C&I LEASING PLC

...competent people, reliable service

2012 ANNUAL REPORT & ACCOUNTS

CONTENTS

C & I LEASING PLC

FOR THE PERIOD ENDED 31ST DECEMBER 2012

OUR VISION

To become through innovation, the leasing and ancillary service company of choice for any discerning lessee in West Africa.

OUR MISSION

To provide customers with quality leasing and ancillary service solutions to meet their unique needs, supported by appropriate technology, in accordance with world-class systems and procedures

NOTICE IS HEREBY GIVEN that the 22nd Annual General Meeting of members of the Company will hold at THE INCUBATOR, No. 7/8 Chief Yesuf Abiodun Way, City of David Road, Oniru, Victoria Island, Lagos on Tuesday, December 17,2013 at 11.00 am prompt to transact the followings:

Ordinary Business

1. To receive the audited financial statements for the year ended 31st December 2012 together with the Reports of the Directors, Auditors and Audit Committee thereon
2. To declare a dividend.
3. To elect/ re-elect retiring directors.
4. To approve the remuneration of the directors
5. To authorize the directors to fix the remuneration of the auditors.
6. To elect members of the Audit Committee for the ensuing year accordingly.

Special Business

To consider and if thought fit, pass with or without modification (s) the following as special resolutions:

7. To approve the arrangement for the reconstruction of the Shares of the Company.

8. That the Directors be and are hereby authorized to take all such incidental, consequential and supplemental actions and to execute all requisite documents as may be necessary to give effect to the above resolutions.

Notes

1. Proxies

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy in his stead. Proxies need not be member of the Company. Executed proxy forms should be deposited with the Company Secretary at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.

2. Closure of Register

In compliance with section 89 of the Companies and Allied Matters Act 2004 and post-listing rules of the Nigerian Stock Exchange, the register will be closed from Thursday, December 12, 2013 to Wednesday, December 18, 2013 both days inclusive.

3. Audit Committee

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

4. Dividend

If the dividend of 2 kobo per share recommended by directors is approved by members at the Annual General Meeting, warrant will be posted on the 18th day of December,2013 to members, whose name appear in the Register of Members at the close of business on 11th December ,2013

.

Dated the 5th day of November 2013

BY ORDER OF THE BOARD

MBANUGO UDENZE & CO

COMPANY SECRETARY

CHAIRMAN STATEMENT

Distinguished shareholders, my colleagues on the Board, Gentlemen of the Press, Ladies and Gentlemen, I am pleased to welcome you to the 22nd Annual General Meeting of C&I Leasing Plc. It is a privilege for me to lay before you the Annual Report and the Financial Statements of your Company for the year ended 31 December 2012.

Since the listing of the company on the Nigerian Stock Exchange (NSE), the performance of the company has been commendable. The year 2012 has been pivotal to the growth and stability of your company as tremendous progress was made in restructuring the operations of the business. In the course of my address this morning, I shall also enumerate the plans on course to boost the performance of the company and create further wealth for the shareholders.

OPERATING ENVIRONMENT

Global Outlook

The global economy has yet to shake off the fallout from the crisis of 2008-2009. In 2012, the global economy was forecasted to grow by 3% due to restructuring of economic policy in Organization of Economic Co-operation and Development(OECD) countries, reduction in euro zone tail risks, consensus for unlikely chinese hard landing and U.S. moderation of its fiscal cliff. However, concern has continue to loom on the sustainability of these recovery signs as the global economic growth has dropped to almost 3 per cent due to a number of challenges such as the falling demand for Chinese exports, protracted euro zone debts crisis and reduced demand for goods in the Asia/Pacific region.

Overall, global exports only witnessed a mere 1% growth caused by export decline in China, Japan and Germany while the growth experienced in the U.S. contracted in the fourth quarter of 2012. This slowing trend will likely continue for the remainder of 2013 remaining a mix of a cautious improvement in mature economies and a stabilization of the slower growth rates in major emerging markets.

While macro trends remain weak and slow in the U.S. and Europe, there is progress in structural reform, political reform and deleveraging in most of Africa (e.g. Nigeria's AMCON role in stimulating market recovery), driving investors into the region in search of higher returns in FDI, capital markets and in green fields. For the first time Africans are leading the path of new investments across the globe. This trend, if sustained will lift intra-Africa trade, accelerate regional economic integration, uplift living standards and move the economic growth from single digits to double digits in the near-term.

Nigeria Outlook

The Nigerian economy slowed down from 7.4% growth in 2011 to 6.6% in 2012. The oil sector continues to drive the economy despite the fall in receipts, capacity utilization and revenue from the crude oil and gas exports, with average growth of about 8.0%, compared to -0.35% for the non-oil sector. Oil production was less than expected at 2.37million barrels per day during the first half of the year while the non-oil sector was affected by the incidents of flooding. Agriculture and oil and gas sectors continue to dominate economic activities during this period.

The inflation rate showed a general downward trend during the year, despite the economic challenges witnessed by the country. From 12.6% recorded in January 2012, the headline inflation rate reached 12.9% at the end of the first and second quarters of the year before slowing to 11.3% in the third quarter and by December, it has dropped to 12.2% from the previous month of 12.3%.

The CBN retained the Monetary Policy Rate at 12% throughout the year in order to manage the inflationary trend in the economy. Lending rates from banks and other financial institution closed at 18% and 23% for prime and maximum lending rates respectively. The attractiveness of yield on government securities and its lower risk when compared to the lending to other sectors further restricted the lending to other institution like ours.

Investor's confidence in the capital market is gradually returning as the NSE All-Share Index rose by 35.4 per cent or 7,348.18 basis points to 28,078.81 basis points on the day of the year, up from 20,730 points recorded at the beginning of the year. This positive upswing in the All share Index (ASI) is due to improved earnings, capital inflow and portfolio diversification. No wonder, that the equities market remained the most attractive investment window to foreign investors, accounting for 70 per cent of total capital investment in different sectors of the economy in the year 2012.

By and large, the corporate performance in Nigeria remains strong as it is supported by successful monetary and fiscal policy reforms. The security challenges posed by militants and insurgents in sections of the country and the delayed passage of the Petroleum Industry bill (PIB) slowed long-term investments for the Oil and Gas sector. We expect the PIB passage in 2013 to spur another cycle of significant investments that could act as a catalyst for the company and the rest of the economy as a whole.

OPERATING RESULTS

The Company

During the eleven months under review, the company recorded a turnover of N10.1billion naira, representing an increase of 20% over the previous year balance of N8.4billion. The rise in turnover was as a result of the sustained growth in revenue of our fleet management and outsourcing businesses. We recorded a net profit before tax of N235 million naira during this period as against a net loss of about N30 million naira recorded in the previous year, representing 897% increase in profit. This significant increase in net margin was largely due to various cost control measures put in place by the management.

The Group

The Group comprising C&I Motors, Citrans Ltd and Leasafric Ltd has its results consolidated during the period. The group recorded a turnover of N11.8billion compared to N10.5billion in the corresponding year. While the group recorded a loss before tax of N23 million in January 2012, it bounced back on a profitable level with a profit before tax of N187million. The huge turnaround was brought about by C&I Leasing and Leasafric positive results while C&I Motors and Citrans are still in loss position. Both the shareholder's fund and total assets grew from N4.1 billion and N20.6billion to N4.9billion and N21.4billion respectively representing an increase of 17% and 4% over the prior year figure. This is due to our election of converting the $10 million loan stock from Aureos Africa to equity and increase in the size of our fleet.

FUTURE OUTLOOK

Despite the challenging operating environment, our resolve is to continue to seek opportunities to expand our operations and markets of the company. The Board of your company has laid down the solid foundation for growth, expansion and diversification. This long-term strategy is already bearing fruits as we will remain consistent in improving the overall performance of the company with initiatives that will help to deepen our reach to customers and differentiate us from other competitors.

We will continue to strengthen our system, re-train our people, attract right talent mix and streamline our processes in order to deliver our corporate objectives in 2013 and year beyond.

Our future results will show improved year-on-year performance, retaining value in the company, sustaining our market leadership and brand presence

In the fourth quarter of 2013, we plan to take additional delivery of two new boats for the shell contract.

PROPOSED DIVIDENDS

In view of our performance during the year, the Board of Directors recommended a final dividend payout of 2kobo per share. The Board look forward to a better 2013 financial year, as we stay focused on our vision of being a market leader, leveraging our strengths to take advantages of the opportunities that abound in the markets we operate in.

Thank and God Bless you all.

AVM(rtd) Abdul D. Bello, GCON,CFR

THE REPORTS OF THE DIRECTORS AND
OPERATIONAL REVIEW

In year 2010, the Securities and Exchange Commission (SEC) had mandated all companies quoted on Nigerian Stock Exchange to prepare financial statements for the year ended December 2012 in accordance with the guideline of the International Financial Reporting Standard. In line with this directive, we present for the first time the Annual Financial Statements of your company for the year ended 31st December, 2012 in accordance with the requirements of IFRS

LEGAL FORM
C&I Leasing was initially licensed as a finance company after incorporation on 28 December, 1990. The company which is wholly owned by a number of institutional investors and individuals commenced business in June 1991, the company's shares were listed on the stock exchange in December 1997.

Since then C & I has diversified considerably and currently have the following subsidiaries as at year end with the following ownership structures:

C & I Motors – 100% owned
Citrans Global Limited- 76% owned
Leasafric Ghana Limited – 85.03%

PRINCIPAL ACTIVITIES
The Company's principal activities remained providing transportation logistics solutions in the form of car and marine vessel rental, fleet management and automobile distribution through its main operating entity and its subsidiaries. C & I Leasing is managed along four business units, namely: Hertz/Fleet Management, Marine Services, Financial Services and Personnel Outsourcing unit.

Hertz/Fleet management (Light and Heavy Equipment)

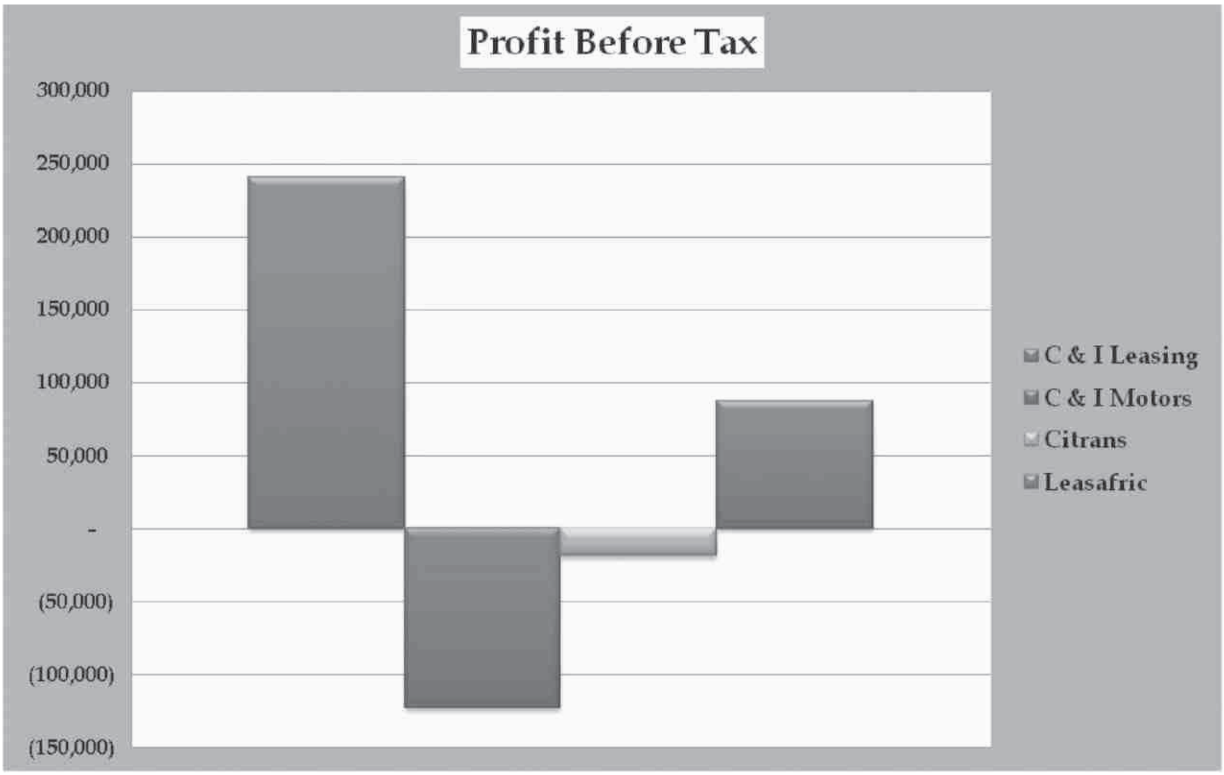
The unit which primarily comprises of Hertz car rental and light fleet management has been re-organized to include Heavy Automobiles. This unit has experienced robust growth over the last few years to become the largest outsourced fleet services operator, serving major organizations across the 36 states of the Federation. There is strong demand for the unit's service and the plan is to further increase the size of the fleet within the current year. We further plan to improve efficiency in this unit by deploying the cut edge technological solutions to manage the risk that may be associated with such rapid growth.

