shareholders' fund has been totally eroded to the tune of N9.2 billion deficit as at 31 December 2023 for both Group and Company respectively. These conditions, along with other matters set forth below, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

2.3.1 Suit No. FHC/L/CR/780/2016 (winding up petition between Diamond Bank Plc v. R.T. Briscoe Nigeria Plc)

In 2016, one of the Company's bankers, Diamond Bank Nigeria Plc (DBN) petitioned the Federal High Court Lagos to wind up the company on the basis that the Company was unable to liquidate and/or offset the various facilities granted to it by the bank.

Simultaneous with the issuance of the petition aforesaid, the Bank applied for (and obtained) an Ex-parte order to restrain the Company from dealing with its properties and /or withdrawing any of its funds with the Bank and other financial institutions in Nigeria.

Upon service of the said order on the Company, the Company instructed the law firm of A.B.Sulu-Gambari & Co. to defend its interests and get the Ex-Parte Order vacated on the ground that the Company was servicing its debts till May 2016, a material fact which the Bank failed to disclose to the court in obtaining the order.

The firm applied to court on 22/06/2016 to set aside the Ex-Parte Order of 13/06/2016 as the Bank suppressed material facts in obtaining the said Order. The Application was heard on 08/07/2016 when the court ruled in the Company's favour and set aside the Ex-Parte Order for non-disclosure of material facts amongst others.

The Bank claims it is owed a total sum of N3,339,393,807.59 (Three Billion, Three Hundred and Thirty-Nine Million, Three Hundred and Ninety-Three Thousand, Eight Hundred and Seven Naira Fifty-Nine Kobo) by the Company.

Further to the above, other parties including United Bank for Africa, Guaranty Trust Bank, Polaris (Skye) Bank, First Bank, FSDH Merchant Bank and Federal Inland Revenue Service applied to the court as interested parties, alleging to be creditors to the Company for various amounts which are being disputed by the Company.

Petition for appointment of Liquidator/Receiver

In 2018, an application was placed before the court by First Bank of Nigeria Limited and Diamond Bank Nigeria Plc (DBN) for the appointment of a provisional liquidator and an Interim Official Receiver respectively. These applications were dismissed as lacking merit by the Federal High Court on 11 June 2018.

Status of the matter as of date

The Bank and the Company have filed their respective final written addresses. When the matter came up in court on 21/01/2019, the Judge informed the parties that he had been transferred to another Judicial Division consequent upon which the matter would start afresh before a new Judge.

The matter commenced before the new Judge and was set down for hearing of the petition and other applications on 04/06/2019, but the Court was unable to sit on the said date.

However, the Bank filed an Application dated 23/05/2019 seeking to discontinue the matter in its entirety. Although, the Company's legal team is not opposing the application, but a counter Affidavit on the ground that the proper order the court should make in the circumstances is that of dismissal of the petition and not striking out. The Firm further prayed the court to grant substantial costs of N50 million in favour of the Company.

Subsequently, one of the alleged creditors, Polaris Bank (formerly Skye Bank), filed an application dated 03/06/2019 seeking to be substituted as the Bank in place of Diamond Bank.

In response, Diamond Bank filed a counter Affidavit dated 18/06/2019 and Polaris Bank filed its reply on points of law dated 27/06/2019.

On October 15, 2019, the matter again came up before the Federal High Court sitting at Ikoyi. At this sitting of the court, Diamond Bank informed the court of its intention to withdraw its application to discontinue the petition. The matter was subsequently adjourned till November 2019 for the hearing of all pending applications.

The matter came up the in court on 28/11/2019 for hearing of all pending applications, Diamond Bank Nigeria Plc withdrew the aforesaid application to discontinue and subsequently moved the application for change of name from Diamond Bank to Access Bank.

The matter was adjourned to 21/01/2020 for hearing of the petition.

When the matter came up in January 2020, the court having heard the substantive winding up petition, adjourned the matter till February 27, 2020 for final judgement. Prior to the adjournment however, Asset Management Corporation of Nigeria (AMCON), having taken over the debts and liabilities of Polaris Bank (one of the creditors banks) had in exercise of its statutory powers appointed a Receiver for the company. AMCON through its Lawyer, filed an application in the Winding Up petition, praying the court to be joined as a party. This application was heard by the court on March 19, 2020, and adjourned till April 24, 2020 for ruling on AMCON’s application to be joined as a party and/or judgment on the substantive petition.

AMCON filed a motion to be joined as a party in the suit. Arguments on the application has been taken alongside the substantive suit. As at date, we await the ruling of the court on the application filed by AMCON for joinder and the judgment in the main suit.

2.3.2 Suit No. I.D./3761/2018 (GTB Plc v. R.T. Briscoe Nigeria Limited)

Guaranty Trust Bank Plc ("GTBank") seeks to recover principally the sum of N185,274,562.54 (One Hundred and Eighty-Five Million, Two hundred and Seventy Four Thousand, Five Hundred and Sixty Two Naira, Fifty-Four Kobo) from R.T. Briscoe Nigeria Limited ("the Company"). In response, the Company has filed a complete Defence against the claim along with a counterclaim against GTBank to recover from GTBank for the sum of N3,096,943,226.00 (Three Billion, Ninety Six Million, Nine Hundred and Forty Three Thousand, Two Hundred and Twenty Six Naira).

Status of the matter as of date

The matter was reffered for mediation at the Multi Door Court House of Lagos, however all efforts by the mediator at the Multi Door Court House of Lagos to amicably resolve the impasse between parties were unsuccessful. The Receiver had also made spirited attempts to reconcile parties, but to no avail. The matter was therefore sent back to the regular court for adversarial adjudication. However due to lack of diligent prosecution, the court struck out the matter but same was relisted. We are yet to be served with a copy of the hearing notice.

2.3.3 The above conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern. In order to address this, the Directors have over the last couple of years commenced the implementation of a number of strategic measures aimed at returning the Company to profitability and a healthy financial position, some of which have started yielding positive results.

These measures are as follows:

- **Business Restructuring:** Following the restructuring exercise carried out by the Board and Management of the company in 2017 meant to reposition the operating entities within the group for operational efficiencies, the group has continue to record commendable growth in turnover, with a Cummulative average growth rate CAGR of 36% recorded over the six years. The group has also had six consecutive years of reporting operational profits from 2018 to 2023. Our various businesses’ results have shown that with the right structure of working capital, they can deliver satisfactory returns as they continue to thrive under harsh circumstances.

  It is also gratifying to note that our major suppliers, both local and foreign, have continued to reaffirm their confidence in the business prospects of our company through their staunch support. Despite the precarious position of the company, we still retain the dealership licenses of our Major Original Equipment suppliers – Toyota Nigeria Limited and Elgi Air Compressors in India which are the primary sources of our revenue earning potential and competitive advantage.

- **Recapitalisation:** The Company has been actively exploring the raising of additional capital of N10billion pursuant to the approval by the shareholders at two separate AGMs in 2014 and subsequently in 2016, which authorized the Board to raise up to N10 billion by way of equity, debt capital or a combination of both to recapitalize the Company. To actualize this, the Directors retained the services of Lead Capital Plc as financial advisers, to identify potential investors and facilitate the recapitalization exercise.

  Also, Messrs. Dunn Loren Merrifield Advisory Partners (DLM) was in 2019 engaged by the Directors as Investment Advisers, with the mandate to assist in the recapitalization drive. DLM has developed and recommended a rather innovative Recapitalization Scheme. The scheme involves the institution of a money market fund with a life span of about 12-18 months, where existing shareholders of the Company and other interested investors may subscribe to units of the offer by making single lump sum payment or commit to pay in instalments. A share conversion exercise involving the shares of the Company would subsequently be consummated after the termination of the fund.

  We have now reached an advanced stage in bringing to life this Special Purpose money market scheme, with the official launch of the Fund being agreed by all parties concerned to take place before the end of March 2024. As previously disclosed, the approval of the Security and Exchange Commission (SEC) has been obtained for the Fund, named as R.T. BRISCOE SAVINGS AND INVESTMENT FUND, with an initial offer of 1,000,000 units of N1,000.00 each amounting to N1 billion registered and approved by Security and Exchange Commission (SEC). We are now at the stage of commencing the marketing of the fund to prospective investors, which will be concluded within the second quarter of 2023. It is our conviction that this scheme will be successful and will lead to the recapitalisation of the company and enable us to refinance the company's existing debts, finance start-up of new businesses and enhance working capital.

- Winding-Up Petition and Outstanding Debts: Diamond Bank PLC (now Access bank) instituted an action at the Federal High Court in Lagos for the winding up of the company based on our indebtedness to the bank. The case has been pending in Court since June 2016 due to the various interlocutory applications before the Court and several adjournments.

  The matter had been set down for judgement but when it came up on March 19, 2020, the court was notified by lawyers representing AMCON that an application had been filed seeking to have AMCON joined as a party to the suit, Access Bank informed the court that it had filed a counter-affidavit in opposition to AMCON's application. FBN also informed the court that it had filed it's a counter-affidavit also opposing AMCON's application and seeking to be substituted as petitioner in the suit. The matter was subsequently adjourned to April 24, 2020. Due to the COVID 19 pandemic, we are yet to get any hearing notice from the court till date.

  It is worthy of note that under the AMCON Act, no action, suit or proceedings, including any judgement enforcement proceeding can be commenced or maintained against a debtor company or the receiver or in relation to receiver's management of the affairs of the debtor company and all claims, actions, suits or proceedings, including judgement enforcement proceedings against the debtor company or receiver stands automatically suspended and stayed for one year; and at the expiration of the one year, for a further one year upon application to the court in this regard.

  In the light of the above, the winding-up petition by Diamond Bank (now Access bank) and outstanding debts to other creditor banks no longer pose any immediate threat to the going concern status of the company.

- **Appointment of Receiver by AMCON: D**uring the year ended 31 December 2021, Dele Oye, Esq appointed by Asset Management Corporation of Nigeria (AMCON), continued to act as the Receiver to the company, working hand in hand with the management and Board of the Company in the task of restoring the financial stability of the company.

  The Receiver has been able to use his clout to recover some significant sums of money in receivables, which were hitherto proving difficult, thereby helping to improve the company's working capital position.

- **Negotiation with AMCON and other Creditor Banks for Balance Waiver:** Following negotiations, the company in 2021 secured from AMCON a waiver of 57% of the balance owed to the Corporation, with an amount of N2billion payable over a two years' period agreed in full and final settlement of our liabilities to the Corporation. A Terms of Settlement in respect of this has been executed by the company and AMCON and filed in Court, as a consent judgement as required by one of the conditions precedent to the waiver, contained in AMCON's offer letter dated 9th September 2021.
  Following this agreed waiver by AMCON, the Receiver has commenced negotiations with all the other creditor banks of the company for the same percentage waiver of the balances allegedly owed to them. Progress is being made in this direction, and when concluded, this will automatically turn the Company's negative financial position to positive

- The future of our company lies in its ability to reposition itself and chart a profitable course in the very competitive auto industry which currently accounts for over 70% of our business activities. We are currently also focusing on and developing our technical and real estate businesses which have shown promising prospects over the years but have had restricted growth due to limited working capital. Our company holds licenses for the assembling of motor vehicles and generators in Nigeria and in this regard, we are currently reinforcing our relationship with BYD, a global leader in electric automobiles, metro transportation and alternative energy with whom we recently executed a new MOU. The expected recapitalization of the company will give the needed impetus for the desired growth of our various business activities.