Marine Rentals
This unit is being restructured to include all marine businesses handled by the company. We have planned to take advantage and opportunities in the local content laws. With the addition of two boats to the existing shell contract in December, the unit has the prospect of transforming the company to greater heights which for their points to our stead to be a dominant player in the market.

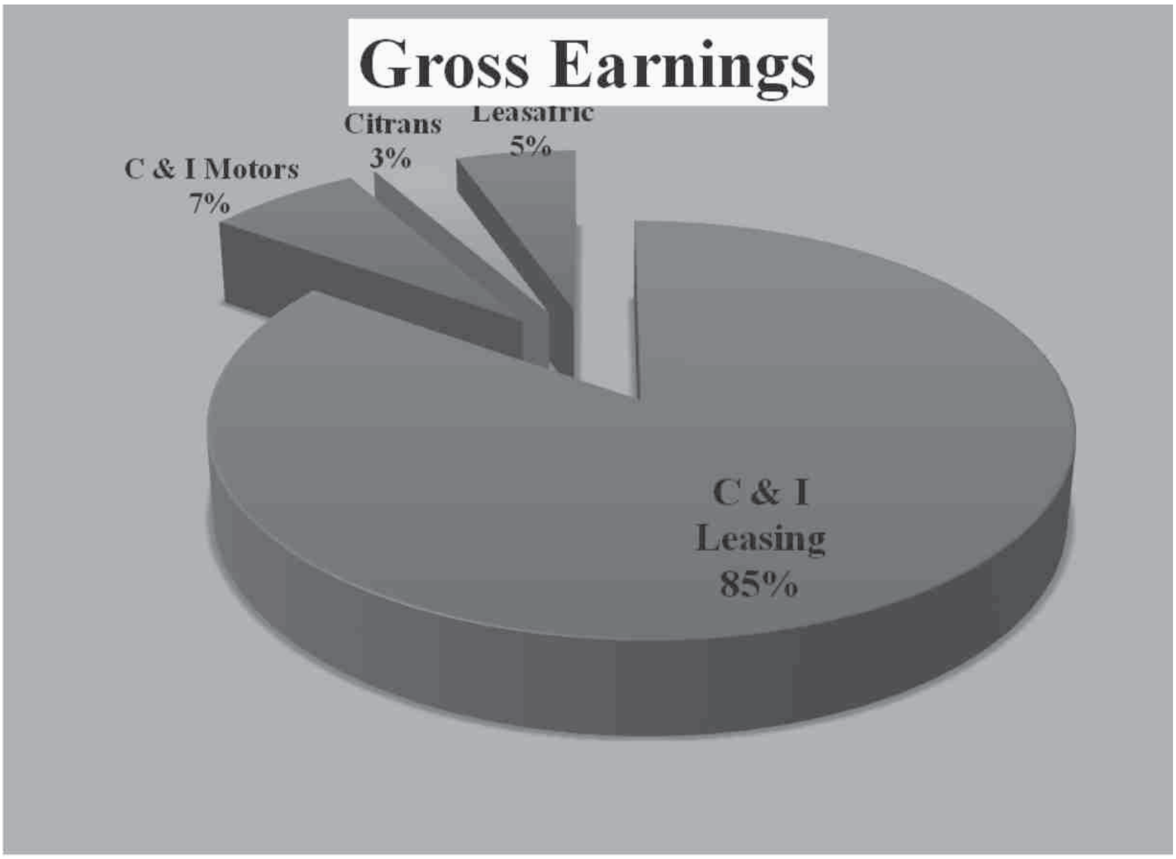
Outsourcing
The growth in outsourcing business is slowing due to loss of some contracts. However, there are hopes of improvement as new contracts have been entered to with Diamond Bank, Invensys Pace and few other companies. The various risk factors in this business include- funding, compliance with regulations and dwindling which had been considered and given serious considerations.

Financial Services
The scope of activities in the unit had been reviewed to continue to support the growth of the company automobile distribution business and other emerging opportunities. The default rate is expected to reduce with the redefinition of the target markets and enhancements of our credit appraisal procedures.

RESULT AT A GLANCE
The preparation of the annual financial statement is our responsibility and we declare that nothing has come to our attention to indicate that the company will not continue as a going concern for the foreseeable future.



The Parent Company, C & I Leasing contributed 127% of the consolidated profit before tax of N187 million naira. The contributions of other subsidiaries were: Citrans Ltd- (10) %, C& I Motors- (65) % and Leasafric is 47 %.



The Group's gross earning is as follows:

C & I Leasing – 85%
C & I Motors – 7%
Leasafric - 5%
Citrans – 3%

The 20% growth in gross earnings for the Company was largely due to increase in our fleet management business which grew by 25% from N2.1billion naira in the prior year to N3.2 billion in the current year ended 31st December, 2012.

THE MARKET AND REVIEW OF OPERATIONS:

The leasing industry with its significant impacts in the telecommunication industry, power, oil and gas and manufacturing sectors has catalyzed the economic development of Nigeria and has continued to make remarkable progress posting a substantial lease volume of N1.8 trillion over the last five years.

Despite the large number of players, we enjoyed competitive advantage due to our strong franchise value, expertise and rich antecedents over our competitors. New lease contracts were signed with highly rated companies in the oil and gas, telecommunications and banking sector.

Additional two patrol boats would be added to the existing 6 boats under charter with Shell in December 2013 for a contract period of 5 years with an option of renewal for an extra period of two years.

We expect more revenue from the project especially with the savings from interest rate reduction and improvement in cashflow with the lapse of milestone deduction in November.

High interest rate and borrowing constraints remain a major challenge. The average prime lending rate of 18% remains unattractive, as banks struggle to provide adequate funding for our growth initiative.

The liquidity tightening policy of the Central Bank of Nigeria (CBN) has continued to squeeze the capacity of banks to fund real sector growth. The new requirements for banks to keep 50% of public sector deposit (i.e. deposits from Federal, State and Local Government, all Ministries, Departments and Agencies (MDAs) with the Central Bank will continue to have significant effect on liquidity, ability of banks to lend and interest rate.

During the year ended, interest rate accounted for 21% of our direct cost.

Credit Rating:

During the year, C & I Leasing Plc received a rating report from both Augusto & Co and the Global Credit Rating- GCR as follows:

GCR – short term:	A3
Long term:	BBB-
Augusto & Co:	BBb

These ratings were investment grade ratings and we plan to improve on them through improved operational efficiency, effective risk management and control system and enhanced profitability in all facets of our business operations. We envisage that this will impact on average borrowing rate positively.

FUTURE OUTLOOK:

The future outlook remains positive for leasing companies inspite of the harsh economic environment. Given the enactment of the local content bill and the passage of the delayed Petroleum Industry Bill (PIB) in 2013, we expected another circle of significant investment that should act as catalyst for the rest of the economy. Analysts believe Nigeria is at the beginning of another five to seven year growth circle. Thus, 2013 should be a good year to renew CAPEX investment and strengthen governance framework to take advantage of growth potentials.

We are studying various alternative options to finance our operations and we are looking forward to issuing other series of the bond by 2014.

The convertible Zero Coupon Bond in our book is due for convertible redemption in the year 2014. The impact of the course of action to be taken had been discussed by the Board and in our opinion will not affect the shareholder's negatively.

The year 2013 will be our year of innovation, which will deliver better results as experienced in the first quarter of the year. We expected appreciable yield from our investment and we are positive that we are going to deliver higher returns in year 2013.

With the crop of dedicated staff at our disposal, the sky will be our beginning by his Grace.

APPROPRIATIONS:
In accordance with provisions of the law, N93.2 million representing 30% of the profit after tax was transferred to statutory reserves while N217.5 million has been transferred to general reserves to boost shareholders' funds.

STATE OF AFFAIRS
In the opinion of the Directors, the state of the affairs of the company is satisfactory and there has been no material change since the date of the statement of financial position.

CORPORATE GOVERNANCE:
The company is committed to observing high standards of corporate governance. The Board of directors recognizes the importance of best corporate governance principle, its valuable contribution to long term prosperity and creation of values to the various stakeholders. We take cognizance of the relevant corporate governance guides and adopt these principles in the governance of the company. We ensure compliance and disclosures, effective internal control, risk identification, evaluation and monitoring, adoption of appropriate accounting systems, providing leadership to ensure that our company continues to exist as a going concern.

THE BOARD OF DIRECTORS:
The C& I Leasing Board consist of the Chairman, seven non-executive directors and two executive directors. The board is sufficiently diversified to provide necessary balance required for effectiveness. The non-executive directors are independent of management and free from any constraints. They have experience and knowledge of the industry, markets, financials and/or other business information to make valuable contribution to the company's progress. The Managing Director is a separate individual from the chairman and he implements the management strategies and policies adopted by the Board. The individual directors and the Board as composed is responsible for providing good leadership and steering the corporation to achieving its long term goals.

The board is not just responsible to the providers of capital but also to all relevant stakeholders who have legitimate claims to the organization.

In evaluating the board in term of its roles and functions, the following summarize our responsibilities:

- The board has an appropriate level of involvement in the CEO's succession

- The board has an appropriate process to assess the CEO

- The board has sufficient information for the CEO evaluation

The board spends enough time discussing the long term plan of the company

- The board proposes changes in the company's direction

- The mission is prepared to deal with unforeseen company crisis

- The board has appropriate structures and processes to help evaluate the company's strategies and objectives

- The board effectively enquires into major performance deficiencies

We are conscious as directors of two sets of duties; the duty of care and the duty of loyalty. These duties guide our actions while on the board at all times.

Records of Directors attendance at Meeting:
Members of the Board of Directors hold periodic meeting to decide on policy matters and to direct the affairs of the company, review its operations, finances and formulate growth strategy Board agenda and report are provided ahead of meeting.

Further to the provision of section 258 (2) of the Companies and Allied Matters Act, CAP C20 LFN 2004, the record of the Directors' attendance at board meeting during the year under review is available at the company's corporate Head office for inspection.

Furthermore, in line with corporate governance principles, details of attendance of the current Directors at the Board meetings during the year are as follows:

ATTENDANCE FOR BOARD OF DIRECTORS MEETING- C& I LEASING PLC	Numbers of meetings held	Numbers of meetings attended
AVM A.D. BELLO	3	3
OGBUESHI H.C. OKOLO	3	2
MR. E. C. NDU	3	3
MR. TUNDE ALA-OLAIFA	3	2
MR. OLUGBENGA ADEMESO	3	3
MR IK DURU	3	3
PRINCESS N.U.I UCHE	3	3
MR. JACOB KHOLI/DR. OLUSEGUN OSO	3	3
MR P.S. UGBOMA/ IK EGBOGA	3	-
MR. ANDREW OTIKE - ODIBI	3	3

Board meetings were held on May 24, 2012, June 14.2012 and November 15, 2012.

COMMITTEE
In conformity with the Code of Best Practice in Corporate Governance, the company has put in place the following;

a. Board Operations Committee:
The operations committee is one of the committees of the Board performing oversight functions relating to strategic operational issues. It consists of five members, three non-

executive directors and two executive directors. During the year, the committee met only once:

ATTENDANCE FOR C&I LEASING PLC BOARD OPERATIONS COMMITTEE	Numbers of meetings held	Numbers of meetings attended
OGBUESHI H.C. OKOLO	1	1
MR. CHUKWUEMEKA NDU	1	1
MR. OLUGBENGA ADEMESO	1	1
DR. OLUSEGUN OSO I MR. RAVI SHARMA	1	1
MR. ANDREW OTIKE - ODIBI	1	1

Board Operations Committee meeting was held on April 17, 2012.

a. **Risk Management Committee:**

The Risk Management Committee is to assist with the oversight of the risk profile, risk management framework and the risk reward strategy as determined by the Board. The terms of reference include:

- Review and approval of the company's risk management policy including risk appetite and risk strategy;
- Review of the adequacy and effectiveness of risk management and control;
- Oversight of management's process for the identification of significant risks across the company and the adequacy of prevention, prevention, detection and reporting mechanisms;
- Review of the company's compliance level with applicable laws and regulatory requirements which may impact the company's risk profile;
- Periodic review of changes in the economic and business environment, including emerging trends and other factors relevant to the company's risk profile; and
- Review and recommend for approval of the Board risk management procedures and controls for new products and services.