2.3.4 The Directors believe that the above on-going actions and plans will be successful, and remain convinced of the validity of the going concern assumption of the Company. Accordingly, the financial statements have been prepared on the basis of accounting policies applicable to a going concern.

2.4 Use of estimates and judgements

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates, it also requires management to exercise its judgment in the process of applying the group's accounting policies. Changes in assumptions may have a significant impact on the consolidated financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and therefore the group's consolidated financial statements present the financial position and results fairly.

2.5 Functional and presentational currency

The financial statements are presented in Naira, which is the Company's presentational currency. The financial statements are presented in the currency of the primary economic environment in which the Company operates (its functional currency).

3. Adoption of new and revised standards

3.1 New and amended IFRS Standards that are effective for the current year

In the current year, the Company has not applied any amendments to IFRS Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are effective for an annual period that begins on or after 1 January 2023.

3.2 New and revised IFRS / IFRIC's affecting amounts reported and / or disclosures in the financial statements

Below are the Standards, amendments and interpretations which are effective 1 January 2023 together with the assessment of their impact on the Group's consolidated financial statements.

IFRS 17 Insurance contracts

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

The overall objective of IFRS 17 is to provide a comprehensive accounting model for insurance contracts that is more useful and consistent for insurers, covering all relevant accounting aspects.

The implementation of the Standard had no material impact on the entity's processes, systems and financial statements.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

Amendments to IAS 12 Income Taxes - International Tax reforms - Pillar Two Model Rules

The Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules publish law that implements qualified domestic minimum topup taxes described in those rules. The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would recognize nformation about deferred tax assets and liabilities related to Pillar Two income taxes. This has no material impact on the Group Financial Statements.

Amendments to IAS 12 Income Taxes — Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

The Board also adds an illustrative example to IAS 12 that explains how the amendments are applied.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

- A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:
  - Right-of-use assets and lease liabilities
  - Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset

The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 - Making Materiality Judgments - Disclosure

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term ‘significant accounting policies’ with ‘material accounting policy information’. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

This has no material impact on the Group Financial Statements.

New and revised IFRSs in issue but not yet effective

IFRS 10 and IAS 28 (amendments) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Amendments to IFRS 16 Lease Liability in a Sale and Leaseback

Amendments to IAS 1 Non Current Liabilities with Covenants

Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements

Amendments to IAS 1 Classification of Liabilities as Current or Non-Curremt

IFRS 10 Consolidated Financial Statements and IAS 28 (amendments) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent’s profit or loss only to the extent of the unrelated investors’ interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent’s profit or loss only to the extent of the unrelated investors’ interests in the new associate or joint venture. The effective date of the amendments is yet to be set by the IASB; however, earlier application of the amendments is permitte

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

Ammendments to IFRS 16 Leases - Lease Liability in a Sale and Leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine ‘lease payments’ or ‘revised lease payments’ such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date. The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. As part of the amendments, the IASB amended an Illustrative example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The examples also clarify that the liability, that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15, is a lease liability. The effective date of the amendment is for years beginning on or after 1 January 2024. These amendments are not expected to have a material impact on the Group

Amendments to IAS 7 - Statement of Cash flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements

The amendments introduce two new disclosure objectives – one in IAS 7 and another in IFRS 7 – for an entity to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the entity’s liabilities and cash flows, and it’s exposure to liquidity risk.

Transparency is expected under existing IFRS Accounting Standards. However, the amendments introduce specific requirements for entities to provide the information users need.

The effective date of the amendment is for years beginning on or after 1 January 2024.

Amendments to IAS 1 Presentation of Financial Statements — Classification of Liabilities as Current or Non- current

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of ‘settlement’ to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted.

The Directors of the company do not anticipate that the application of the amendments in the future will have an impact on the company's financial statements.

4. Summary of material accounting policies

The significant accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements, unless otherwise stated.

4.1. Basis of consolidation

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

i) Business combinations

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

ii) Subsidiaries

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

iii) Non-controlling interests (NCI)

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

iv) Loss of control

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

v) Transactions eliminated on consolidation

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

4.2 Foreign currency transactions

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

4.3 Share capital

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

Ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve. The use of the share premium account is governed by S.120(3) of CAMA. All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time.

4.4 Property, plant and equipment

(i) Recognition and measurement

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

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

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

ii). Derecognition of Property, plant and equipment

An item of property, plant and equipment is derecognized upon disposal or when the asset is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are recognised as a part of the cost of that asset.

(iii) Subsequent expenditure

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

iv) Depreciation

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

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

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

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

During the year, the Company reviewed the estimated useful life of its buildings to 100 years as against Leasehold period used in the comparative period, based an assessment carried out by a professional firm of structural engineers on one of its oldest buildings, in conjunction with Lagos State Material Testing Agency. This is also premised on the fact that Leasehold periods for lands upon which the buildings are sitting are considered unlimited. The new estimate has been applied prospectively inline with the provisions of IAS 8.

Capital work-in-progress is not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

(iv) Revaluation of Property plant and equipment

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

- If an asset's carrying amount is increased, the increase shall be recognised in other comprehensive income and accumulated in equity in "revaluation surplus". However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.
- If an asset's carrying amount is decreased, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

  The effects of taxes on income, if any, resulting from the revaluation of property, plant and equipment are recognised and disclosed as appropriate.

4.5. Intangible assets

(i) Recognition and measurement

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

ii) Subsequent expenditure

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

iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.
The Company’s intangible assets with finite useful lives comprise acquired computer software. The estimated useful lives for the current and comparative years is 5 years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

An intangible asset is derecognized upon disposal or when the asset is permanently withdrawn from use and no future economic benefits are expected from the disposal.

4.6 Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. The basis of costing is as follows:

Motor Vehicles - Purchase cost on a specific item identification basis including transportation and clearing cost.

Spares and industrial equipment - Purchase cost on a weighted average basis including transportation and clearing costs.

Property Units - Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as property units. This would normally comprise expenditure incurred in acquiring the properties, production or conversion costs and other costs incurred in bringing them to their existing location and condition and are subsequently measured at the lower of cost and net realizable value.

4.7 Construction work in progress

Construction work-in-progress represents accumulated cost of ongoing real estate projects and is measured using the cost model on the basis of a valuation by an independent valuer. Borrowing costs that are directly attributable to work-in-progress and other directly attributable expenditure are capitalised to work in progress when it is probable that they will result in future economic benefits on completion of the project. To the extent that loans and borrowings are specifically used for the purpose of the work in progress, the amount of borrowing costs eligible for capitalisation is determined as the borrowing costs incurred on the loans and borrowings (measured at amortised cost) during the year less any investment income on the temporary investment of those borrowings.

4.8 Financial instruments

Financial instruments carried at state of financial position date include the loans and receivables, cash and cash equivalents and borrowings. Financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition financial instruments are measured as described below:

4.8.1 Financial assets

The Company classifies its financial assets into the following categories: Financial assets at fair value through profit or loss, at fair value through OCI or at amortised cost. The classification is determined by management at initial recognition and depends on the purpose for which the investments were acquired.

a) Financial assets at fair value through profit or loss

A financial asset is classified into the ‘financial assets at fair value through profit or loss’ category at inception if acquired principally for the purpose of selling in the short term, if it forms part of a portfolio of financial assets in which there is evidence of short-term profit-taking, or if so designated by management. Derivatives are also classified as held for trading unless they are designated as hedges.

b) Financial assets at fair value through other comprehensive income

Financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

c) Financial assets carried at amortised cost

The Company assesses at each end of the reporting period whether there is objective evidence that a financial asset or company of financial assets is impaired. A financial asset or company of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a ‘loss event’) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the group about the following events:

- Significant financial difficulty of the issuer or debtor;
- A breach of contract, such as a default or delinquency in payments;
- It becoming probable that the issuer or debtor will enter bankruptcy or other financial reorganisation.

The disappearance of an active market for that financial asset because of financial difficulties; or observable data indicating that there is a measurable decrease in the estimated future cash flow from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

4.8.2 Derecognition of financial assets

Financial assets are derecognised when the right to receive cash flows from the financial assets has expired or where the company has transferred substantially all risks and rewards of ownership. Any interest in the or where the company has transferred substantially all risks and rewards of ownership. Any interest in the transferred financial assets that is created or retained by the company is recognised as a separate asset or liability.

Financial liabilities are derecognised when the contractual obligations are discharged, cancelled or expire.

4.8.1.1 Impairment of financial assets

4.8.1.2 Overview of the ECL principles

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its trade receivables, equity instrument and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments'. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Equity instruments are not subject to impairment under IFRS 9.

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

4.8.1.3 Credit-impaired financial assets

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt instruments carried at FVOCI are credit-impaired. Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following:

- there is significant financial difficulty of a customer (potential bad debt indicator);
- there is a breach of contract, such as a default or delinquency in interest or principal payments;
- the Company, for economic or legal reasons relating to the Customer's financial difficulty, granting to the Customer a concession that the Company
- it becomes probable that a counterparty/Customer may enter bankruptcy or other financial reorganisation;
- there is the disappearance of an active market for a financial asset because of financial difficulties; or
- observable data indicates that there is a measurable decrease in the estimated future cash flows from a

Company of financial assets.
- the financial asset is 360 days and above past due.

A trade receivable debt that has been renegotiated due to a deterioration in the Customer's financial condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a trade receivable that is overdue for 90 days or more is considered impaired.

4.8.1.4 Presentation of allowance for ECL

Trade receivable allowances for ECL are presented in the consolidated statement of financial position as follows:
- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: the loss allowance is recognised as a provision, and
- debt instruments measured at FVOCI: no loss allowance is recognised in the consolidated statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

4.8.1.5 Write-off

The Company writes off financial assets, in whole or part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include ceasing enforcement activity and where the Company's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

4.8.2 Financial liabilities

4.8.2.1 Initial recognition and measurements

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

ii) Non-financial assets

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

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

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

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

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

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

4.9 Provisions and Contingent liabilities

Provisions

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

Contingent liabilities

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

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

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

4.10 Employee benefits

i) Short-term employee benefits

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

ii) Post employment benefits

a. Defined contribution plans

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

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

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

b. Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods, discounting that amount.

The discount rate is the yield at the reporting date on Federal Government bonds, that have maturity dates approximating the terms of the Group's obligations and that are denominated in the currency (Naira) in which the benefits are expected to be paid.