Composition of the Risk Management Committee:

ATTENDANCE FOR C& I LEASING PLC RISK MANAGEMENT COMMITTEE	Numbers of meetings	Numbers of meetings
PRINCESS N.U.I UCHE		-
MR. CHUKWUEMEKA NDU	-	-
MR. JACOB KHOLI / MR. RAVI SHARMA	-	-
MR. ANDREW OTIKE- ODIBI	-	-

No meetings of the Risk Management Committee were held during the year as the committee is not yet formally constituted.

STATEMENT OF DIRECTORS' RESPONSIBILITIES.

Responsibilities in respect of financial statements

The Companies and Allied Matters Act 1990 requires the directors to prepare financial statement for each financial year that give a true fair view of the state of financial affairs of the company at the end of the year and of its profit and loss. The responsibilities include ensuring that the company:

(a) Keeps proper accounting records that disclose reasonable accuracy, the financial position of the company and comply with the requirements of the Companies and Allied Matters Act 1990;

(b) Establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

(c) Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied. The directors accepts responsibility for the annual financial statement, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgment, in conformity with the requirement of the Companies and Allied Matters Act 1990 and the Financial Reporting Council.

The Directors are of the opinion that the financial statements give a true and fair view of the state of affairs of the company, the financial position of the company and of its profit or loss. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the company will not remain a going concern for at least twelve months from the date of this statement.

DIRECTORS DECLARATION

None of the directors have:

Ever been convicted of an offence resulting from dishonesty, fraud or embezzlement;

Ever been declared bankrupt or sequestrated in any jurisdiction; at any time been a party to a scheme of arrangement or made any other form of compromise with their creditors;

Ever been found guilty in disciplinary proceedings by an employer or regulatory body, due to dishonest activities;

Ever been involved in any receiverships, compulsory liquidations or

creditors voluntary liquidations;
Ever been barred from entry into a profession or occupation; or

Ever been convicted in any jurisdiction of any criminal offence under any Nigerian legislation.

CODE OF BUSINESS ETHICS

Management has communicated the principles in the company's code of conduct to its employees in the discharge of their duties. These codes set their professionalism and integrity required for business operations which cover compliance with the law, conflicts of interest, environmental issues, reliability of financial reporting, bribery and strict adherence to the principles so as to eliminate the potential for illegal practices.

SHAREHOLDING STRUCTURE

The analysis of shareholding in the company as at December 31, 2012 was as follows:

LIST OF SUBSTANTIAL INTEREST IN SHARES AS AT 31 DEC 2012		
SHAREHOLDER	Number of shares held	% of Shareholding
LEADWAY ASSURANCE CO. LTD	140,000,353	6.37 %
INTERNATIONAL ENERGY INS. PLC	99,212,394	5.32 %
PATRICK UGBOMA SULE	80,416,666	5.0 %
GRAND TOTAL : 2	**319,629,413**	**17.05 %**

C & I LEASING PLC DIRECTORS SHAREHOLDING AS OF COB 31 DEC 2012

	NAME	TOTAL (DEC 2012)	SHAREHOLDING DIRECT (DEC 2012)	SHARE-HOLDING INDIRECT (DEC 2012)	INDIRECT HOLDER
1.	AVM. A. D. BELLO, GCON,CFR (CHAIRMAN)	717, 554	717,554		
2	OKOLO H.C. (VICE-CHAIRMAN)	14,269,093	14,269,093		
3	NDU CHUKWUEMEKA E (MANAGING DIRECTOR/CEO)	51,182,490	1,334,271	49,848,219	PETRA PROPERTIES
4	OMOTUNDE ALAO-OLAIFA	140,000,353		140,000,353	LEADWAY ASSURANCE CO. LTD
5	LARRY OLUGBENGA ADEMESO	59,126,435		59,126,435	CRUSADER INSURANCE CO LTD
6	DURU I.K.	60,000,010		60,000,010	CREDIT ALLIANCE FIN. SERVICE LTD
7	PRINCESS N.U.I UCHE	78,062,508		78,062,508	OUT CONSORTIUM
8	(KHOLI JACOB)	26,978,691		26,978,691	AUREOS WEST AFRICA FUND LLC
9	UGBOMA PATRICK SULE	80,416,666	80,416,666	-	
10	OTIKE-ODIBI ANDREW - (EXECUTIVE DIRECTOR)	564,400	564,400	-	
	DIRECTORS TOTAL	511,318,200	97,301,984	414,016,216	
	% OF TOTAL	31.6 %	6.0 %	25.6 %	
	TOTAL OUTSTANDING SHARES	1,617,010,000	1,617,010,000	1,617,010,000	

RETIREMENT BY ROTATION

The Directors to retire by rotation are Messrs Patrick Ugboma and Ikechukwu Duru, who being eligible offer themselves for re-election.

Range	No of Holders	%	Unit	%
1 – 10000	11'109	63.82	45,007,065	27.90
10001 – 50000	4,659	26.77	110,345,833	6.82
50001 – 100000	827	4.75	65,012,223	4.02
100001 – 500000	628	3.61	135,510,378	8.38
500001 – 1000000	83	0.48	64,036,362	3.96
1000001 – 5000000	64	0.37	139,574,514	8.63
5000001 – 10000000	9	0.05	61,606,201	3.81
10000001-50000000	19	0.11	406,406,058	25.13
50000001-100000000	6	0.03	433,095,013	26.78
100000001-500000000	1	0.01	156,416,353	9.67
Grand Total	**17,405**	**100**	**1,617,010,000**	**100**

EMPLOYMENT OF DISABLED PERSONS

The company gives full and fair consideration to application for employment made by disabled persons. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should as far as possible be identical with that of other employees.

EMPLOYEE INVOLVEMENT AND TRAINING

The company places considerable value on the involvement of its employees and has continued its practice of keeping them informed of matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings and other forms of communication. The employee share scheme has been running successfully since inception.

Employee training is carried out at various levels within the company through internal and external training. The company spent over nine million in respect of Staff Training during the year.

CHANGES IN AUDITORS

In accordance with Securities and Exchange Commission (SEC) rules on rotation of external auditor, we have hired the services of PKF Professional Services (Chartered Accountants) to replace Messrs Akintola Williams Deloitte (Chartered Accountants) who have served for more than 10years in office.

HEALTH, SAFETY & ENVIRONMENTAL POLICY

The Company's HSE policies and targets are an integral part of the management systems. Safeguarding the health and safety of employees, customers and visitors of C&I Leasing PLC is a fundamental concern of all levels of Management. The primary objective of our HSE program is to identify and eliminate insofar as reasonably possible, all health, safety and environmental hazards. For all operations, the risk must be controlled by limiting exposure to the hazards and by implementing effective measures which will minimize the possibility of injury, illness or disease and any form of environmental degradation.

It is the policy of C & I LEASING PLC to provide safe and healthful working conditions in all its facilities, and to comply with all laws and regulations pertaining to health and safety of its employees.

Furthermore, we are committed to the implementation of environmentally responsible practices throughout our operations to achieve our vision.

To accomplish this we shall:

Ensure that all levels of management and employees have adequate training exposure and skills necessary to ensure a high standard of safety awareness throughout the company.

Operate and maintain all facilities and equipment in a manner that will provide reasonable assurance that potential hazard to employees, customers and visitors are minimized.

Undertake our activities with an awareness of sustainability and best practicable environmental management and follow all environmental compliance procedures

Ensure compliance with laws applicable, regulations and recognized safe and environmental friendly practices. This compliance applies to any work-site where our services are provided.

Continue to work with industry, professional and regulatory organizations in the improvement of established codes of practice, procedures and specifications relevant to health, safety and environmental protection.

Monitor and review the effectiveness of our implementation programs to ensure accomplishment of program objective and take corrective measures in event of a shortfall.

CORPORATE RISK AND INTERNAL CONTROL SYSTEMS

C & I Leasing PLC has well- established internal control system for identifying, managing and monitoring risk. These are designed to provide reasonable assurance that the risks facing the business are being controlled. The corporate internal audit function of the company plays a key role in providing an objective view and continuing assessment of effectiveness of internal control systems in the business. The system of internal controls are implemented and monitored by appropriately trained personnel and their duties and reporting lines are clearly defined. The reports of the internal control are reviewed by the audit committee.

The company also has a corporate risk committee consisting of the chairman and three other members. The committee is charged with the responsibility of identifying, evaluating, and managing the potential risks facing the company. The committee reports to the executive director.

AUDIT COMMITTEE

The Audit Committee was composed of six members made up of three representative of the shareholders elected at the Annual General Meeting for a tenure of one year till the conclusion of the 2012 Annual General Meeting; and three representatives of the Board of Directors nominated by the Board.

The terms of reference include as provided in section 359 (6) of the Companies and Allied Matters Act CAP C20 Laws of the Federation of Nigeria, 2004.

1. Ascertain whether the accounting and reporting policies of the company are in accordance with legal requirements and agreed ethical practices;

2. Review the scope and planning of audit requirement;

3. Review the finding on management letters in conjunction with the external auditors and departments responsible there on;

4. Keep under review the effectiveness of the company's system of accounting and internal control;

5. Make recommendations to the Board in regard to the appointment, removal and remunerations of the external auditors of the company and;

6. Authorize the internal auditors to carry out investigation into any activities of the company which may be of interest or concern to the committee.

ATTENDANCE FOR C & I LEASING PLC AUDIT COMMITTEE	Numbers of meetings held	Numbers of meetings attended
MR. S.B. ADERENLE	4	4
MR. FEMI ODUYEMI	4	4
MISS VINCENT CHRISTIE O.	4	4
PRINCESS (MRS.) N. U. I UCHE	4	4
MR. I K DURU	4	4
MR. TUNDE ALAO-OLAIFA (REPLACED MR. OLAWALE O. OYEDELE)	4	1

The details of attendance at Audit Committee Meetings during the year are as follows: March 15, 2012, April 04, 2012, May 22, 2012 and October 02, 2012.

DIVIDEND / DIVIDEND HISTORY

The directors are pleased to recommend to the shareholders the payment of dividend in respect of the year ended 31 December, 2012 of N37,328,059 that is 2 kobo per share. This is subject to the deductions of appropriate withholding tax

Financial Yr End	Dividend no	Final/interim	Amt declared	Amount Paid (N)
12/12/1997	4	Final	23,964,627.10	0.1
12/12/1998	5	Final	18,000,000.00	0.15
12/1/1999	6	Final	24,000,000.00	0.1
12/12/2000		Interim	12,000,000.00	0.05
1/31/2001	8	Final	24,000,000.00	0.1
1/31/2002	9	Final	36,170,935.65	0.15
1/31/2003	10	Final	36,000,000.00	0.15
1/31/2004	11	Final	40,000,000.00	0.1
1/13/2005	12	Final	60,000,000.00	0.1
1/31/2006	13	Interim	30,000,000.00	0.05
1/31/2006	14	Final	60,000,000.00	0.1
1/31/2007	15	Final	80,029,700.00	0.05
1/31/2008	16	Interim	96,035,640.00	0.06
1/31/2008	17	Final	95,792,821.80	0.06
1/31/2009	18	Final	191,585,643.601	0.12
1/31/2010	19	Final	42,000,000	0.02

INDEPENDENT AUDITORS

The auditors, PKF Professional Services (Chartered Accountants) have indicated their willingness to continue in office in accordance with section 357 (2) of the Companies and Allied Matters Act, LFN 2004, CAP 20. A resolution will be passed at the Annual General Meeting to authorize the Directors to fix the remunerations of the auditors.

Dated November 11, 2013
By Order of the Board

MBANUGO UDENZE & CO
COMPANY SECRETARY

REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF C&I LEASING PLC

Report on the financial statements
We have audited the accompanying consolidated financial statements of C&I Leasing Plc ("the Company") and its subsidiaries (together, "the Group"), set out on pages 3 to 77, the consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and the related notes to the consolidsated financial statements and a sumary of significant accounting policies and other explanatory information.

Directors' responsibiity for the consolidated financial statements
The Directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the International Financial Reporting Standards and with the requirements of the Companies and Allied Matters Act, Cap C20, LFN 2004, and the Banks and Other Financial Institutions Act, Cap B3, LFN 2004, and for such internal control as the Directors determine are necessary, to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Nigerian and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evience about the amounts and disclosures in the financial statements.

The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether dur to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control.
An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion
In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of C&I Leasing Plc and its subsidiaries as at 31 December 2012 and of the financial performance and cash flows for the period then ended. The Company has kept proper books of account, which are in agreement with the consolidated statement of financial position, income statement, and in accordance with the requirements of International Financial Reporting Standards in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011 and in the manner required by the Companies and Allied Matters Act, Cap C20, LFN 2004, the Banks and Other Financial Institutions Act, Cap B3, LFN 2004.

Report on other legal requirements
The Company has complied with the requirements of the relevant circulars issued by Central Bank of Nigeria. In accordance with circular BSD/1/2004 issued by the Central Bank of Nigeria, details of insider-related credits are as disclosed in Note 54 to the consolidated financial statements.

During the period the Company contravened certain sections of the Banks and Other Financial Institutions Act, CAP B3 LFN 2004 and Central Bank of Nigeria circulars/guidelines, the details of the contravention and the related penalty are as disclosed in Note 56 to the consolidated financial statements.

Other matter
The consolidated financial statements of C&I Leasing Plc and its subsidiaries for the year ended 31 January 2012 were audited by another auditors who expressed an unmodified opinion on those consolidated financial statements on 14 June 2012.

Chartered accountants
Lagos, Nigeria.
FRC/2013/ICAN/00000000753

Date:

C&I LEASING PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2012

		Group			Company		
		31 December 2012	31 January 2012	1 February 2011	31 December 2012	31 January 2012	1 February 2011
	Notes	N'000	N'000	N'000	N'000	N'000	N'000
Assets							
Cash and balances with banks	10	**389,999**	455,593	357,607	**200,591**	223,479	146,782
Loans and receivables	11	**738,099**	605,281	253,951	**1,271,711**	1,173,598	938,599
Trade receivables		**282,374**	241,351	247,068	**-**	-	-
Finance lease receivables	12	**7,351,116**	7,164,775	4,227,630	**5,999,936**	5,884,766	2,971,143
Available for sale assets	13	**24,401**	45,166	46,453	**24,401**	45,166	46,453
Investment in subsidiaries	14	**-**	-	-	**1,600,924**	1,112,652	1,112,652
Other assets	15	**2,386,808**	3,133,271	3,380,824	**2,304,204**	2,761,673	2,922,468
Inventories	16	**766,172**	585,730	626,698	**-**	-	-
Operating lease assets	17	**7,586,359**	7,002,655	2,834,758	**6,877,565**	6,658,395	2,626,274
Property, plant and equipment	18	**1,042,925**	727,784	741,508	**900,019**	541,125	547,382
Intangible assets		**-**	-	709	**-**	**-**	**-**
Deferred income tax assets	24.4	**853,257**	675,156	527,376	**813,120**	675,156	527,376
Total assets		**21,421,510**	20,636,762	13,244,582	**19,992,471**	19,076,010	11,839,129
Liabilities							
Balances due to banks	19	**832,682**	1,405,004	1,475,880	**670,003**	1,252,140	809,273
Borrowings	20	**10,096,228**	10,240,427	6,225,789	**8,938,264**	8,795,365	5,348,782
Trade payables		**305,064**	272,823	114,604	**-**	-	-
Deferred maintenance charge	21	**3,465,253**	3,219,497	743,143	**3,465,253**	3,219,497	743,143
Other liabilities	22	**1,510,364**	1,127,061	745,450	**1,024,808**	880,151	245,621
Retirement benefits obligation	23	**164,669**	205,688	99,420	**164,669**	205,688	99,420
Current income tax liabilty	24.2	**73,654**	43,461	48,846	**104,153**	43,298	45,277
Deferred income tax liability	24.4	**47,134**	7,807	8,412	**-**	-	-
Total liabilities		**16,495,048**	16,521,768	9,461,544	**14,367,150**	14,396,139	7,291,516
Equity							
Share capital	25	**808,505**	808,505	808,505	**808,505**	808,505	808,505
Deposit for shares	26	**1,951,350**	1,565,500	1,498,500	**1,951,350**	1,565,500	1,498,500
Share premium		**679,526**	679,526	679,526	**679,526**	679,526	679,526
Statutory reserve	27	**460,532**	339,094	321,405	**425,359**	332,141	312,335
Statutory credit reserve	28	**16,648**	16,648	1,215	**-**	-	-
Retained earnings	29	**501,536**	370,263	335,517	**1,513,231**	1,295,721	1,248,982
Exchange translation reserve	30	**100,631**	183,184	-	**-**	-	-
AFS fair value reserve	31	**3,510**	(1,522)	(235)	**3,510**	(1,522)	(235)
Revaluation reserve	32	**243,840**	**-**	**-**	**243,840**	-	-
		4,766,078	3,961,198	3,644,433	**5,625,321**	4,679,871	4,547,613
Non-controlling interest	33	**160,384**	153,796	138,605	**-**	-	-
Total equity		**4,926,462**	4,114,994	3,783,038	**5,625,321**	4,679,871	4,547,613
Total liabilities and equity		**21,421,510**	20,636,762	13,244,582	**19,992,471**	19,076,010	11,839,129

The accompanying notes are an integral part of these consolidated financial statements.

These consolidated financial statements on pages 3 to 77 were approved by the Board of Directors on 5 November 2013 and signed on its behalf by :

AVM (Rtd) Abdullahi Bello, CFR
Group Chairman
FRC/2013/IODN/00000003944

Emeka Ndu
Group Mananging Director/CEO
FRC/2013/ICAN/00000003955

Adesoji Aiyeola
Head, Finance
FRC/2013/ICAN/00000003946

C & I LEASING PLC

CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2012

		Group		Company	
		11 months to 31 December 2012	12 months to 31 January 2012	11 months to 31 December 2012	12 months to 31 January 2012
	Notes	N'000	N'000	N'000	N'000
Gross earnings		**11,759,495**	10,495,768	**10,092,696**	8,409,439
Lease rental income	36	**10,401,407**	8,582,355	**9,804,483**	8,148,797
Lease interest expenses	37	**(1,551,559)**	(730,516)	**(1,299,906)**	(618,344)
Net finance lease income		**8,849,848**	7,851,839	**8,504,577**	7,530,453
Vehicle sales	38	**767,125**	1,298,632	**-**	-
Vehicle operating expenses	39	**(555,728)**	(1,149,036)	**-**	-
Net income from vehicle sales		**211,397**	149,596	**-**	**-**
Tracking and tagging income	40	**108,394**	73,656	**-**	-
Interest income	41	**11,740**	18,510	**1,372**	3,940
Other income	42	**470,829**	522,615	**286,841**	256,702
		590,963	614,781	**288,213**	260,642
Operating income		**9,652,208**	8,616,216	**8,792,790**	7,791,095
Impairment charge	35	**(271,394)**	(228,736)	**(241,705)**	(249,646)
Operating expenses	43	**(6,828,344)**	(6,036,872)	**(6,665,560)**	(5,878,411)
Administrative expenses	44	**(2,365,449)**	(2,374,090)	**(1,649,546)**	(1,692,630)
Profit on continuing operations before taxation		**187,021**	(23,482)	**235,979**	(29,592)
Income tax	24.1	**72,278**	91,108	**74,749**	96,137
Profit on continuing operations after taxation		**259,299**	67,626	**310,728**	66,545
Profit from discontinued operations after taxation		**-**	-	**-**	-
Profit for the period/year		**259,299**	67,626	**310,728**	66,545
Profit attributable to:					
Owners of the parent		**252,711**	52,435	**310,728**	66,545
Non-controlling interests		**6,588**	15,191	**-**	-
		259,299	67,626	**310,728**	66,545
Appropriation of profit attributable to owners of the parent:					
Transfer to statutory reserve	27	**121,438**	17,689	**93,218**	19,806
Transfer to retained earnings	29	**131,273**	34,746	**217,510**	46,739
		252,711	52,435	**310,728**	66,545
Basic earnings per share[kobo]	48	**16.04**	**4.18**	**19.22**	**4.12**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2012

		Group		Company	
		11 months to 31 December 2012	12 months to 31 January 2012	11 months to 31 December 2012	12 months to 31 January 2012
	Notes	N'000	N'000	N'000	N'000
Profit for the period		**259,299**	**67,626**	**310,728**	**66,545**
Other comprehensive income					
Exchange difference on translation of foreign operations	30	**(82,553)**	183,184	**-**	**-**
Surplus on revaluation of property, plant and equipment	32	**243,840**	-	**243,840**	-
Net gain /(loss) on available financial assets	31	**5,032**	(1,287)	**5,032**	(1,287)
Other comprehensive income (net of tax)		**166,319**	181,897	**248,872**	(1,287)
Total comprehensive income (net of tax)		**425,618**	249,523	**559,600**	65,258
Attributable to:					
Owners of the parent		**419,030**	234,332	**559,600**	65,258
Non-controlling interest		**6,588**	15,191	**-**	-
		425,618	249,523	**559,600**	65,258

The accompanying notes are an integral part of these consolidated financial statements.
4

C & I LEASING PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2012

Group	Share capital N'000	Share premium N'000	Deposit for shares N'000	Statutory Reserve N'000	Statutory credit reserve N'000	Retained earnings N'000	Exchange translation reserve N'000	AFS fair value reserve N'000	Revaluation reserve N'000	Non-controlling interest N'000	Total equity N'000
At 1 February 2011	808,505	679,526	1,498,500	321,405	1,215	305,504	-	(235)	-	138,605	3,753,025
Changes in equity for the year ended 31 January 2012											
Profit for the year	-	-	-	17,689	-	34,746	-	-	-	15,191	67,626
Other comprehensive income				-	-	-	-	-	-	-	-
Fair value changes on available for sale financial assets	-	-	-	-	-	-	-	(1,287)	-	-	(1,287)
Surplus on revaluation of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-
Gain on foreign operations translation	-	-	-	-	-	-	183,184	-	-	-	183,184
Total comprehensive income for the year ended 31 January 2012	-	-	-	17,689	-	34,746	183,184	(1,287)	-	15,191	249,523
Transactions with owners											
Transfer from retained earnings	-	-	-	-	14,580	-	-	-	-	-	14,580
Exchange difference on conversion of deposit for shares	-	-	67,000	-	-	-	-	-	-	-	67,000
Dividends paid during the year	-	-	-	-	-	-	-	-	-	-	-
At 31 January 2012	**808,505**	**679,526**	**1,565,500**	**339,094**	**15,795**	**340,250**	**183,184**	**(1,522)**	**-**	**153,796**	**4,084,128**
At 31 January 2012	808,505	679,526	1,565,500	339,094	15,795	340,250	183,184	(1,522)	-	153,796	4,084,128
Changes in equity for the period ended 31 December 2012											
Profit for the period	-	-	-	121,438	-	131,273	-	-	-	6,588	259,299
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Fair value changes on available for sale financial assets	-	-	-	-	-	-	-	5,032	-	-	5,032
Surplus on revaluation of property, plant and equipment	-	-	-	-	-	-	-	-	243,840	-	243,840
Gain on foreign operations translation	-	-	-	-	-	-	(82,553)	-	-	-	(82,553)
Total comprehensive income for the period	-	-	-	121,438	-	131,273	(82,553)	5,032	243,840	6,588	425,618
Transactions with owners											
Deposit for future subscription of shares	-	-	416,958	-	-	-	-	-	-	-	416,958
Exchange difference on conversion of deposit for shares			(31,108)	-	-	-	-	-	-	-	(31,108)
Dividend paid during the period	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2012	**808,505**	**679,526**	**1,951,350**	**460,532**	**15,795**	**471,523**	**100,631**	**3,510**	**243,840**	**160,384**	**4,895,596**