The calculation of the defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

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

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

iii) Long Service Award

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

4.11 Revenue

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

i) Sale of goods

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

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

Transfer of significant risk and rewards of ownership is determined to be transferred to the buyer at the point of delivery to the buyer. This corresponds generally to the delivery date on the sale to customers.

ii) Rendering of services

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

iii) Rental income

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

4.12 Finance income and finance costs

Finance income comprises interest income on fixed deposits, loans to third parties. Finance income is recognized as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on loans and borrowings, bank overdrafts and impairment losses recognised on financial assets.

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

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

4.13 Statement of cash flows

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

4.14 Tax

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

i) Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

ii) Deferred tax

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

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

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

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

iii) Tax exposures

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

iv) Minimum taxation

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

4.15 Earnings per share

The Group/Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held and for the effects of all dilutive potential ordinary shares, if any.

4.16 Segment reporting

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

The Company's primary format for segment reporting is based on business segments. The business segments are determined by management based on the Company's internal reporting structure.

Segment results, assets and liabilities, that are reported to the BOD includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4.17 Dividends

Dividends are recognised as liability in the period they are declared.

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

4.18 Leases

(i) Leased assets

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

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

4.19 Related parties

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

5. Determination of fair values

A number of the Group/Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. See note 6 (g) for basis of determination of fair value for financial assets and liabilities. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

a) Trade and other receivables

Trade receivables are stated at fair value and subsequently measured at fair value through profit or loss, less provision for impairment. Impairment thereon are computed using the simplified IFRS 9 Expected Credit Loss (ECL) Model, where the receivables are aged and probability of default applied on each aged bracket. Trade receivables meet the definition of financial assets and the carrying amount of the trade receivables approximates their fair value.

6. Financial risk management and Financial instruments

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

- Credit risk
- Liquidity risk
- Market risk
- Operational risk.

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

Risk management framework

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

a) Credit risk

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

Exposure to credit risk

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

	Group		Company	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Trade and other receivables*	**4,344,691**	4,695,817	**3,876,318**	4,149,604
Cash and bank balances	**450,000**	**382,129**	**360,636**	342,485
	4,794,691	**5,077,946**	**4,236,954**	4,492,089

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

Trade and other receivables

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

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

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

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

	Group		Company	
	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Trade receivables	**1,368,275**	2,259,155	**863,398**	1,716,011
Staff loans and advance	**7,490**	11,855	**2,686**	2,836
Amounts due from related parties	**-**	-	**199,747**	-
Other receivables	**2,968,926**	2,424,807	**2,810,487**	2,430,757
	4,344,691	4,695,817	**3,876,318**	4,149,604
The ageing of trade and other receivables at the reporting date was:				
Not past due	**1,868,823**	1,868,823	**1,347,839**	1,347,839
Past due 91-180 days	**300,032**	300,032	**83,329**	356,615
Past due 181-360 days	**620,659**	620,659	**383,657**	383,657
Past due above 360 days	**1,555,177**	1,906,303	**2,061,493**	2,061,493
	4,344,691	4,695,817	**3,876,318**	4,149,604
The movement in the allowance for impairment in respect of trade receivables during the year was as follows:				
At 1 January	**1,638,339**	2,696,320	**1,453,130**	2,510,494
Provision no longer required	**(141,209)**	(1,058,644)	**(141,209)**	(1,057,364)
Addition in the year	**-**	663	**-**	-
Balance at 31 December	**1,497,130**	1,638,339	**1,311,921**	1,453,130

Cash and cash equivalents

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

(b) Liquidity risk

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

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

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

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

	Note	Carrying amount N'000	Contractual cash flows N'000	1 year or less N'000	1 to 2 years N'000
Group					
31 December 2023					
Non-derivative financial liabilities					
Trade and other payables*	31	**3,860,494**	**3,860,494**	**3,860,494**	**-**
Bank overdrafts	23	**12,991,854**	**12,991,854**	**12,991,854**	**-**
		16,852,348	**16,852,348**	**16,852,348**	**-**
31 December 2022					
Non-derivative financial liabilities					
Trade and other payables*	31	2,444,212	2,444,212	2,444,212	-
Bank overdrafts	23	12,102,491	12,102,491	12,102,491	-
		14,546,703	14,546,703	14,546,703	-
Company					
31 December 2023					
Non-derivative financial liabilities					
Trade and other payables*	31	**3,324,079**	**3,324,079**	**3,324,079**	-
Bank overdrafts	23	**12,991,854**	**12,991,854**	**12,991,854**	-
		16,315,933	**16,315,933**	**16,315,933**	**-**
31 December 2022					
Non-derivative financial liabilities					
Trade and other payables*	31	2,112,772	2,112,772	2,112,772	-
Bank overdrafts	23	12,102,491	12,102,491	12,102,491	-
		14,215,263	14,215,263	14,215,263	-

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

c) Market risk

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

i) Foreign currency risk

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

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

Exposure to currency risk

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

	31-Dec-23				31-Dec-22			
	Euro	USD	JPY	SAR	Euro	USD	JPY	GBP
Amounts in thousands								
Trade and other receivables		-	0			**16**		**-**
Cash and cash equivalent	1	54	4		**1**	**328**	**4**	**-**
Trade and other payables	(8)	(112)	0		**(19)**	**(13)**		**-**
Net exposure	**(7)**	**(57)**	**4**	**-**	**(18)**	**331**	**4**	**-**

The following significant exchange rates applied during the year:

	Average rate		Year end spot rate	
	2023	2022	**2023**	2022
Euro	1336	794	1336	478
United States Dollars (USD)	1220	740	1220	449
GBP	1551	0	1551	609
JPY	8	6	8	3
ZAR	65	0	65	-

ii. Sensitivity analysis

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

	(Increase)/decrease in profit or loss	
Effect in thousands of Naira	**2023**	**2022**
Euro (20% weakening of the Naira)	(1,980)	(2,724)
USD (20% weakening of the Naira)	(13,986)	49,001
GBP (20% weakening of the Naira)	-	-
Yen (20% weakening of the Naira)	7	5
ZAR (20% weakening of the Naira)	-	-

d) Interest rate risk

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

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

	Group		Company	
	Carrying Amount		Carrying Amount	
	2023	2022	**2023**	2022
	₦'000	₦'000	**₦'000**	₦'000
Variable rate instruments				
Bank overdrafts	**12,991,854**	12,102,491	**12,991,854**	12,102,491

Fair value sensitivity analysis for fixed rate instruments

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

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

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

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

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

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

f) Capital management

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

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

	Group		Company	
	2023	**2022**	**2023**	**2022**
	N'000	**N'000**	**N'000**	**N'000**
Total liabilities	**19,854,513**	17,239,847	**19,286,916**	16,877,658
Less: Cash and cash equivalents	**(450,000)**	(382,129)	**(360,636)**	(342,485)
Net debt	**19,404,513**	16,857,718	**18,926,280**	16,535,173
Total equity	**(9,247,823)**	(7,995,550)	**(9,226,906)**	(8,134,585)
Debt to adjusted capital ratio	**(2)**	(2)	**(2)**	(2)

Due to the position above, management is exploring various options as detailed in Note 2.3 to achieve a better debt to equity ratio.

g) Accounting classification and fair values

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

	Carrying amount		
	Loans and receivables	**Other financial liabilities**	**Total**
	N'000	**N'000**	**N'000**
Group			
31 December 2023			
Financial assets not measured at fair value			
Trade and other receivables	**4,344,691**	**-**	**4,344,691**
Cash and cash equivalents	**450,000**	**-**	**450,000**
	4,794,691	**-**	**4,794,691**
Financial liabilities not measured at fair value			
Trade and other payables	**-**	**3,839,835**	**3,839,835**
Bank overdrafts	**-**	**12,991,854**	**12,991,854**
Dividend payable	**-**	**20,659**	**20,659**
	-	**16,852,348**	**16,852,348**
31 December 2022			
Financial assets not measured at fair value			
Trade and other receivables	4,695,817	-	4,695,817
Cash and cash equivalents	382,129	-	382,129
	5,077,946	-	5,077,946
Financial liabilities not measured at fair value			
Trade and other payables	-	2,423,553	2,423,553
Bank overdrafts	-	12,102,491	12,102,491
Dividend payable	-	20,659	20,659
	-	14,546,703	14,546,703

	Carrying amount		
	Loans and receivables	Other financial liabilities	Total
	N'000	N'000	N'000
Company			
31 December 2023			
Financial assets not measured at fair value			
Trade and other receivables	3,876,318	-	3,876,318
Cash and cash equivalents	360,636	-	360,636
	4,236,954	-	4,236,954
Financial liabilities not measured at fair value			.
Trade and other payables	-	3,303,420	3,303,420
Bank overdrafts*	-	12,991,854	12,991,854
Dividend payable	-	20,659	20,659
	-	16,315,933	16,315,933

* Bank overdrafts represents overdue facilities from various banks which has been debited into the Company's current accounts.

	Loans and receivables	Other financial liabilities	Total
Company			
31 December 2022			
Financial assets not measured at fair value			
Trade and other receivables	4,149,604	-	4,149,604
Cash and cash equivalents	342,485	-	342,485
	4,492,089	-	4,492,089
Financial liabilities not measured at fair value			
Trade and other payables	-	2,092,113	2,092,113
Bank overdrafts	-	12,102,491	12,102,491
Dividend payable	-	20,659	20,659
	-	14,215,263	14,215,263

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

7. Segment Reporting

7.1. Basis of segmentation

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

The following summary describes the operations of each reportable segment:

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

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

Information about reportable segments

	Segment Revenue N'000	Cost of sales N'000	Gross profit N'000
Group			
31 December 2023			
Motor vehicles and accessories	11,759,913	(10,822,090)	937,823
Industrial equipment	1,018,226	(632,964)	385,262
Aftersales services and parts	1,427,568	31,452	1,459,020
Property development and facility management	386,618	(133,558)	253,060
Total	14,592,325	(11,557,160)	3,035,165
Group			
31 December 2022			
Motor vehicles and accessories	15,268,658	(12,864,181)	2,404,477
Industrial equipment	1,093,603	(621,788)	471,815
Aftersales services and parts	1,022,066	(16,390)	1,005,676
Property development and facility management	498,687	(243,821)	254,866
Total	17,883,014	(13,746,181)	4,136,833
Company			
31 December 2023			
Motor vehicles and accessories	11,759,913	(10,823,436)	936,477
Industrial equipment	511,880	(312,829)	199,051
Aftersales services and parts	1,392,243	31,452	1,423,695
	13,664,036	(11,104,813)	2,559,223
Company			
31 December 2022			
Motor vehicles and accessories	15,268,658	(12,863,870)	2,404,788
Industrial equipment	534,993	(313,503)	221,490
Aftersales services and parts	977,683	(16,390)	961,293
	16,781,334	(13,193,763)	3,587,571

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

No customer provided up to 15% of the revenue generated by the Group/Company.