C & I LEASING PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2012

Company	Share Capital N'000	Share Premium N'000	Deposit for shares N'000	Statutory Reserve N'000	Statutory credit reserve N'000	Retained earnings N'000	AFS fair value reserve N'000	Revaluation reserve N'000	Total equity N'000
At 1 February 2011	808,505	679,526	1,498,500	312,335	-	1,248,982	(235)	-	4,547,613
Changes in equity for the year ended 31 January 2012									
Profit for the year	-	-	-	19,806	-	46,739	-	-	66,545
Other comprehensive income							-	-	-
Fair value changes on available for sale	-	-	-	-	-	-	(1,287)	-	(1,287)
Surplus on revaluation of property, plant and equipment	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year ended 31 January 2012	-	-	-	19,806	-	46,739	(1,287)	-	65,258
Transactions with owners									
Issue of share capital	-	-		-	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-	-	-	-	-
Exchange difference on conversion of deposit for shares	-	-	67,000	-	-	-	-	-	67,000
Dividends paid during the period	-	-	-	-	-	-	-	-	-
At 31 January 2012	**808,505**	**679,526**	**1,565,500**	**332,141**	**-**	**1,295,721**	**(1,522)**	**-**	**4,679,871**
At 31 January 2012	**808,505**	**679,526**	**1,565,500**	**332,141**	**-**	**1,295,721**	**(1,522)**	**-**	**4,679,871**
Changes in equity for the period ended 31 December 2012									
Profit for the period	-	-	-	93,218	-	217,509	-	-	310,727
Other comprehensive income									
Fair value changes on available for sale financial assets	-	-	-	-	-	-	5,032	-	5,032
Surplus on revaluation of property, plant and equipment	-	-	-	-	-	-	-	243,840	243,840
Total comprehensive income for the period ended 31 December 2012	-	-	-	93,218	-	217,509	5,032	243,840	559,599
Transactions with owners									
Transaction costs for equity issue	-	-	-	-	-	-	-	-	-
Deposit for future subscription of shares	-	-	416,958	-	-	-	-	-	416,958
Exchange difference on conversion of deposit for shares	-	-	(31,108)	-	-	-	-	-	(31,108)
Dividends paid during the period	-	-	-	-	-	-	-	-	-
At 31 December 2012	**808,505**	**679,526**	**1,951,350**	**425,359**	**-**	**1,513,230**	**3,510**	**243,840**	**5,625,320**

C & I LEASING PLC

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2012

	Notes	Group		Company	
		11 months to 31 December 2012 N'000	12 months to 31 January 2012 N'000	11 months to 31 December 2012 N'000	12 months to 31 January 2012 N'000
Cash flows from operating activities					
Finance lease income		**10,401,407**	8,582,355	**9,804,483**	8,148,797
Interest income received		**11,740**	18,510	**1,372**	3,940
Vehicle sales income		**767,125**	1,298,632	**-**	-
Tracking and tagging income		**108,394**	73,656	**-**	-
Other income received		**470,829**	522,615	**286,841**	256,702
Cash payment to employees and suppliers		**(8,503,715)**	(8,249,968)	**(7,186,566)**	(6,703,062)
VAT output		**(85,248)**	(122,175)	**(85,248)**	(79,086)
Income tax paid		**(33,944)**	(62,057)	**-**	(53,622)
Operating profit before changes in operating assets/liabilities		**3,136,588**	2,061,568	**2,820,882**	1,573,669
Decrease in operating assets		**134,721**	(3,165,058)	**55,005**	(3,237,470)
Decrease in operating liabilities		**620,281**	2,857,965	**349,394**	3,110,884
Net cash from operating activities	45	**3,891,590**	1,754,475	**3,225,281**	1,447,083
Cash flows from investing activities					
Additional investments in subsidiaries		**-**	-	**(488,272)**	-
Proceeds from sale of investments securities		**37,038**	-	**37,038**	-
Proceeds from sale of operating lease assets		**206,641**	214,908	**206,641**	165,722
Proceeds from sale of property, plant and equipment		**4,547**	347	**-**	200
Purchase of operating lease assets		**(1,838,749)**	(4,958,772)	**(1,252,153)**	(4,588,949)
Purchase of property, plant and equipment		**(195,893)**	(95,147)	**(153,309)**	(29,174)
Net cash used in investing activities		**(1,786,416)**	(4,838,664)	**(1,650,055)**	(4,452,201)
Cash flows from financing activities					
Interest on term loans and balances due to banks		**(1,551,559)**	(730,516)	**(1,299,906)**	(618,344)
Proceeds from borrowings		**326,161**	4,014,641	**656,974**	3,362,071
Redemption of borrowings		**(790,005)**	(305,059)	**(790,005)**	(104,779)
Proceeds from deposit for shares		**416,958**	-	**416,958**	-
Other borrowings		**-**	273,985	**-**	-
Net cash used in financing activities		**(1,598,445)**	3,253,051	**(1,015,979)**	2,638,948
Increase/(decrease) in cash and cash equivalents		**506,729**	168,862	**559,247**	(366,170)
Cash and cash equivalents at the beginning of the period		**(949,412)**	(1,118,273)	**(1,028,661)**	(662,491)
Cash and cash equivalents at the end of the period	34	**(442,683)**	**(949,411)**	**(469,414)**	**(1,028,661)**

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2012

1. The reporting entity

These financial statements comprise the consolidated financial statements of C & I Leasing Plc (referred to as "the company" and its subsidiaries (referred to as "the group"). The Company was incorporated on 28 December 1990 and commenced business in June 1991. The Company was licensed by the Central Bank of Nigeria (CBN) as a finance company and is owned by a number of institutional and individuals investors. The company's shares were listed on the Nigerian Stock Exchange (NSE) in December 1997. The Company is regulated by the Central Bank of Nigeria (CBN), the Securities and Exchange Commission (SEC), the NIgerian Stock Exchange (NSE) in addition, the Company renders annual returns to the Corporate Affairs Commission (CAC). As at period end, the Company has three subsidiary companies namely:

C & I Motors Limited
Citrans Global Limited
Leasafric Ghana Limited

The Registered office address of the company is at C & I Leasing Drive, Off Bisola Durosinmi Etti Drive, Lekki Phase 1, Lagos, Nigeria.

The principal activities of the Group are provision of equipment leasing, logistics solution in the form of car and marine vessel rentals, fleet management and automobile distribution through its main operating entity and its subsidiaries.

These consolidated financial statements cover the financial period from 1 February 2012 to 31 December 2012 with comparative for the year ended 31 January 2012 and opening statement of financial position as at the transition date of 31 January 2011.

The consolidated financial statements for the period ended 31 December 2012 were approved for issue by the Board of Directors on 5 November 2013.

2. Basis of preparation

2.1 Statement of compliance with IFRSs

The Group's financial statements for the period ended 31 December 2012 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB. Additional information required by local regulators has been included where appropriate. These are the first financial statements of the Group prepared in accordance with IFRS, and IFRS 1 - First-time Adoption of IFRS has been applied.

The financial statements comprise of the consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and the related notes to the consolidsated financial statements.

An explanation of how the transition to IFRSs has affected the reported financial position, financial performance and cash flows of the group is provided in note 57.

2.2 Basis of measurement

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

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 financial statements present the financial position and results fairly.

2.3 Functional and presentation currency

The consolidated financial statements are presented in the Nigerian Naira (NGN), which is the Group's chosen currency for presentation and has been rounded up to the nearest thousand except otherwise indicated.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiaries as at 31 December, 2012.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the group obtains control, and continues to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using the same accounting policies.

All inter-group balances, transactions, dividends, unrealised gains on tranasctions within the Group are eliminated on consolidation. Unrealised losses resulting from inter-group transactions are eliminated, but only to the extent that there is no evidence of impairment.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

2.5 Summary of standards and interpretations effective for the first time in December 2012

2.5.1 IAS 24 Related parties

The revised standard provides some exemptions for certain government related entities, clarifies the definition of a related party and includes an explicit requirement to disclose commitments to related parties. The revised standard specifically defines associates of the ultimate parent Group as related parties of the group, and they have been treated as such in these consolidated financial statements.

2.5.2 IAS 1 Presentation of financial statements

This clarifies that entities may present the analysis of each component of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements.

2.5.3 IFRS 7 Financial instruments

The amended standard clarified that additional disclosure of maximum exposure to credit risk is only required where the exposure is not reflected in the carrying amount. It requires disclosure of the financial effect of collateral held as security for financial assets, and removed the requirement to specifically disclose financial assets, where the terms have been renegotiated.

2.6 New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2012 and not early adopted

2.6.1 IFRS 9, 'Financial instruments'

This addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost, this determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Group is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 not later than the accounting period beginning on or after 1 January 2015.

2.6.2 IFRS 13, 'Fair value measurement'

IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value, a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provides guidance on how it should be applied where it use is already required or permitted by other standards within IFRSs or US GAAP. The Group is yet to assess IFRS 13's full impact and intends to adopt IFRS 13 not later than the accounting period beginning on or after 1 January 2013.

2.6.3 IAS 19, 'Employee benefits'

IAS 19 was amended in June 2011. The impact of this standard is as follows: to eliminate the corridor approach and recognise all actuarial gains/losses in other comprehensive income (OCI) as they occur; to immediately recognise all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The Group is yet to assess the full impact of the amendments.

2.6.4 IFRS 10, 'Consolidated financial statements'

Built on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the financial statements of the parent company. The standard revises the definition of control and provides additional guidance to assist in the determination of control where this is difficult to assess. The basic principle is that an entity includes a parent and its subsidiaries as if they were a single entity and consolidation procedures remain unchanged.

2.6.5 IFRS 11, 'Joint venture'

An entity is required to determine the type of joint arrangement in which it is a party by assessing its rights and obligations. This should then be accounted for in accordance with the type of joint arrangement. The standard defines joint operations and joint ventures and requires the following treatment thereof:

- A joint operation is a joint arrangement where the parties have joint control of the arrangement (joint operators), have rights to the assets and obligations to the liabilities of the arrangement. Joint operators recognise their assets, liabilities, revenue and expenses in relation to their individual interest in the joint operation.
- A joint venture is a joint arrangement where the parties have joint control of the arrangement (joint venturers) and have rights to the net assets of the arrangement. Joint venturers should account for such investments on the equity method, and therefore recognize their assets, liabilities, revenue and expenses equally.

2.6.6 IFRS 12, 'Disclosure of interests in other entities'

IFRS 12 sets out the requirements for disclosure of information of what nature, risks associated with, interests in other entities and the effects of those interests on its financial statements.

2.6.7 IAS 27, 'Separate Financial Statements; IAS 28, 'Investments in associates and joint ventures'

These two existing standards have been amended in order to align them with the newly released standards. The revised IAS 27 now deals with the requirements for the preparation of separate financial statements only. The previous standard also dealt with consolidated financial statements, whose requirements are now included in IFRS 10 Consolidated Financial Statements. The standard also requires that investments in subsidiaries, associates and jointly controlled entities be carried, either at cost or in accordance with IFRS 9.

The effective date of IFRS 10, 11 & 12 and amended IAS 27 & 28 is 1 January 2013, while early adoption is permitted, it must be noted that these should be adopted as a package of standards and none of them may be individually adopted.

3. Summary of significant accounting policies

The significant accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and in preparing the opening IFRS statement of financial position at 1 February 2011 for the purpose of the transition to IFRSs, unless otherwise stated.

3.1 Investments in subsidiaries

The consolidated financial statements incorporates the financial statements of the Company and all its subsidiaries where it is determined that there is a capacity to control.

Control means the power to govern, directly or indirectly, the financial and operating policies of an entity so as to obtain benefits from its activities. All the facts of a particular situation are considered when determining whether control exists.

Control is usally present when an entity has:
- Power over more than one-half of the voting rights of the other entity;
- Power to govern the financial and operating policies of the other entity;
- Power to appoint or remove the majority of the members of the board of directors or equivalent governing body; or
- Power to cast the majority of votes at meetings of the board of directors or equivalent governing body of the entity.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date that control ceased. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Group.

In its separate accounts, the Company accounts for its investment in subsidiaries at cost.

3.2 Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The investment in an associate is initially recognized at cost in the separate financial statements, however in its consolidated financial statements; it is recognized at cost and adjusted for in the Group’s share of changes in the net assets of the investee after the date of acquisition, and for any impairment in value. If the Group’s share of losses of an associate exceeds its interest in the associate, the group discontinues recognizing its share of further losses.

3.3 Investments in joint ventures

A joint venture is an entity over which the Group has joint control. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control. The investment in a joint venture is initially recognized at cost and adjusted for in the Group’s share of the changes in the net assets of the joint venture after the date of acquisition, and for any impairment in value. If the Group’s share of losses of a joint venture exceeds its interest in the joint venture, the company discontinues recognizing its share of further losses.

3.4 Investments in special purpose entities (SPEs)

SPEs are entities that are created to accomplish a narrow and well-defined objective. The financial statements of the SPE is included in the consolidated financial statements where on the substance of the relationship with the Group and the SPE's risk and reward, the Group concludes that it controls the SPE.

3.5 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group’s cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

3.6 Intangible assets

3.6.1 Intangible assets acquired separately

Intangible assets acquired separately are shown at historical cost less accumulated amortization and impairment losses.

Amortization is charged to income statement on a straight-line basis over the estimated useful lives of the intangible asset unless such lives are indefinite. These charges are included in other expenses in income statement. Intangible assets with an indefinite useful life are tested for impairment annually.

Amortization periods and methods are reviewed annually and adjusted if appropriate.

3.6.2 Intangible assets generated internally

Expenditures on research or on the research phase of an internal project are recognized as an expense when incurred. The intangible assets arising from the development phase of an internal project are recognized if, and only if, the following conditions apply:

• It is technically feasible to complete the asset for use by the group
• The group has the intention of completing the asset for either use or resale
• The group has the ability to either use or sell the asset
• It is possible to estimate how the asset will generate income
• The group has adequate financial, technical and other resources to develop and use the asset
• The expenditure incurred to develop the asset is measurable.

If no intangible asset can be recognised based on the above, then development costs are recognised in profit or loss in the period in which they are incurred.

3.7 Property, plant and equipment

3.7.1 Initial recognition

All items of property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any, except for land and buildings to be reported at their revalued amount net of accummulated depreciation and/or accummulated impairment losses. Acquisition costs includes the cost of replacing component parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the group derecognises the replaced part, and recognises the new part with its own associated useful life and depreciation. Likewise, when a major inspection is performed, its costs is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria is satisfied.

3.7.2 Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

3.7.3 Depreciation

Depreciation starts when an asset is ready for use and ends when derecognised or classified as held for sale. Depreciation does not cease when the asset becomes idle or retired from use unless the asset is fully depreciated. Depreciation is calculated on a straight-line basis to write-off assets over their estimated useful lives. Land and assets under construction (work in progress) are not depreciated.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Buildings	2%
Furniture and fittings	20%
Plant and machinery	20%
Motor vehicles/Autos and trucks	25%
Office equipment	20%
Marine equipment	5%
Leased assets	20%
Cranes	10%

The assets' residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable value.

3.7.4 Derecognition

An item of property,plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount, these are included in the income statement as operating income.

When revalued assets are sold, the amounts included in the revaluation surplus are transferred to retained earnings.

3.7.5 Reclassifications

When the use of a property changes from owner-occupier to investment property, the property is re-measured to fair value and reclassified as investment property. Any gain arising on re-measurement is recognized in income statement to the extent that it reverses a previous impairment loss on the specific property, with any remaining recognized in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognized immediately in income statement.

3.8 Investment properties

Property held for long-term rental yields that is not occupied by the companies in the Group is classified as investment property. Investment property comprises freehold land and building and is recognised at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as discounted cash flow projections or recent prices in less active markets. These valuations are reviewed annually by an independent valuation expert. Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value. Changes in fair values are recorded in the income statement.

Property located on land that is held under an operating lease is classified as investment property as long as it is held for long-term rental yields and is not occupied by the companies in the Group. The initial cost of the property is the lower of the fair value of the property and the present value of the minimum lease payments. The property is carried at fair value after initial recognition. If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference arising between the carrying amount and the fair value of this item at the date of transfer is recognized in other comprehensive income as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognized in the income statement. Upon the disposal of such investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through the income statement.

3.9 Discontinued operations and non-current assets held for sale

Discontinued operations and non-current assets held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Discontinued operations and non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

This is the case, when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and the sale is considered to be highly probable.

A sale is considered to be highly probable if the appropriate level of management is committed to a plan to sell the asset (or disposal group), and an active programme to locate a buyer and complete the plan has been initiated. Furthermore, the asset (or disposal group) has been actively marketed for sale at a price that is reasonable in relation to its current fair value. In addition, the sale is expected to qualify for recognition as a completed sale within one-year from the date that it is classified as held for sale.

3.10 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost comprises direct materials and, where appropriate, labour and production overheads that have been incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs to be incurred in marketing, selling and distribution.

3.11 Impairment of non-financial assets

The Group assesses annually whether there is any indication that any of its assets have been impaired. If such indication exists, the asset's recoverable amount is estimated and compared to its carrying value. Where it is impossible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest cash-generating unit to which the asset is allocated. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount an impairment loss is recognized immediately in profit or loss, unless the asset is carried at a revalued amount, in which case the impairment loss is recognized as revaluation decrease.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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. An impairment loss in respect of goodwill is not reversed. An impairment loss in respect of goodwill is not reversed.

3.12. Financial instruments

3.12.1 Financial assets

i. Classification

The Group classifies its financial assets into the following categories: at fair value through profit or loss, loans and receivables, held to maturity and available for sale. The classification is determined by management at initial recognition and depends on the purpose for which the investments were acquired.

3.12.1.1 Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading and those designated at fair value through profit or loss at inception.

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.

Financial assets designated as at fair value through profit or loss at inception are those that are:
Held in internal funds to match insurance and investment contracts liabilities that are linked to the changes in fair value of these assets. The designation of these assets to be at fair value through profit or loss eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. Information about these financial assets is provided internally on a fair value basis to the Group's key management personnel. The Group's investment strategy is to invest in equity and debt securities and to evaluate them with reference to their fair values. Assets that are part of these portfolios are designated upon initial recognition at fair value through profit or loss.

3.12.1.2 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those that the Group intends to sell in the short term or that it has designated as at fair value through profit or loss or available for sale.

3.12.1.3 Held-to-maturity financial assets

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity, other than:

- those that the Group upon initial recognition designates as at fair value through profit or loss;
- those that the Group designates as available for sale; and
- Those that meet the definition of loans and receivables.

Interests on held-to-maturity investments are included in the income statement and are reported as 'Interest income'. In the case of an impairment, it is being reported as a deduction from the carrying value of the investment and recognised in the income statement as 'Net gains/(losses) on investment securities'.

3.12.1.4 Available-for-sale financial assets

Available-for-sale investments are financial assets that are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices or that are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

ii. Recognition and measurement

Regular-way purchases and sales of financial assets are recognized on the trade date – the date on which the Group commits to purchase or sell the asset.
Financial assets are initially recognized at fair value plus, in the case of all financial assets not carried at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the income statement.

Financial assets are derecognized when the rights to receive cash flows from them have expired or where they have been transferred and the Group has also transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value.

Loans and receivables and held-to- maturity financial assets are carried at amortised cost using the effective interest method, except when there is insufficient information at transition date, when it is carried at book values.

Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the Group's right to receive payments is established. Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognized in other comprehensive income are included in the income statement as net realised gains on financial assets.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement. Dividends on available-for-sale equity instruments are recognised in the income statement when the Group's right to receive payments is established; both are included in the investment income line.

For financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations. This includes listed equity securities and quoted debt instruments on major exchanges.

The quoted market price used for financial assets held by the Group is the current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive. For example, a market is inactive when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, LIBOR yield curve, FX rates, volatilities and counterparty spreads) existing at the date of the statement of financial position.

The Group uses widely recognised valuation models for determining fair values of non-standardised financial instruments of lower complexity like options or interest rate and currency swaps. For these financial instruments, inputs into models are generally market observable.
For more complex instruments, the Group uses internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry.

iii. Reclassifications

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near-term. In addition, the Group may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories, if the Group has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.
Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

iv. Derecognition

The Group derecognises a financial asset only when the conctractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial financial asset, the Group continues to recognise the financail asset and also recognises a collateralised borrowing for the proceeds received.

3.12.2 Financial liabilities

The Group's financial liabilities as at statement of financial position date include 'Borrowings' (excluding VAT and employee related payables). These financial liabilities are subsequently measured at amortised cost using the effective interest method. Financial liabilities are included in current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

3.12.2.1 Interest bearing borrowings

Borrowings, inclusive of transaction costs, are recognised initially at fair value. Borrowings are subsequently stated at amortised costs using the effective interest method; any difference between proceeds and the redemption value is recognised in the income statement over the period of the borrowing using the effective interest method.

3.12.3 Impairment of financial assets

3.12.3.1 Financial assets carried at amortised cost

The Group assesses at each end of the reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group 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, including:
• adverse changes in the payment status of issuers or debtors in the Group; or
• national or local economic conditions that correlate with defaults on the 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.

If there is objective evidence that an impairment loss has been incurred on loans and receivables or held-to-maturity investments carried at amortised cost, the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows (excluding future credit losses that have been incurred) discounted at the financial asset’s original effective interest rate. The carrying amount of the asset is reduced through the use of an impairment account, and the amount of the loss is recognised in the income statement. If a held-to-maturity investment or a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under contract. As a practical expedient, the Group may measure impairment on the basis of an instrument’s fair value using an observable market price.

For the purpose of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e., on the basis of the Group’s grading process that considers asset type, industry, geographical location, past-due status and other relevant factors). Those characteristics are relevant to the estimation of future cash flows of such assets by being indicative of the issuer’s ability to pay all amounts due under the contractual terms of the debt instrument being evaluated.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as improved credit rating), the previously recognized impairment loss is reversed by adjusting the impairment account. The amount of the reversal is recognised in the income statement.

3.12.3.2 Assets classified as available for sale

The Group assesses at each date of the statement of financial position whether there is objective evidence that a financial asset or a Group of financial assets is impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is an objective evidence of impairment resulting in the recognition of an impairment loss. In this respect, a decline of 20% or more is regarded as significant, and a period of 12 months or longer is considered to be prolonged. If any such quantitative evidence exists for available-for-sale financial assets, the asset is considered for impairment, taking qualitative evidence into account.

The cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss) is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. If in a subsequent period the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the income statement.

3.12.4 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.13 Trade and other receivables

Trade receivables are amount due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets, if not they are presented as non-current assets. Where the potential impact of discounting future cash receipts over the short credit period is not considered to be material, trade receivables are stated at their original invoiced value. These receivables are reduced by appropriate allowances for estimated irrecoverable amounts.

3.14 Cash and cash equivalents

Cash equivalents comprises of short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. An investment with a maturity of three months or less is normally classified as being short-term.

For the purpose of preparing the statement of cashflows, cash and cash equivalents are reported net of balances due to banks.

3.15 Leases

Leases are divided into finance leases and operating leases.

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

3.15.1 The Group is the lessor

3.15.1.1 Operating lease

When assets are subject to an operating lease, the assets continue to be recognised as property, plant and equipment based on the nature of the asset.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Any balloon payments and rent free periods are taken into account when determining the straight-line charge.

3.15.1.2 Finance leases

When assets are held subject to a finance lease, the related asset is derecognised and the present value of the lease payments (discounted at the interest rate implicit in the lease) is recognised as a receivable. The diffrence between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recogncised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return.

3.15.2 The Group is the lessee

3.15.2.1 Finance leases

Assets held under finance leases are recognised as assets of the Group at the fair value at the inception of the lease or if lower, at the present value of the minimum lease payments.

The related liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between interest expenses and capital redemption of the liability, Interest is recognised immediately in profit or loss, unless attributable to qualifying assets, in which case they are capitalised to the cost of those assets.

Contingent rentals are recognised as expenses in the periods in which they are incurred.

3.15.2.2 Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except if another systematic basis is more representative of the time pattern in which economic benefits will flow to the Group.

Contingent rentals arising under operating leases are recognised in the period in which they are incurred.

3.16 Trade and other payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due with one year or less. If not, they are presented as non-current liabilities.

Other payables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash payments over the short payment period is not considered to be material.

3.17 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

Interest-bearing borrowings are stated at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability.

3.18 Retirement benefits

3.18.1 Defined contribution plan

The Group runs a defined contribution plan. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group 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.