Geographical Information

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

	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000
8. Revenue				
Sales of goods	**13,808,661**	17,032,816	**13,302,316**	16,474,206
Rendering of services	**397,045**	351,511	**361,721**	307,128
Sale of property units	**57,173**	37,694	**-**	-
Rents from investment properties	**-**	500	**-**	-
Facilities Management fees	**329,074**	362,808	**-**	-
Project Management fees	**372**	97,685	**-**	-
	-			
	14,592,325	17,883,014	**13,664,037**	16,781,334
9. Cost of sales:				
Cost - Vehicles	**9,997,275**	12,212,187	**9,997,275**	12,212,187
Cost - Equipment	**298,094**	338,953	**159,045**	163,539
	993,949	756,356	**840,668**	640,815
Pre - Delivery Expenses	**47,246**	86,409	**47,246**	86,409
Rendering of services				
Cost Serv - Sub Contracts	**87,038**	91,943	**60,233**	74,301
Cost - Sundry	**-**	16,512	**-**	16,512
Sales of property and facility management	**133,558**	243,821	**-**	-
	11,557,160	13,746,181	**11,104,467**	13,193,763
10. Other income				
Rental Income	**42,811**	54,203	**42,811**	54,203
Insurance claims	**9,853**	1,422	**9,853**	-
Profit on disposal of property, plant and equipment	**119,995**	21,005	**119,995**	12,356
Provisions no longer required	**93,401**	-	**93,401**	-
Profit on disposal of investment property	**-**	20,240	-	-
Withholding tax recovered	**27,957**	8,412	**-**	-
Gains on foreign exchange translations	**98,656**	**195,753**	**94,846**	195,983
Management service income (Note 10.1)	**-**	**-**	**141,331**	136,068
Sundry other income (Note 10.2)	**4,025**	20,970	**1,483**	20,462
	396,698	322,005	**503,720**	419,072

10.1 This represents group service fee charged by the holding company (R.T. Briscoe) to its subsidiaries according to the group's policy for the services enjoyed by the subsidiaries. This amount has been eliminated at group level.

10.2 This represents proceeds from sale of scrap.

	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000
11. Selling and distribution expenses				
Sales Expenses (Note 11.1)	**719,279**	961,984	**684,941**	912,629
Advertisements	**2,681**	11,590	**2,410**	10,259
Exhibition and Shows	**3,035**	-	**-**	-
	724,995	973,574	**687,351**	922,888

11.1 This represents expenses incurred in the course of selling activities including transportation costs and maintenace of salesmen's vehicles.

12. Expenses by nature				
Salaries and employee related costs (Note 12.1)	**1,047,602**	1,118,965	**846,822**	920,658
Cost of vehicles, equipment and parts sold	**11,557,161**	13,746,181	**11,104,468**	13,193,763
Selling and distribution costs (Note 11.0)	**724,995**	973,574	**687,351**	922,888
Meeting expenses	**20,307**	16,715	**17,999**	14,515
Audit fees	**15,050**	15,050	**8,063**	8,063
Legal and professional fees	**150,360**	195,106	**75,294**	155,226
Donations	**400**	250	**400**	250
Depreciation	**60,826**	59,553	**48,401**	50,346
Amortisation	**756**	221	**219**	221
Director fees	**800**	800	**800**	800
Entertainment	**30,128**	24,581	**28,363**	22,442
Electricity, fuel and business premises	**149,893**	151,484	**140,582**	141,527
Foreign exchange loss	**-**	100,645	**-**	95,004
Insurance	**48,931**	29,244	**40,059**	23,320
Bank charges	**14,198**	19,112	**11,105**	16,437
Postages and stationeries	**56,150**	34,541	**46,215**	30,050
Impairment charge	**1,641**	7,614	**1,641**	7,614
Repairs and maintenance	**200,239**	131,403	**186,899**	120,989
Rent, Business Premises	**65,049**	60,246	**36,638**	38,547
Rate and fees	**61,410**	106,129	**61,196**	105,896
Registrar fees	**6,450**	7,819	**6,450**	7,819
Internet and subscriptions	**22,781**	23,177	**18,954**	22,269
Security and cleaning	**43,259**	44,440	**42,123**	43,447
Telephone expenses	**13,914**	10,936	**11,152**	7,515
Transport and travelling Expenses	**246,254**	149,946	**208,157**	116,127
Subscriptions to Organisations	**17,030**	9,663	**16,061**	8,465
Other expenses (Note 12.2)	**54,652**	83,072	**35,263**	66,754
	14,610,236	17,120,467	**13,680,675**	16,140,952

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	2023 N'000	2022 N'000	2023 N'000	2022 N'000
12.1. Salaries and employee related costs include the following:				
Basic salary	**157,913**	146,584	**119,580**	109,289
Leave allowance	**18,375**	16,944	**13,962**	12,346
Housing allowance	**87,463**	75,283	**79,627**	68,084
Transport allowance	**59,754**	53,954	**54,432**	48,688
Meal subsidy	**11,848**	10,973	**10,713**	9,889
Staff bonus & Incentives	**103,245**	160,085	**101,744**	159,339
Pension	**27,851**	24,085	**25,394**	21,710
Training	**99,304**	103,914	**89,930**	98,848
Gratuity expense	**36,389**	14,713	**34,218**	12,698
Industrial Training Fund	**5,091**	3,072	**4,648**	2,535
Medical Expenses	**210,454**	178,959	**184,253**	150,651
Directors Remuneration (Note 34.2)	**79,000**	78,650	**79,000**	78,650
Other staff expenses (12.3)	**150,915**	251,749	**49,321**	147,931
	1,047,602	1,118,965	**846,822**	920,658

12.2. Other expenses represent gifts, secretariat expenses, sundry office expenses etc.

12.3. Included in other staff expenses are tuition and training reimbursements, electricity/gas/telephone expenses, staff houses' repairs and maintenance expenses etc.

	2023 N'000	2022 N'000	2023 N'000	2022 N'000
12.4. Expense by function				
Cost of Sales	**11,557,161**	13,746,181	**11,104,468**	13,193,763
Selling and distribution expenses	**724,995**	973,574	**687,351**	922,888
Administrative expenses	**2,328,080**	2,400,712	**1,888,856**	2,024,301
	14,610,236	17,120,467	**13,680,675**	16,140,952
13. Net finance cost				
13.1. Finance income				
Interest on inter-company borrowings	**-**	-	**27,205**	-
Interest on bank deposits	**7,768**	4,439	**6,583**	4,439
Total Finance income	**7,768**	4,439	**33,788**	4,439
13.2. Finance costs				
Interest on bank overdrafts	(1,232,769)	(732,497)	**(1,232,769)**	(695,054)
Interest on LPO Finance Facility	(107,547)	(110,614)	**(107,547)**	(110,614)
Interest on inter-company borrowings	(0)	-	-	(28,600)
Total finance cost	**(1,340,316)**	(843,111)	**(1,340,316)**	(834,268)
Net finance costs	**(1,332,548)**	(838,672)	**(1,306,528)**	(829,829)

Interest income represents income earned on bank deposits while interest expense represents charges on various outstanding facilities utilised during the year. Interest on inter-company loan has been eliminated on consolidation.

	2023 N'000	2022 N'000	2023 N'000	2022 N'000
14. (Loss) / Profit before income tax	**(953,760)**	245,880	**(819,445)**	229,625
(Loss) / Profit before income tax is stated after charging/(crediting) the following items:				
Depreciation of property, plant and equipment (Note 17)	**60,826**	59,196	**48,402**	50,347
Amortisation of intangible assets (Note 18)	**756**	221	**219**	220
Auditors' remuneration	**15,050**	15,050	**8,063**	8,063
Directors' remuneration	**79,000**	78,650	**79,000**	78,650
Personnel expenses (Note 12.1)	**1,047,602**	1,118,965	**846,822**	920,658
Rent and rates	**65,049**	43,659	**-**	-
Gain on disposal of property, plant and equipment	**(119,995)**	(21,005)	**(119,995)**	(12,356)

15. Tax expense

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

	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Minimum Tax	**75,480**	88,360	**70,839**	85,940
Education Tax	**-**	31,387	**-**	31,387
Police Trust Fund levy	**-**	11	**-**	11
Deferred Tax charged	**-**	2,768	**-**	**-**
Under-provision in prior years	**213,550**	-	**192,554**	**-**
Total tax expense	**289,030**	122,526	**263,393**	117,338

	2023 N'000	2022 N'000	2023 N'000	2022 N'000
15.2. Current tax payable				
At 1 January	**144,634**	73,204	**118,869**	46,445
Charge for the year:	**289,029**	119,758	**263,393**	117,339
Payments during the year	**(53,069)**	(20,024)	**(27,865)**	(16,611)
Withholding tax utilized**	**(262,276)**	(28,304)	**(262,276)**	(28,304)
At 31 December	**118,318**	144,634	**92,121**	118,869

15.3. Withholding tax

** As at year end, the Group and Company has withholding tax credit notes available for use in settlement of its tax liability. An amount of N262.3 million (2022: N28.3million) for Group and N262.3 million (2022: N28.3 million) for Company has been utilised to offset tax liability. The Movement in withholding tax receivables is as follows:

	2023 N'000	2022 N'000	2023 N'000	2022 N'000
At 1 January	**904,719**	933,023	**1,059,357**	1,087,661
Additions in the year	-	-	-	-
Withholding tax credit note utilised	**(262,276)**	(28,304)	**(262,276)**	(28,304)
At 31 December	**642,443**	904,719	**797,081**	1,059,357

15.4. Deferred taxation

15.4.1. Unrecognised deferred tax assets (Company)

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

	2023	2022
	N'000	N'000
Property, plant and equipment	**4,617,058**	4,758,540
Less:: Tax written down value	**(535,320)**	(693,358)
Employee benefits	**(9,483)**	(8,850)
Impairment allowance on trade receivables	**(1,311,921)**	(1,453,130)
Unabsorbed capital allowance carry-forward	**(865,155)**	(801,067)
Gain on Disposal of PPE	**119,995**	12,426
Unrelieved tax losses carried forward	**(14,606,755)**	(13,726,429)
	(12,591,581)	(11,911,868)

	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000
15.4.2. Movement in deferred tax balances				
At 1 January	**39,383**	36,615	**34,398**	34,399
Deferred tax on revaluation surplus	**-**	-	**-**	-
Charged in the year	**-**	2,768	**-**	-
At 31 December	**39,383**	39,383	**34,398**	34,399
15.5. Income tax reconciliation				
(Loss) / Profit before taxation	**(953,760)**	245,880	**(819,445)**	229,625
Tax at Nigerian statutory income tax rate of 30% (2022 : 30%)	**-**	-	**-**	-
Non deductible expenses for tax purposes	**-**	-	**-**	-
Effect of minimum tax	**75,480**	88,360	**-**	117,339
Deferred tax effect	**-**	2,768	**-**	-
Tax relief		-	**-**	-
Education tax @ 2.5% of assessable profit	**-**		**-**	
Under-provision in prior years	**289,029**	-	**263,393**	-
Recognised in profit or loss (Note 15.1)	**364,509**	91,128	**263,393**	117,339
	%	%	**%**	%
At the effective tax rate	**(3)**	3	**(3)**	2