Under the defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Employees contribution of 7.5% of their basic salary, housing and transport allowances to the pension scheme while the employer contributes the remainder to make a total contribution of 15% of the total emoluments as required by the Pension Reform Act 2004. The Company's contribution to the pension's scheme is charged to the profit or loss account.

3.18.2 Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a define contribution plan. The Group's net obligation in respect of defined benefit plan is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any recognized past service costs and fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on AA credit-rated bonds that have maturity dates approximating the terms of the Group's obligation and that are denominated in the currency in which the benefit are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected credit unit method.

The Group recognizes all actuarial gains or losses arising from defined benefit plans immediately in other comprehensive income and all expenses related to defined benefit plans in personnel expenses in profit or loss.

The Group recognizes gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on settlement or curtailment comprises any resulting change in the fair value of the plan asset, any change in the present value of defined benefit obligation, any related actuarial gains or losses and past services cost that had not previously been recognised.

3.18.3 Termination benefits

Termination benefits are recognized as an expense when the group is demonstrably committed without realistic possible withdrawal, to a formal detail plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefit for voluntary redundancies is recognized as expenses if the group has made an offer of voluntary redundancy and it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If the benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

3.18.4 Short term employee benefits

These are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized 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.

3.19 Taxation

3.19.1 Current income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

3.19.2 Deferred income tax

Deferred income tax is recognised in full using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit (loss), it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the Group controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities, where there is an intention to settle the balances on a net basis.

The tax effects of carry-forwards of unused losses or unused tax credits are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

Deferred tax related to fair value re-measurement of available-for-sale investments and cash flow hedges, which are charged or credited directly in other comprehensive income, is also credited or charged directly to other comprehensive income and subsequently recognised in the income statement together with the deferred gain or loss on disposal.

3.20 Provisions

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

3.20.1 Warranty

A provision for warranty is recognized when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated possibilities.

3.20.2 Restructuring

A provision for restructuring is recognized when the Group has approved a formal detail restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

3.20.3 Onerous contract

Provision for onerous contracts is recognized when the expected benefit to be derived by the Group from a contract are lower than the unavoidable costs of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected costs of terminating the contract and the expected net cost of continuing with the contract.

3.21 Equity instruments

Equity instruments issued by the group are recorded at the value of proceeds received, net of costs directly attributable to the issue of the instruments. Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

Where any group purchases the group's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Group's equity holders. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to the Group's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.

3.22 Compound instruments

At the issue date, the fair value of the liability component of a compound instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortised cost using the effective interest method until extinguished upon conversion or at the instrument's redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognised in equity, net of income tax effects, and is not subsequently remeasured.

3.23 Share based payments

Employee share options are measured at fair value at grant date. The fair value is expensed on a straight line basis over the vesting period, based on an estimate of the number of options that will eventually vest.

At the end of each reporting period, the group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve.

3.24 Revenue recognition

This relates to the provision of service or sale of goods to customers, exclusive of value added tax and less any discounts. Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, recovery of the consideration is possible, the associated costs and possible return of goods can be estimated reliably , there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. The following specific recognition criteria must also be met before revenue is recognised:

3.24.1 Income from operating leases

Lease income from operating leases is recognised in income statement on a straight-line basis over the lease term on a systematic basis which is representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred by the company in negotiating and arranging an operating lease is added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income. When an operating lease is terminated before the lease period has expired, any payment required by the lessee by way of penalty is recognised in income statement in the period in which termination takes place.

3.24.2 Income from finance leases

The recognition of income from finance lease is based on a pattern reflecting a constant periodic rate of return on C & I Leasing's net investment in the finance lease. C & I Leasing Plc therefore allocates finance income over the lease term on a systematic and rational basis reflecting this pattern. Lease payments relating to the period, excluding costs for services, are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.

3.24.3 Personnel outsourcing income

The group is involved with outsourcing contracts in which human capital of varying skills are outsourced to various organisations. The group pays the remuneration of such personnel on a monthly basis and invoice the clients costs incurred plus a margin. As costs and income associated with this service can be estimated reliably and service completed.

3.24.4 Service charge income

This represents charges for other services rendered to finance lease customers. The services are rendered periodically on a monthly basis and income is recognised when all the followings are satisfied:

i. The amount of revenue can be measured reliably
ii. It is probable that the economic benefits associated with the transaction will flow to the group
iii. The stage of completion of the transaction at the end of the reporting period can be measured reliably and
iv. The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

3.24.5 Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the assets carrying amount.

3.24.6 Rental income

Rental income is recognized on an accrued basis.

3.24.7 Realised gains and losses

The realised gains or losses on the disposal of an investment is the difference between proceeds received, net of transaction costs and it original or amortised costs as appropriate.

3.25 Foreign currency translation

3.25.1 Foreign currency transactions and balances

Transactions in foreign currencies are translated to the respective functional currencies of the entities within the Group. Monetary items denominated in foreign currencies are retranslated at the exchange rates applying at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognized in profit or loss in the period in which they arise except for:

• Exchange differences on foreign currency borrowings which are regarded as adjustments to interest costs , where those interest costs qualify for capitalization to assets under construction
• Exchange differences on transactions entered into to hedge foreign currency risks
• Exchange differences on loans to or from a foreign operation for which settlement is neither planned nor likely to occur and therefore forms part of the net investment in the foreign operation, which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

3.25.2 Foreign operations

The functional currency of the parent Company and the presentation currency of the financial statements is Nigerian Naira. The assets and liabilities of the Group’s foreign operations are translated to Naira using exchange rates at the period end. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rate on transaction date is used. Goodwill acquired in business combinations of foreign operations are treated as assets and liabilities of that operation and translated at the closing rate.

Exchange differences are recognised in other comprehensive income and accumulated in a separate category of equity.

4. Segment reporting

The Group‘s operating segments are organized by the nature of the operations and further by geographic location into geographical regions; local and foreign to highlight the contributions of foreign operations to the Group. Due to the nature of the Group, C&I Leasing’s Executive Committee regularly reviews operating activity on a number of bases, including by geographical region, customer Group and business activity by geographical region.

A segment is a distinguishable component of the Group that is engaged in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risk and rewards that are different from those of other segments.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group‘s operating segments were determined in a manner consistent with the internal reporting provided to the Executive Committee, which represents the chief operating decision-maker (CODM), as this is the information CODM uses in order to make decisions about allocating resources and
assessing performance.

All transactions between business segments are conducted on an arm‘s length basis, with intrasegment revenue and costs being eliminated in Head office. Income and expenses directly associated with each segment are included in determining business segment performance.

5. Critical accounting estimates and judgment

The Group makes estimate and assumption about the future that affects the reported amounts of assets and liabilities. Estimates and judgment are continually evaluated and based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumption.

The effect of a change in an accounting estimate is recognized prospectively by including it in the comprehensive income in the period of the change, if the change affects that period only, or in the period of change and future period, if the change affects both.

The estimates and assumptions that have a significant risks of causing material adjustment to the carrying amount of asset and liabilities within the next financial statements are discussed below:

5.1 Impairment of available-for-sale equity financial assets

The Group determines that available-for-sale equity financial assets as impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgment. In making this judgment, the Group evaluates among other factors, the normal volatility in share price, the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flow. Impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology, and financing and operational cash flows.

The fair values of financial instruments where no active market exists or where quoted prices are not otherwise available are determined by using valuation techniques. In these cases the fair values are estimated from observable data in respect of similar financial instruments or using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of those that sourced them.

To the extent practical, models use only observable data; however, areas such as credit risk (both own credit risk and counterparty risk), volatilities and correlations require management to make estimates.

Changes in assumptions about these factors could affect the reported fair value of financial instruments.

5.2 Determination of impairment of non-financial assets

Management is required to make judgements concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exists.

5.3 Depreciable life of property, plant and quipment

The estimation of the useful lives of assets is based on mnagement's judgment. Any material adjustment to the estimated useful lives of items of property, plant and equipment and will have an impact on the carrying value of these items.

6. Financial instruments and fair values

As explained in Note 3.12, financial instruments have been classified into categories that determine their basis of measurement and, for items measured at fair value, such changes in fair value are recognised in the statement of comprehensive income either through the income statement or other comprehensive income. For items measured at amortised cost, changes in value are recognised in the income statement of the statement of comprehensive income. Therefore the financial instruments carried in the statement of financial position are shown based on their classifications in the table below:

6.1 Classes of financial instrument

Group

	Financial assets				Financial liabilities		
	Fair value through profit or loss N'000	**Loans and receivables N'000**	**Available for sale N'000**	**Held to maturity N'000**	**Fair value through profit or loss N'000**	**Amortised cost N'000**	**Total carrying amount N'000**
At 31 December 2012							
Assets							
Cash and balances with banks	389,999	-	-	-	-	-	389,999
Loans and receivables	-	738,099			-	-	738,099
Finance lease receivables	-	7,351,116	-	-	-	-	7,351,116
Available for sale assets	-	-	24,401	-	-	-	24,401
Trade receivables	-	282,374	-	-	-	-	282,374
Other assets	-	2,386,808	-	-	-	-	2,386,808
	389,999	**10,758,397**	**24,401**	**-**	**-**	**-**	**11,172,797**
Liabilities							
Balances due to banks	-	-	-	-	832,682	-	832,682
Borrowings	-	-		-	-	10,096,228	10,096,228
Trade payables	-	-	-	-	-	305,064	305,064
Other liabilities	-	-	-	-	-	1,436,418	1,436,418
	-	**-**	**-**	**-**	**832,682**	**11,837,710**	**12,670,392**

	Financial assets				Financial liabilities		
	Fair value through profit or loss N'000	**Loans and receivables N'000**	**Available for sale N'000**	**Held to maturity N'000**	**Fair value through profit or loss N'000**	**Amortised cost N'000**	**Total carrying amount N'000**
At 31 January 2012							
Assets							
Cash and balances with banks	455,593	-	-	-	-	-	455,593
Loans and receivables	-	605,281					605,281
Finance lease receivables	-	7,164,775	-	-	-	-	7,164,775
Available for sale assets	-	-	45,166	-	-	-	45,166
Trade receivables	-	241,351	-	-	-	-	241,351
Other assets	-	3,133,271	-	-	-	-	3,133,271
	455,593	**11,144,678**	**45,166**	**-**	**-**	**-**	**11,645,437**
Liabilities							
Balances due to banks	-	-	-	-	1,405,004	-	1,405,004
Borrowings	-	-	-	-	-	10,240,427	10,240,427
Trade payables	-	-	-	-	-	272,823	272,823
Other liabilities	-	-	-	-	-	1,039,287	1,039,287
	-	**-**	**-**	**-**	**1,405,004**	**11,552,537**	**12,957,541**

Company

	Financial assets				Financial liabilities		
	Fair value through profit or loss N'000	Loans and receivables N'000	Available for sale N'000	Held to maturity N'000	Fair value through profit or loss N'000	Amortised cost N'000	Total carrying amount N'000
At 31 December 2012							
Assets							
Cash and balances with banks	200,591	-	-	-	-	-	200,591
Loans and receivables	-	1,271,711	-	-	-	-	1,271,711
Finance lease receivables	-	5,999,936	-	-	-	-	5,999,936
Available for sale assets	-	-	24,401	-	-	-	24,401
Trade receivables	-	-	-	-	-	-	-
Other assets	-	2,304,204	-	-	-	-	2,304,204
	200,591	**9,575,851**	**24,401**	**-**	**-**	**-**	**9,800,843**
Liabilities							
Balances due to banks	-	-	-	-	670,003	-	670,003
Borrowings	-	-	-	-	-	8,938,264	8,938,264
Other liabilities	-	-	-	-	-	1,024,808	1,024,808
	-	**-**	**-**	**-**	**670,003**	**9,963,072**	**10,633,075**

	Financial assets				Financial liabilities		
	Fair value through profit or loss N'000	Loans and receivables N'000	Available for sale N'000	Held to maturity N'000	Fair value through profit or loss N'000	Amortised cost N'000	Total carrying amount N'000
At 31 January 2012							
Assets							
Cash and balances with banks	223,479	-	-	-	-	-	223,479
Loans and receivables		1,173,598					1,173,598
Finance lease receivables	-	5,884,766	-	-	-	-	5,884,766
Available for sale assets	-	-	45,166	-	-	-	45,166
Other receivables	-	2,304,204	-	-	-	-	2,304,204
	223,479	**9,362,568**	**45,166**	**-**	**-**	**-**	**9,631,213**
Liabilities							
Balances due to banks	-	-	-	-	1,252,140	-	1,252,140
Borrowings	-	-	-	-	-	8,795,365	8,795,365
Trade payables	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	880,151	880,151
	-	**-**	**-**	**-**	**1,252,140**	**9,675,516**	**10,927,656**

6.2 Fair valuation methods and assumptions

Cash and cash equivalents, trade receivables, trade payable and short term borrowings are assumed to approximate their carrying amounts due to the short-term nature of these financial instruments

The fair value of publicly traded financial instruments is generally based on quoted market prices, with unrealised gains recognised in a separate component of equity at the end of the reporting year.