	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000
15.6 Statement of profit or loss				
Accelerated depreciation for tax purpose	**60,826**	59,196	**48,402**	50,347
Impairment of trade and other receivables	**(1,497,130)**	(1,638,338)	**(1,311,921)**	(1,453,130)
Other comprehensive income:				
Post-employment benefits	**-**	-	**-**	-
	(1,436,304)	(1,579,142)	**(1,263,520)**	(1,402,783)

16. Basic and diluted (loss) / profit per share

Basic/diluted profit or loss per share is calculated by dividing the (loss) / profit for the year attributable to ordinary equity holders of the Group by the number of ordinary shares outstanding during the year. The following reflects the income and share data used in the basic earnings per share computation:

	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000
(Loss) / Profit attributable to equity holders (Na	**(1,242,790)**	123,354	**(1,082,838)**	112,287
Number of shares issued	**1,176,354**	1,176,354	**1,176,354**	1,176,354
Basic/diluted (loss) or profit per share (Naira)	**(1.06)**	0.10	**(0.92)**	0.10

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

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17. Property, plant and equipment
17.1 The Group

	Freehold land N'000	Freehold building N'000	Motor vehicle and Transport equipment N'000	Plant and machinery, Furniture and fittings N'000	IT Equipment N'000	Work-in-progress N'000	Total N'000
Group							
Cost							
At 1 January 2022	3,796,663	1,512,233	529,966	560,362	216,652	118,563	6,734,439
Additions	59,466	-	32,970	17,987	19,075	24,323	153,821
Revaluation	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
Write-offs	-	-	-	(17,301)	-	-	(17,301)
Disposals	-	-	(156,888)	-	-	-	(156,888)
At 31 December 2022	3,856,129	1,512,233	406,048	561,048	235,727	142,886	6,714,071
Cost as at 1 Jan. 2023	3,856,129	1,512,233	406,048	561,048	235,727	142,886	6,714,071
Additions in the year	-	-	3,446	15,548	19,972	24,235	63,201
Transfers / Reclassification	-	8,665	-	15,658	-	(24,323)	(0)
Disposals	(155,977)	-	-	(1,234)	-	-	(157,211)
At 31 December 2023	**3,700,152**	**1,520,898**	**409,494**	**591,021**	**255,699**	**142,798**	**6,620,060**
Depreciation							
At 1 January 2022	280,580	540,916	506,458	518,126	191,361	-	2,037,441
Adjustment	-	-	-	-	-	-	-
Charged for the year	-	18,636	14,466	12,961	13,133	-	59,196
Reclassification	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-
Write-offs	-	-	-	(17,301)	-	-	(17,301)
Disposals	-	-	(156,888)	-	-	-	(156,888)
At 31 December 2022	280,580	559,552	364,036	513,786	204,494	-	1,922,448
At 1 January 2023	280,580	559,552	364,036	513,786	204,494	-	1,922,448
Charged for the year	-	19,487	15,853	7,382	18,103	-	60,826
Revaluation	-		-	-	-	-	-
Write-offs					-		-
Disposals	(872)	-	-	(1,234)	-	-	(2,106)
At 31 December 2023	**279,708**	**579,039**	**379,889**	**519,934**	**222,597**	**-**	**1,981,167**
Net book value							
At 31 December 2023	**3,420,444**	**941,859**	**29,604**	**71,087**	**33,102**	**142,798**	**4,638,894**
At 31 December 2022	**3,575,549**	**952,681**	**42,012**	**47,262**	**31,233**	**142,886**	**4,791,623**

17.1.1 Land and Buildings of the company were revalued by Gbenga Olaniyan and Associates and the report was signed on behalf of Gbenga Olaniyan and Associates by Mr. Gbenga Olaniyan with (FRC/2013/00000000001837) on 30 December 2020. The valuation was carried out on current open market valuation basis.

17.1.2 The adjustment to property, plant and equipment represent correction of misstatement of accumulated depreciation in the prior year.

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	Leasehold land N'000	Freehold building N'000	Motor vehicle and Transport equipment N'000	Plant and machinery, Furniture and fittings N'000	IT Equipment N'000	Capital work-in-progress N'000	Total N'000
17.2. The Company							
Cost							
At 1 January 2022	3,796,663	1,512,233	352,898	498,477	193,806	118,563	6,472,640
Adjustment	-	-	-	-	-	-	-
Additions	59,466	-	11,203	15,762	13,758	24,323	124,511
Disposals/write offs	-	-	(92,895)	-		-	(92,895)
At 31 December 2022	3,856,129	1,512,233	271,206	514,239	207,564	142,886	6,504,256
At 1 January 2023	3,856,129	1,512,233	271,206	514,239	207,564	142,886	6,504,256
Additions	-	-	3,446	14,584	19,762	24,235	62,026
Reclassification / Transfers	-	8,665	-	15,658	-	(24,323)	(0)
Disposals	(155,977)	-	-	(1,234)		-	(157,211)
At 31 December 2023	3,700,152	1,520,898	274,652	543,247	227,326	142,798	6,409,071
Accumulated depreciation and impairment							
At 1 January 2022	280,580	540,917	336,992	456,985	172,792	-	1,788,266
Charged for the year	-	18,636	8,138	12,495	11,078	-	50,347
Disposals/write offs	-	-	(92,895)	-	-	-	(92,895)
At 31 December 2022	280,580	559,553	252,235	469,480	183,870	-	1,745,718
At 1 January 2023	280,580	559,553	252,235	469,480	183,870	-	1,745,718
Charged for the year	-	19,487	6,971	6,727	15,217	-	48,402
Disposals	(872)	-	-	(1,234)		-	(2,106)
At 31 December 2023	279,708	579,040	259,206	474,973	199,087	-	1,792,013
Net book value							
At 31 December 2023	**3,420,444**	**941,858**	**15,446**	**68,274**	**28,239**	**142,798**	**4,617,058**
At 31 December 2022	3,575,549	952,680	18,971	44,759	23,694	142,886	4,758,538

17.2.4 Security

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

17.2.5 Capital work in progress

This majorly includes land and building under construction at Magboro (N118.6 million) and other WIP Assets.

17.2.6 Capital commitments

The Group and the Company had no authorised or contracted capital commitments at the reporting date.

17.3 Depreciation of buildings

The Company's leasehold land at 18 Fatai Atere road, Matori has a certificate of occupancy which expired in 2021, the building on the land is however depreciated over 100 years based on the assessment of useful life of the building carried out by a commissioned firm of Structural Engineers, People & Projects Limited, (whose Principal Partner, Engr. Stephen Adekunle's FRCN Number is FRCN/2019/00000018214) in conjunction with Lagos State Material Testing Agency, and the assumption that the lease on the land will be renewed by Lagos State Government upon the completion of the renewal process which is currently on-going.

18. Intangible assets

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

	Group N'000	Company N'000
Cost		
At 1 January 2022	56,169	50,115
Additions	-	-
At 31 December 2022	56,169	50,115
At 1 January 2023	56,169	50,115
Additions	3,225	-
At 31 December 2023	**59,394**	**50,115**
Accumulated amortisation		
At 1 January 2022	55,711	49,656
Charge for the year	221	220
Reclassification	-	-
At 31 December 2022	**55,932**	**49,875**
At 1 January 2023	55,932	49,875
Charge for the year	756	219
Reclassification		-
At 31 December 2023	**56,688**	**50,094**
Carrying amount		
At 31 December 2023	**2,706**	**16**
At 31 December 2022	237	239

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

	The Company	
	2023	2022
	N'000	N'000
19. Investments in subsidiaries		
Briscoe Properties Limited	**155,501**	155,501
CAWS Technical Nigeria Limited	**1,000**	1,000
	156,501	156,501
Impairment of investment in subsidiary	**(1,000)**	(1,000)
At 31 December	**155,501**	155,501

	% of ownership	Company 2023 N'000	2022 N'000
19.1. Group structure			
Briscoe Properties Limited	100	**155,501**	155,501
CAWS Technical Nigeria Limited	100	**1,000**	1,000
Suite Resorts Limited	0.05	**75**	75
Briscoe Leasing Limited*	100	**2,000**	2,000
Briscoe Material Handling Limited*	100	**10,000**	10,000
Briscoe-Ford Nigeria Limited*	100	**10,000**	10,000
Briscoe Garages Limited*	100	**1,000**	1,000
Impairment of investment in non-operational entities		**(24,075)**	**(24,075)**
		155,501	155,501

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

19.2. Subsidiary undertakings
All shares in subsidiary undertakings are ordinary shares.

Subsidiary	Principal activities	Country of incorporation	Percentage held	Statutory year end
Briscoe Properties Limited (Note 19.2.1)	Property development and facility management	Nigeria	100%	31 December
CAWS Technical Nigeria Limited (Note 19.2.2)	Sales and after sale service of compressors and generators	Nigeria	100%	31 December

19.2.1. Briscoe Properties Limited
Briscoe Properties Limited "the Company" was incorporated in Nigeria as a private limited liability company on 4 September 2003. The principal activities of the company are facility management, project management, property development, sale and leasing of property.

19.2.2. Briscoe Technical Products and Services Nigeria Limited
Caws Technical Nigeria Limited, was incorporated on 27 January 2014 in Nigeria as a private limited liability company. The principal activity of the Company are sales and after sale service of Elgi Compressor. The company commenced operations in June 2014 and changed its name to Briscoe Elgi Equipment Nigeria Limited effective 12 February 2021. The Company further changed its name to Briscoe Technical Products and Services Limited with effect from 10th of May 2022.

19.3 Condensed results of consolidated entities
The consolidated results of the consolidated entities of R.T Briscoe (Nigeria) Plc are shown in Note 19.3.1-4.
The R.T Briscoe Group in the condensed results includes the results of the under listed entities:
Briscoe Properties Limited
CAWS Technical Nigeria Limited

R.T. BRISCOE (NIGERIA) PLC

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Condensed results of consolidated entities

31 December 2023

	Parent - R.T. Briscoe (Nigeria) Plc N'000	Briscoe Properties Limited N'000	Briscoe Technical Product & Services N'000	Total N'000	Elimination N'000	Group N'000
19.3.1 Condensed statement of profit or loss						
Revenue	13,664,037	386,619	541,669	14,592,325	-	14,592,325
Cost of sales	(11,104,467)	(133,558)	(320,135)	(11,558,160)	1,000	(11,557,160)
Gross profit	2,559,570	253,061	221,534	3,034,165	1,000	3,035,165
Other income	503,720	29,392	4,917	538,029	-	538,029
Distribution costs	(687,351)	(2,284)	(35,361)	(724,996)	-	(724,996)
Administrative expenses	(1,888,855)	(342,424)	(238,133)	(2,469,412)	-	(2,469,412)
Operating profit/(loss)	487,084	(62,255)	(47,041)	377,788	1,000	378,788
Net finance (expense)/income	(1,306,528)	28,239	(53,259)	(1,331,548)	(1,000)	(1,332,548)
Profit before taxation	(819,444)	(34,016)	(100,300)	(953,760)	0	(953,760)
Income tax expense	(263,393)	(19,036)	(6,600)	(289,029)	-	(289,029)
Profit / (Loss) after taxation	(1,082,837)	(53,052)	(106,900)	(1,242,789)	0	(1,242,789)
19.3.2 Condensed statement of financial position						
Assets						
Cash and cash equivalents	360,636	60,923	28,441	450,000	-	450,000
Trade and other receivables	2,564,397	363,145	(79,981)	2,847,561	-	2,847,561
Other current assets	57,630	5,000	-	62,630	-	62,630
Inventories	2,304,771	227,179	146,046	2,677,996	(73,097)	2,604,899
Property, plant and equipment	4,617,059	17,057	4,779	4,638,895	-	4,638,895
Intangible assets	16	2,688	-	2,704	-	2,704
Investment property	-	-	-	-	-	-
Investment in subsidiary	155,501	-	-	155,501	(155,501)	-
Total assets	10,060,010	675,992	99,285	10,835,286	(228,598)	10,606,689
Liabilities and equity						
Trade and other payables	3,324,079	341,815	196,979	3,862,873	(2,380)	3,860,494
Current tax payable	92,121	1,933	34,340	128,394	(10,076)	118,319
Bank Overdraft	12,991,854	-	-	12,991,854	-	12,991,854
Defrred income	2,362,392	-	-	2,362,392	-	2,362,392
Borrowings	460,133	-	-	460,133		460,133
Deferred tax liability	34,398	4,459	525	39,382	-	39,382
Defined benefit plan	21,939	-	-	21,939		21,939
Equity and reserves	(9,226,906)	460,204	(264,981)	(9,031,683)	(216,137)	(9,247,824)
Total liabilities and equity	10,060,010	808,411	(33,137)	10,835,284	(228,593)	10,606,690

Condensed results of consolidated entities

31 December 2022	Parent - R.T. Briscoe (Nigeria) Plc N'000	Briscoe Properties Limited N'000	Briscoe Technical Product & Services N'000	Total N'000	Elimination N'000	Group N'000
19.3.3. Condensed statement of profit or loss						
Revenue	16,781,334	498,687	602,993	17,883,014	-	17,883,014
Cost of sales	(13,193,763)	(359,548)	(308,477)	(13,861,788)	-	(13,861,788)
Gross profit	3,587,571	139,139	294,516	4,021,226	-	4,021,226
Other income	419,072	30,874	8,357	458,303	(136,068)	322,235
Distribution costs	(922,888)	(1,114)	(49,571)	(973,573)	-	(973,573)
Administrative expenses	(2,024,300)	(194,236)	(202,867)	(2,421,403)	136,068	(2,285,335)
Operating (loss)/ profit	1,059,455	(25,337)	50,435	1,084,553	-	1,084,553
Net finance (expense)/income	(829,829)	28,600	(37,443)	(838,672)		(838,672)
Loss before taxation	229,626	3,263	12,992	245,881	-	245,881
Income tax expense	(117,338)	(5,188)	-	(122,526)	-	(122,526)
Loss after taxation	112,288	(1,925)	12,992	123,354	-	123,354
19.3.4. Condensed statement of financial						
Assets						
Non-current assets						
Cash and cash equivalents	342,485	36,210	3,433	382,128	-	382,128
Trade and other receivables	2,696,474	496,568	(70,959)	3,122,083	(64,604)	3,057,479
Other current assets	32,631	52,554	6,124	91,309	(46,831)	44,478
Inventories	757,207	-	176,151	933,358	(73,097)	860,261
Property, plant and equipment	4,758,542	25,113	7,971	4,791,626	-	4,791,626
Intangible assets	233	-	-	233	-	233
Investment property	-	-	-	-	-	-
Investment in subsidiary	155,501	-	-	155,501	(155,501)	-
Total assets	8,743,073	610,445	122,720	9,476,239	(340,033)	9,136,206
Liabilities and equity						
Trade and other payables	2,112,772	197,792	246,700	2,557,264	(113,053)	2,444,212
Current tax payable	118,869	2,265	33,575	154,709	(10,076)	144,634
Bank Overdraft	12,102,491	-	-	12,102,491	-	12,102,491
Deferred income	2,362,392	-	-	2,362,392		2,362,392
Borrowings	137,885	-	-	137,885	-	137,885
Deferred tax liability	34,399	4,459	525	39,383	-	39,383
Defined benefit plan	8,850	-	-	8,850	-	8,850
Equity and reserves	(8,134,585)	513,255	(158,079)	(7,779,409)	(216,137)	(7,995,550)
Total liabilities and equity	8,743,074	718,536	122,720	9,583,566	(339,266)	9,244,298

	The Group		The Company	
	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000
20. Inventories				
Motor vehicles, parts and accessories	**584,519**	331,176	**638,353**	364,323
Industrial equipment and parts	**516,074**	399,119	**389,291**	262,917
Service work in progress	**28,455**	34,405	**28,455**	34,405
Consumables	**23,110**	22,076	**23,110**	22,076
Goods in transit	**1,225,562**	73,488	**1,225,562**	73,488
	2,377,720	860,264	**2,304,771**	757,209
20.1 Inventories under development				
Cost capitalized	**227,179**	108,091	**-**	-

Inventories under development represent total costs to date on Jasmine Court, a Property development residential project of the subsidiary.

Inventories to the value of N2,604.9 million (2022 : N968.36 million) are carried at net realisable value. No amount is recognised as expenses in respect of write down of inventories to net realisable value.

	The Group		The Company	
21. Trade and other receivables	**2023**	2022	**2023**	2022
Trade receivables	**1,368,275**	2,259,155	**863,398**	1,716,011
Other receivables	**2,968,926**	2,424,807	**2,810,487**	2,430,757
Staff loans and advance	**7,490**	11,855	**2,686**	2,836
Receivable from related parties (Note 32)	**-**	-	**199,747**	-
	4,344,691	4,695,817	**3,876,318**	4,149,604
Allowance for Impairments (Note 21.1)	**(1,497,130)**	(1,638,338)	**(1,311,921)**	(1,453,130)
	2,847,561	3,057,479	**2,564,397**	2,696,474
Analysis of trade and other receivables				
Non-current***	**1,036,148**	501,376	**996,638**	474,123
Current	**1,811,413**	2,556,103	**1,567,759**	2,222,351
	2,847,561	3,057,479	**2,564,397**	2,696,474

*****Non-current other receivables represent Withholding tax credit with Federal Inland Revenue Services that cannot be utilised for income tax payment purpose within the next 12 months.

The Group's exposure to credit and currency risks, and impairment losses related to trade and other receivables is disclosed in Note 6.

	The Group		The Company	
21.1. Allowance for Impairments				
At 1 January	**1,638,339**	2,696,320	**1,453,130**	2,510,494
Provision no longer required	**(141,209)**	(1,058,644)	**(141,209)**	(1,057,364)
Addition in the year	**-**	663	**-**	**-**
At 31 December	**1,497,130**	1,638,339	**1,311,921**	1,453,130

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

	The Group			The Company		
			2023			
	Gross N'000	Impairment N'000	Carrying amount N'000	Gross N'000	Impairment N'000	Carrying amount N'000
As at 31 December, the ageing analysis of trade receivables is as follows:						
Not past due	**1,868,823**	**-669,932**	**1,198,891**	**1,347,839**	**-612**	**1,347,227**
Past due 91 - 180 days	**300,032**	**-1,461**	**298,572**	**83,329**	**-1,020**	**82,310**
Past due 181 - 360 days	**620,659**	**-48,149**	**572,510**	**383,657**	**-279,543**	**104,114**
Past due above 360 days	**1,555,177**	**-777,589**	**777,589**	**2,061,493**	**-1,030,746**	**1,030,746**
	4,344,691	**(1,497,130)**	**2,847,561**	**3,876,319**	**(1,311,921)**	**2,564,397**
			2022			
	N'000	N'000	N'000	N'000	N'000	N'000
Not past due	**1,868,823**	**(557)**	**1,868,266**	**1,347,839**	**(612)**	**1,347,227**
Past due 91 - 180 days	**300,032**	**(1,461)**	**298,572**	**356,615**	**(1,020)**	**355,596**
Past due 181 - 360 days	**620,659**	**(48,149)**	**572,510**	**383,657**	**(42,924)**	**340,733**
Past due above 360 days	**1,906,303**	**(1,588,172)**	**318,131**	**2,061,493**	**(1,408,574)**	**652,919**
Total	**4,695,817**	**(1,638,339)**	**3,057,478**	**4,149,605**	**(1,453,130)**	**2,696,474**

	2023 N'000	2022 N'000	2023 N'000	2022 N'000
22. Other current assets				
Prepaid insurance premium	**11,977**	6,244	**11,977**	6,244
Prepaid rent	**18,102**	20,079	**18,102**	15,481
Other prepaid expenses	**32,551**	18,155	**27,551**	10,906
	62,630	44,478	**57,630**	32,631

23. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with banks and short term deposits.

	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Cash in hand	**8,410**	6,545	**7,380**	5,958
Cash at Bank	**441,590**	375,584	**353,256**	336,527
Cash and bank balances	**450,000**	382,129	**360,636**	342,485

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and bank balances as defined above, net of outstanding bank overdrafts as at 31 December.

	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Cash and bank balances	**450,000**	382,129	**360,636**	342,485
Bank overdrafts (Note 23.1)	**(12,991,854)**	(12,102,491)	**(12,991,854)**	(12,102,491)
	(12,541,854)	(11,720,362)	**(12,631,218)**	(11,760,006)

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	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000

23.1. This represents facilities with seven Nigerian banks which the company defaulted in paying and the banks converted to overdrafts. The outstanding balance of one of the banks (Polaris Bank) was subsequently taken over by Asset Management Corporation of Nigeria (AMCON). Movement in overdrafts accounts during the year is as below:

	2023	2022	**2023**	2022
As at 1 January	**12,102,491**	11,456,838	**12,102,491**	11,456,838
Accrued interest reclassification	**62,275**		**62,275**	
Interest charges during the year	**1,232,769**	997,810	**1,232,769**	997,810
Repayments during the year	**(405,680)**	(352,158)	**(405,680)**	(352,158)
	12,991,854	12,102,491	**12,991,854**	12,102,491

The Company's exposure to credit, currency and liquidity risks related to cash and cash equivalents is disclosed in Note 6.

	2023	2022	**2023**	2022
23.2 Deferred income	**2,362,392**	**2,362,392**	**2,362,392**	**2,362,392**

This refers to a gain arising from a debt waiver obtained by the company from Asset Management Corporation of Nigeria (AMCON) in 2021. 'The recognition of this gain has been deferred owing to the need for the perfection of the legal documentation relating to the debt forgiveness, which is yet to be completed as at the date of signing the Financial Statements.

24. Borrowings

	2023	2022	**2023**	2022
LPO finance facility (Note 24.1)	**460,133**	**137,885**	**460,133**	137,885

24.1 This represents short term working capital loan / LPO Facility taken to fund supply of vehicles in December 2023 to be paid in January 2024.

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	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000
25. Share capital and reserves				
25.1 Authorised shares:				
6,500,000,000 ordinary shares of 50 kobo each	**3,250,000**	3,250,000	**3,250,000**	3,250,000
25.2 Issued and fully paid				
1,176,354,000 ordinary share of 50k eac	**588,177**	588,177	**588,177**	588,177

25.3 In line with the company's regulations of 2020 released by the Corporate Affairs Commission in December 2020, a company that has unissued shares in its capital shall not later than 30th June 2021 fully issue such shares. However, based on the communique issued by the Corporate Affairs Commission the date was extended till 31 December 2022.

	N'000	N'000	**N'000**	N'000
26. Share premium				
At 31 December	**409,862**	409,862	**409,862**	409,862

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

	N'000	N'000	**N'000**	N'000
27. Revaluation reserve				
At 1 January	**3,174,364**	3,174,364	**3,174,364**	3,174,364
Revaluation surplus in the year	**-**	-	**-**	0
At 31 December	**3,174,364**	3,174,364	**3,174,364**	3,174,364
28. Accumulated Loss				
At 1 January	**(12,167,953)**	(12,279,427)	**(12,306,988)**	(12,407,395)
	(12,167,953)	**(12,279,427)**	**(12,306,988)**	**(12,407,395)**
Other comprehensive loss arising from remeasurement of defined benefit obligation	**(9,483)**	(11,880)	**(9,483)**	(11,880)
(Loss) or Profit for the year	**(1,242,790)**	123,354	**(1,082,838)**	112,287
At 31 December	**(13,420,226)**	(12,167,953)	**(13,399,309)**	(12,306,988)

29. Defined benefit plan	**2023 N'000**	2022 N'000	**2023 N'000**	2022 N'000
Defined benefit obligation (gratuity) liability (Note 30.2)	**106,701**	87,029	**106,701**	87,029
Gratuity liability at the end of the year	**106,701**	87,029	**106,701**	87,029
Planned asset at 1 January	**(78,179)**	(73,140)	**(78,179)**	(73,140)
Funding during the year	**-**	-	**-**	-
Actual return on planned assets	**(6,583)**	(5,039)	**(6,583)**	**(5,039)**
Planned asset as at 31 December	**(84,761)**	(78,179)	**(84,761)**	(78,179)
	21,939	8,850	**21,939**	8,850

The Company's defined benefit end of service gratuity obligation represents the estimated amount of future benefit that employees have earned in return for their service in the current and prior periods and that benefit is discounted to determine its present value. In determining the liability under the defined benefit scheme, consideration is given to future increases in salary rates and the Company's experience with staff turnover. The recognised liability is determined by an independent actuarial valuation performed by **Giant Consultants Limited** using the projected unit credit method. The report was signed on behalf of the firm by Paul Monday Odofin (FRC/2024/PRO/NAS/974208).

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

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

During the year, the Entity funded the planned asset with GTL Trustees Limited. The planned asset at 31 December 2023 is N84,761,221.84 (31 December 2022 : N78,178,317).

	The Group		The Company	
	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000
29.1. Movement in present value of the defined benefit obligation				
At 1 January	**87,029**	65,809	**87,029**	65,809
Included in profit or loss				
Current service cost	**4,452**	4,744	**4,452**	**4,744**
Interest cost	**7,833**	5,923	**7,833**	**5,923**
	12,284	10,667	**12,284**	10,667
Included in other comprehensive income				
Net actuarial losses/(gain) recognised in other comprehensive income	**9,483**	11,880	**9,483**	11,880
Benefits paid by the plan	**(2,096)**	(1,327)	**(2,096)**	(1,327)
Balance at 31 December	**106,701**	87,029	**106,701**	87,029

	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000
29.2. Recognised in other comprehensive income:				
Actuarial losses on defined benefit obligation recognised during the year	**9,483**	11,880	**9,483**	11,880

29.3. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages) fall under two broad categories. Due to unavailability of published reliable demographic data in Nigeria, the demographic assumptions regarding future mortality are based on the rates published jointly by the Institute and Faculty of Actuaries in the United Kingdom (UK).

Financial assumptions	**2023**	2022
The principal actuarial assumptions used were:		
Discount rate	**9%**	9%
Future salary increases	**10%**	10%
Future rate of Inflation	**13%**	12%
Benefit increase rate (Per annum)	**0%**	0%

These assumptions depict management's estimate of the likely future experience of the Company. The same assumptions has been used for both defined benefit obligation and Long Service Award.

Demographic assumptions

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

Mortality in Service

The rates of mortality assumed for employees are the rates published in the A67/70 Ultimate Tables, published jointly by the Institute and Faculty of Actuaries in the UK.

Sample age	**2023**	2022
25	**7**	7
30	**7**	7
35	**9**	9
40	**14**	14
45	**26**	26

Withdrawal from Service

We have assumed a withdrawal rate for the current valuation that starts at 5% up to age 40 years and decreases to nil withdrawal from age 51 years and above as indicated below.

Age Band (years)	Withdrawal Rate (%)	
	2023	2022
Up to 30	**5%**	5%
31-35	**5%**	5%
36-40	**5%**	5%
41-45	**2%**	2%
46-50	**2%**	2%
51 and above	**Nil**	Nil

	The Group		The Company	
	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000
30. Trade and other payables				
Trade creditors	**2,399,154**	1,500,216	**2,140,543**	1,224,859
Other payables (Note 30.1)	**990,697**	784,853	**715,688**	723,350
Dividend payable (Note 30.2)	**20,659**	20,659	**20,659**	20,659
Non income taxes	**-**	116,124	**-**	34,963
Due to related parties	**434,190**	10,894	**434,190**	100,689
Pension Contribution (Note 30.3)	**15,794**	11,466	**12,999**	8,252
	3,860,494	2,444,212	**3,324,079**	2,112,772
30.1. Other payables				
Deferred Income	**7,500**	15,558	**7,500**	15,558
Staff deductions	**35,855**	20,296	**29,906**	16,851
Withholding tax payable	**99,483**	105,890	**76,279**	80,499
Sundry Creditors	**5,541**	5,541	**5,541**	5,541
Long service award (Note 30.4)	**52,408**	32,404	**52,408**	32,404
Payable on facility management	**128,114**	24,949	**4,379**	20,714
Accrued expenses	**647,796**	566,215	**525,675**	537,783
Rent payable	**14,000**	14,000	**14,000**	14,000
	990,697	784,853	**715,688**	723,350

30.2. Dividend Payable

This represents the value of unclaimed dividend in the company's books, N20.659million as at 31 December 2023.

	The Group 2023	The Group 2022	The Company 2023	The Company 2022
30.3. Pension contribution				
At 1 January	**11,466**	18,759	**8,252**	12,080
Additions in the year	**33,423**	29,464	**25,394**	21,710
Remittances in the year	**(29,095)**	(36,757)	**(20,647)**	(25,538)
At 31 December	**15,794**	11,466	**12,999**	8,252
30.4. Movement in the present value of the long service award				
At 1 January	**32,404**	30,629	**32,404**	30,629
Included in profit or loss				
Current service cost	**1,162**	1,101	**1,162**	1,101
Interest cost	**2,913**	2,752	**2,913**	2,752
	4,075	3,853	**4,075**	3,853
Included in other comprehensive income				
Actuarial loss recognised in profit or loss	**20,029**	272	**20,029**	272
Benefits paid by the plan	**(4,100)**	(2,350)	**(4,100)**	(2,350)
At 31 December	**52,408**	32,404	**52,408**	32,404

31. Related Parties

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

Related Parties	Nature of Transaction	Relationship	Transaction value during the year		Balance outstanding as at 31 December	
			31-Dec-23	31-Dec-22	**31-Dec-23**	31-Dec-22
			N'000	N'000	**N'000**	N'000
Briscoe Technical	Service provision	Sister Company	**243,814**	(76,901)	**368,448**	124,634
Briscoe Properties Ltd.	Service provision	Sister Company	**165,744**	219,435	**(168,701)**	(221,411)
Other related parties:						
R.T Briscoe Employee's Gratuity Fund			**-**	-	**-**	-
Toyota Nigeria Limited	Purchase of goods		**(5,423,296)**	(4,547,571)	**(434,190)**	(10,894)
			(5,013,738)	(4,405,037)	**(234,443)**	(107,671)

Related party transactions disclosed is inclusive of the relevant value added tax applicable on the transactions. The amounts outstanding are unsecured and will be settled in cash. No provisions have been made for doubtful debts in respect of the amounts owed by related parties as the amounts are deemed to be recoverable.

Long term compensation to key management personnel

The remunerations of the company's key management personnel are as disclosed in note 34.3 below.

	Group		Company	
	2023	2022	**2023**	2022
	Number	Number	**Number**	Number
32. The number of full time employees as at 31 December was as follows:				
Managerial staff	**29**	23	**25**	22
Senior staff	**123**	124	**98**	95
Junior staff	**56**	65	**35**	42
Total number of employees	**208**	212	**158**	159

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

N300,001- N350,000	**-**	-	-	-
N350,001- N400,000	**-**	-	-	-
N400,001- N450,000	**-**	-	-	-
N500,000 and above	**208**	212	**158**	159
	208	212	**158**	159

	Group		Company	
	2023	2022	**2023**	2022
	Number	Number	**Number**	Number
33. Information relating to Directors				
33.1. Directors' mix				
Executive Directors	**2**	2	**2**	2
Non-executive Directors	**5**	5	**5**	5
	7	7	**7**	7
	N'000	N'000	**N'000**	N'000
33.2. Directors' remuneration				
The aggregate emolument of the Directors was:				
Directors' fees	**800**	800	**800**	800
Remuneration - Executive Directors	**43,700**	43,700	**43,700**	43,700
Remuneration - Non Executive Directors	**29,400**	29,400	**29,400**	29,400
Sitting allowance	**5,100**	4,750	**5,100**	4,750
	79,000	78,650	**79,000**	78,650

The emolument (excluding pension contributions and certain benefits) of the highest paid director was N25,400,000 (2022: N25,400,000).

33.3 Key management personnel and compensation

The Company has 158 employees as at 31 December 2023 (31 December 2022 : 159 employees). While the group has 208 employees as at 31 December 2023 (31 December 2022: 212 employees).

	Group	Group
	31-Dec-23	31-Dec-22
	N'000	N'000
Key Management Personnel Annual Remunerations:		
Short term benefits	97,433	87,711
Post employment benefits	7,307	6,578
Total	**104,740**	**94,289**
	Number	Number
Count	11	11

The key management personnel of the group are the members of the executive management committee which is made up of the Executive Directors, the Chief Financial Officer, heads of business units and departments within the group.

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

	The Company	
	2023	2022
	Number	Number
N 50,001- N100,000	**-**	-
N100,001- N150,000	**6**	6
	6	6

33.5 Non-Audit Services

There was no non-audit service rendered by the firm of external auditors in the course of the year.

34. Contingencies

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

As disclosed in note 2.3.1, there is an on-going winding up petition case, between Diamond Bank Plc (now Access Bank) and R.T. Briscoe with other parties also joined in the proceedings.

b) Contingent assets and liabilities

The company is engaged in various lawsuits that have arisen in the normal course of business. The actual value of contingent liabilities in respect of pending litigations and claims amounted to N428 million as at 31 December 2023 (2022: N428 million). The contingent assets in respect of pending litigations and claims as at 31 December 2023 amounted to N129.93 million (2022 - N129.9 million). In the opinion of the directors, and based on independent legal advice, the company is not expected to suffer any material loss arising from these claims. Thus, no provision has been made in these consolidated financial statements.

c) Financial commitments

As at the end of year, the Company has no financial commitments to any counterparty. The Directors are of the opinion that all known liabilities and commitments, which are relevant in assessing the state of affairs of the Company, have been taken into consideration in the preparation of these financial statements.

35. Navigating Economic Challenges in 2023: A Strategic Response for Business Resilience

i) i)External Policy / Economic effects

The year 2023 presented significant challenges for conducting business in Nigeria, marked by a complex economic landscape influenced by political activities and uncertainties related to currency fluctuations. Key policy shifts by the new administration, particularly the removal of fuel subsidies, led to a notable surge in the price of PMS across the nation. The cost of PMS escalated from ₦175.89 to an average of ₦498 per litre, triggering a ripple effect that resulted in increased prices for food and commodities nationwide. This, in turn, constrained spending power and purchasing capabilities.

Simultaneously, the currency market experienced significant volatility following the Central Bank's directive on June 14, 2023, instructing banks to "sell forex freely at market-determined rates." This move caused the Nigerian Naira to depreciate by over 25%, plummeting to ₦632 per USD from ₦463 per USD the previous day, marking the most substantial single-session drop since 2016. By December 12, the currency traded at ₦853 per USD, reflecting a 46% decrease from its pre-reform value, closing the year at ₦1220. In comparison, the currency traded at ₦447 per USD in December 2022 and ₦411 per USD in December 2021. This substantial depreciation has made imports more expensive, compelling importers to pass the increased costs to customers in the form of higher prices. Consequently, product prices have witnessed a significant rise. These economic shifts have adversely affected businesses nationwide, impacting costs, pricing structures, and overall financial stability. In response, we navigated this challenging landscape strategically, remaining vigilant, adapting to market dynamics, and implementing strategic measures to mitigate these external factors. Our focus remains on ensuring the resilience of our business in the upcoming future.

ii) 2023 Performance

The group achieved a turnover of ₦14.6 billion, indicating a 18% decline from the previous year's performance of ₦17.9 billion and a 19% deviation from the target of ₦18.1 billion. This outcome is primarily attributed to economic challenges that impacted spending power and hindered business growth across the country, particularly due to unfavorable foreign exchange fluctuations and an unstable business environment. It underscores our collective resilience, proactiveness, adaptability, and unwavering commitment to excellence.

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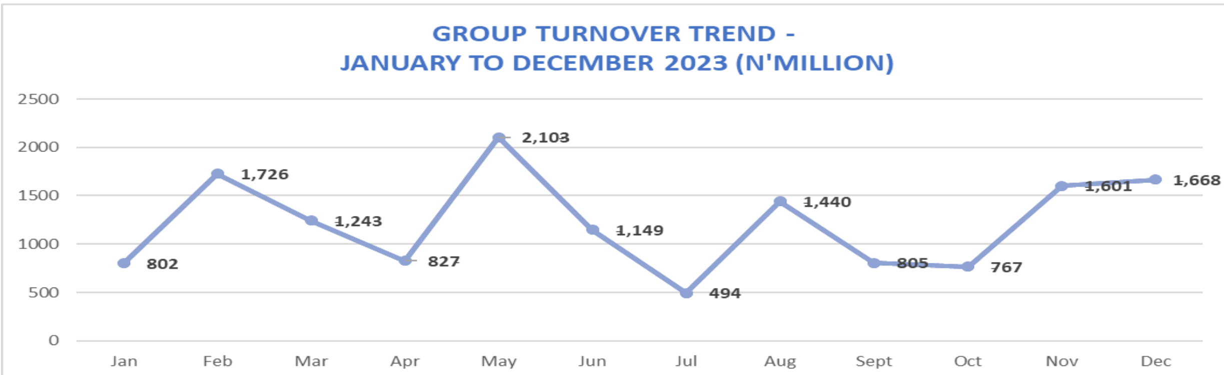
(The consolidated turnover trend for FY 2023 is presented in the chart below; illustrating the growth trajectory of the business over the period).



v) Conclusion

group is optimistic about future improvements, attributing this outlook to the stability derived from the firm establishment of the new government and the commencement of duties by ministers. This stability is expected to enhance confidence in previously volatile industries. Additionally, the modified approach to forex management adopted by many organizations has mitigated the initial risks posed by unforeseen fluctuations.

We aim to explore strategic opportunities for improvement within and beyond our current markets, especially with our other business units; Material Handling Equipment (MHE), Briscoe Technical, and Briscoe Properties Limited (BPL). These units are actively pursuing innovative avenues and considering expansion into regions where we already have a presence. Our focus remains steadfast on delivering unparalleled quality, fostering customer relationships, and embracing sustainable practices. Leveraging technology to enhance our operations and provide cutting-edge solutions to our clients will remain a priority. Investing in our greatest asset – our employees – by fostering a culture of empowerment, continuous learning, and collaboration is paramount. With a dynamic approach, we aim to exceed expectations and set new benchmarks in the industry.

36. Events after the reporting date

On the 27th of March 2024, the R.T.BRISCOE SAVINGS AND INVESTMENT FUND was officially opened for investment by the general public with a soft launch carried by DLM, signifying the commencement of the process that would lead to the recapitalisation of the company. Apart from this, the Directors are of the opinion that there are no significant transactions or event that have occurred subsequent to the reporting date, which could have had a material effect on these Consolidated and separate financial statements as at 31 December 2023 that have not been adequately provided for or disclosed in these consolidated and separate financial statements.

37. Comparative figures

Where necessary comparative figures have been reclassified to ensure proper disclosure and uniformity in the current year's presentation. This re-classification have no net impact on these consolidated and separate financial statements.

Other National Disclosures

R.T. BRISCOE (NIGERIA) PLC

VALUE ADDED STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

	Group				Company			
	2023 N'000	%	2022 N'000	%	2023 N'000	%	2022 N'000	%
Revenue	**14,592,325**		17,883,014		**13,664,037**		16,781,334	
Other operating income	**396,698**		322,005		**503,720**		419,072	
Finance income	**7,768**		4,439		**33,788**		4,439	
	14,996,791		18,209,458		**14,201,545**		17,204,845	
Deduct:								
Outside purchases of services and products:								
- Local	**(12,557,937)**		(15,142,950)		**(12,171,143)**		(14,612,321)	
- Import	**(943,115)**		(799,135)		**(614,089)**		(557,407)	
Value added	**1,495,739**	**100**	2,267,373	100	**1,416,313**	**100**	2,035,117	100
Distributed as follows:								
To pay employee:								
Salaries and labour related expenses	**1,047,602**	**70**	1,118,965	49	**846,822**	**60**	920,658	45
To provider of capital:								
Interest	**1,340,316**	**91**	843,111	37	**1,340,316**	**95**	834,268	41
To pay Government:								
- Company taxes	**289,030**	**19**	122,526	5	**263,393**	**19**	117,338	6
To provide for replacement of assets and future expansion of business:								
- Depreciation of property plant and equipment	**60,826**	**4**	59,196	3	**48,402**	**3**	50,346	2
- Amortisation of intangible assets	**756**	**-**	221	**-**	**219**	**-**	220	**-**
Loss transferred from income statements	**(1,242,790)**	**(83)**	123,354	5	**(1,082,838)**	**(76)**	112,287	6
	1,495,739	**100**	2,267,373	100	**1,416,313**	**100**	2,035,117	100

The value added represents the wealth created through the use of the group's asset by its employees' efforts. This statement shows the allocation of wealth amongst employees, capital providers, government, and that retained for future creation of wealth.

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FINANCIAL SUMMARY - THE COMPANY

31 DECEMBER	2023 N'000	2022 N'000	2021 N'000	2020 N'000	2019 N'000
Profit or loss account					
Revenue	**13,664,037**	16,781,334	11,116,678	5,905,687	6,261,101
(Loss) / Profit before income tax	**(819,445)**	229,625	(627,305)	(894,887)	(1,261,713)
Income tax expense	**(263,393)**	(117,338)	(28,304)	(15,335)	(31,874)
Loss for the year	**(1,082,838)**	112,287	(655,609)	(910,222)	(1,293,587)
Other comprehensive (loss)/ income	**(9,483)**	(11,880)	(3,898)	300,875	(10,668)
Total comprehensive loss for the year	**(1,092,321)**	100,407	(659,507)	(609,347)	(1,304,255)
Employment of funds					
Property, plant and equipment	**4,617,059**	4,758,540	4,684,374	4,796,315	4,488,679
Intangible assets	**16**	236	457	677	-
Investment in subsidiaries	**155,501**	155,501	155,501	156,501	156,501
Defined benefit plan	**-**	-	7,331	13,246	15,378
Other non-current receivables	**996,638**	474,123	502,427	490,347	439,910
Net-current liabilities	**(14,939,783)**	(13,479,735)	(13,550,683)	(15,940,150)	(15,008,581)
Non-current liabilities	**(56,337)**	(43,249)	(34,399)	(34,399)	-
Net liabilities	**(9,226,906)**	(8,134,585)	(8,234,992)	(10,517,463)	(9,908,113)
Funds employed					
Ordinary shares	**588,177**	588,177	588,177	588,177	588,177
Share premium account	**409,862**	409,862	409,862	409,862	409,862
Revaluation reserve	**3,174,364**	3,174,364	3,174,364	3,174,364	2,864,778
Loss sustained	**(13,399,309)**	(12,306,988)	(12,407,395)	(14,689,866)	(13,770,930)
	(9,226,906)	(8,134,585)	(8,234,992)	(10,517,463)	(9,908,113)
Basic/diluted (loss) / profit per share (Naira)	**(0.92)**	0.10	(0.56)	(0.77)	(1.10)
Net liabilities per share (Naira)	**(7.84)**	(6.92)	(7.00)	(8.94)	(8.42)

(Loss) / profit per share are based on (loss) / profit after tax divided by the issued and fully paid ordinary shares at the end of each financial year.

Net liabilities per share are based on net liabilities divided by the issued and fully paid ordinary shares at the end of each financial year.