The fair value of financial assets and liabilities at amortized cost.

6.3 Fair value measurements recognised in the statement of financial position

Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: for equity securities not listed on an active market and for which observable market data exist that the Group can use in order to estimate the fair value;

6.3 Fair value measurements recognised in the statement of financial position (cont'd.)

Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group maintains quoted investments in the companies listed in Note 13 and were valued at N24,401,000 (January 2012: N45,166,000 and 1 February 2011: N46,453,000) which are categorised as **level 1,** because the securities are listed, however, there are no financial instruments in the level 2 and 3 categories for the period.

7. Capital management

In management of the Group capital, the Group's approach is driven by its strategy and organizational requirements, taking into account the regulatory and commercial environment in which it operates. It is the Group's policy to maintain a strong capital base to support the development of its business and to meet regulatory capital requirements at all times.

Through its corporate governance processes, the Group maintains discipline over its investment decisions and where it allocates its capital, seeking to ensure that returns on investment are appropriate after taking account of capital costs.

The Group's strategy is to allocate capital to businesses based on their economic profit generation and, within this process, regulatory and economic capital requirements and the cost of capital are key factors.

The Group's capital is divided into two tiers:

- Tier 1 capital: core equity tier 1 capital including ordinary shares, statutory reserve, share premium and retained earnings, intangible assets, and
- Tier 2 capital: qualifying convertible loan capital, preference shares, collective impairment allowances, non-controlling interest and unrealised gains arising on the fair valuation of equity instruments held as available for sale.

The Central Bank of Nigeria prescribed a minimum limit of 12.5% of total qualifying capital/total risk-weighted assets as a measure of capital adequacy of finance companies in Nigeria. Furthermore, a finance company is expected to maintain a ratio of not less than 1:10 between its capital funds and net credits.Total qualifying capital consists of tier 1 and 2 capital less investments in unconsolidated subsidiaries and associates. The total risk-weighted assets reflects only credit and counterparty risk.

The Group achieved capital adequacy ratio 26% at the end of the period, compared to 26% and 41% recorded for the year ended 31 January 2012 and 31 January 2011 respectively.

The table below summarises the composition of regulatory capital and the ratios of the Group for the years presented below. During those three years, the individual entities with the Group and the Group complied with all the externally imposed capital requirements to which they are subject.

	Group		
	31 December 2012 N'000	**31 January 2012** N'000	**1 February 2011**
Tier 1 capital			
Share capital	**808,505**	808,505	808,505
Share premium	**679,526**	679,526	679,526
Statutory reserve	**460,532**	339,094	321,405
Retained earnings	**501,536**	370,263	335,517
Total qualifying for tier 1 capital	**2,450,099**	2,197,388	2,144,953
Tier 2 capital			
Deposit for shares	**1,951,350**	1,565,500	1,498,500
Statutory credit reserve	**16,648**	16,648	1,215
Exchange translation reserve	**100,631**	183,184	-
AFS fair value reserve	**3,510**	(1,522)	(235)
Revaluation reserve	**243,840**	-	-
Borrowings	**-**	790,005	790,005
Total qualifying for tier 2 capital	**2,315,979**	2,553,815	2,289,485
Total regulatory capital	**4,766,078**	4,751,203	4,434,438
Risk - weighted assets			
On balance sheet	**18,344,756**	18,147,333	10,944,231
Total risk weighted assets	**18,344,756**	18,147,333	10,944,231
Risk-weighted capital adequacy ratio (CAR)	**26%**	26%	41%

8. Risk management framework

The primary objective of C & I Leasing group's risk management framework is to protect the group's stakeholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Management recognises the critical importance of having efficient and effective risk management systems in place.

The Group has established a risk management function with clear terms of reference from the board of directors, its committees and the executive management committees.

This is supplemented with a clear organizational structure with documented delegated authorities and responsibilities from the board of directors to executive management committees and senior managers. Lastly, the Internal Audit unit provides independent and objective assurance on the robustness of the risk management framework, and the appropriateness and effectiveness.

C & I Leasing Plc's principal significant risks are assessed and mitigated under three broad headings:

Strategic risks – This specifically focused on the economic environment, the products offered and market. The strategic risks arised from a group's ability to make appropriate decisions or implement appropriate business plans, strategies, decision making , resource allocation and its inablity to adapt to changes in its business environment.

Operational risks – These are risks associated with inadequate or failed internal processes, people and systems, or from external events.

Financial risks – Risk associated with the financial operation of the group, including underwriting for appropriate pricing of plans, provider payments, operational expenses, capital management, investments, liquidity and credit.

The board of directors approves the group's risk management policies and meets regularly to approve any commercial, regulatory and organizational requirements of such policies. These policies define the group's identification of risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets, align underwriting to the corporate goals, and specify reporting requirements to meet.

8.1 Strategic risks

Capital management policies, objectives and approach.

The following capital management objectives, policies and approach to managing the risks which affect the capital position are adopted by C&I Leasing Plc.

To maintain the required level of financial stability thereby providing a degree of security to clients and plan members.

To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and of its shareholders.

To retain financial flexibility by maintaining strong liquidity.

To align the profile of assets and liabilities taking account of risks inherent in the business and regulatory requirements.

To maintain financial strength to support new business growth and to satisfy the requirements of the regulators and stakeholders.

C & I Leasing's operations are subject to regulatory requirements of Central Bank Nigeria (CBN) and Security Exchange Commission (SEC), Nigerian Stock Exchange (NSE) in addition, annual returns must be submitted to Corporate Affairs Commission (CAC) on a regular basis.

8.2 Operational risks

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. Others are legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the group's operations.

The group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the group'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 senior management within each unit. This responsibility is supported by the development of operational standards for the management of operational risk in the following areas:

- requirments for appropriate segregation of duties, including independent authorisation of transactions.
- requirements for the reconciliation and monitoing of transactions.
- compliance with regulatory and other legal requirements.
- documentataion of controls and procedures.
- training and professional development.
- ethical and business standards.

8.3 Financial risks

The group's operations exposes it to a number of financial risks. Adequate risk management procedures have been established to protect the group against the potential adverse effects of these financial risks. There has been no material change in these financial risks since the prior year.The following are the risks the group is exposed to due to financial instruments:

Credit risks
Liquidity risks
Market risks

8.3.1 Credit risks

Credit risks arise from a customer delays or outright default of lease rentals; inability to fully meet contractual obligations by customers. Exposure to this risk results from financial transactions with customers.

The group has policies in place to mitigate its credit risks.

The group's risk management policy sets out the assessment and determination of what constitutes credit risk for the group. Compliance with the policy is monitored and exposures and breaches are reported to the group's management. The policy is regularly reviewed for pertinence and for changes in the risk environment.

The carrying amount of the group's financial instruments represents the maximum exposure to credit risk.

Exposure to 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:

	31 December 2012 N'000	31 January 2012 N'000
Group		
Financial assets		
Cash and balances with banks	**389,999**	455,593
Loans and receivables	**738,099**	605,281
Finance lease receivables	**7,351,116**	7,164,775
Available for sale assets	**24,401**	45,166
Trade receivables	**282,374**	241,351
Other assets	**2,386,808**	3,133,271
	11,172,797	11,645,437
Company		
Financial assets		
Cash and balances with banks	**200,591**	223,479
Loans and receivables	**1,271,711**	1,173,598
Finance lease receivables	**5,999,936**	5,884,766
Available for sale assets	**24,401**	45,166
Trade receivables	**-**	-
Other assets	**2,304,204**	2,761,673
	9,800,843	10,088,682

8.3.2 Liquidity risks

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments.

The Group maintains sufficient amount of cash for its operations. Management reviews cashflow forecasts on a regular basis to determine whether the Group has sufficient cash reserves to meet future working capital requirements and to take advantage of business opportunities. The Group also makes use of overdraft banking facilities - N832,682,000 (31 January 2012: N1,405,004,000, 1 February 2011: N1,475,880).

The Group employs policies and procedures to mitigate it's exposure to liquidity risk. The Group complies with minimum regulatory requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2012

8.3.2 Liquidity risks

Below is the contractual maturities of financial liabilities in Nigerian naira presented in the financial statements.

	Current N'000	Non-current N'000	Total N'000
Group			
31 December 2012			
Balances due to banks	832,682	-	**832,682**
Borrowings	5,204,752	4,891,476	**10,096,228**
Trade payables	305,064	-	**305,064**
Other liabilities	1,510,364	-	**1,510,364**
	7,852,862	4,891,476	**12,744,338**
31 January 2012			
Balances due to banks	1,405,004	-	**1,405,004**
Borrowings	5,162,916	5,077,511	**10,240,427**
Trade payables	272,823	-	**272,823**
Other liabilities	1,127,061	-	**1,127,061**
	7,967,804	5,077,511	**13,045,315**
Company			
31 December 2012			
Balances due to banks	670,003	-	**670,003**
Borrowings	5,030,030	3,908,234	**8,938,264**
Trade payables	-	-	**-**
Other liabilities	1,024,808	-	**1,024,808**
	6,724,841	3,908,234	**10,633,075**
31 January 2012			
Balances due to banks	1,252,140	-	**1,252,140**
Borrowings	5,162,917	3,632,448	**8,795,365**
Trade payables	-	-	**-**
Other liabilities	880,151	-	**880,151**
	7,295,208	3,632,448	**10,927,656**

The Group's focus on the maturity analysis of its financial liabilities is as stated above, the Group classifies their financial liabilities into those due within one year (current) and those due after one year (non-current).

The contractual cashflows disclosed in the maturity analysis are the contractual undiscounted cash flows. Such undiscounted cash flows differ from the amount stated in the financial statements which is based on the discounted cash flows using the effective interest rate.

The financial liabilities affected by discounting are the long term borrowings (including the current portion), all other financial liabilities stated are assumed to approximate their carrying values due to their short term nature and are therefore not discounted.

8.3.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

8.3.4 Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk as a result of its foreign subsidiary as well as foreign borrowings (usually denominated in US dollars)

The Group’s principal transactions are carried out in Naira and its financial assets are primarily denominated in Nigerian Naira, except for its subsidiary (Leasafric) whose transactions are denominated in Ghanian Cedi. The exposure to foreign exchange risk as a result of this subsidiary in this period as a result of translation has been recognised in the other comprehensive income which was positive in the period under review.

The Group foreign currency risk exposure arises also from long term borrowings denominated in foreign currency. The borrowings have the option of being convertible at the end of the tenor, and as such the impact of fluctuations in these commitments on the financial statements as a whole are considered minimal and reasonable as a result of the stable market.

8.3.5 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that are used by the group. Interest bearing assets comprise cash and cash equivalents and loans to subsidiaries which are considered short term liquid assets. The group's interest rate liability risk arises primarily from borrowings issued at variable interest rates which exposes the group to cash flow interest rate risk. It is the group's policy to settle trade payables within the credit limit terms allowed, thereby not incurring interest on overdue balances. Borrowings are sourced from both local and foreign financial markets, covering short and long term funding.

The Group manages interest rate risk on borrowings by ensuring access to diverse sources of funding, reducing risks of refinancing by establishing and managing in accordance with target maturity profiles.

8.3.6 Market price risk

Investments by the Group in available for sale financial assets expose the Group to market (equity) price risk. The impact of this risk on the financial statements is considered positive because of the continous increase and stability in value of equities in the past few years. Furthermore, there was a positive impact on the income statement because of the portion of investment disposed off during the period - equity shares in Guaranty Trust Bank (Gross Domestic Receipt), however all other gains due to increase in market prices were recorded in the fair value reserve through the other comprehensive income.

9. Statement of prudential adjustment

Provisions under prudential guidelines are determined using the time based provisioning prescribed by the Revised Central Bank of Nigeria (CBN) Prudential Guidelines. This is at variance with the incurred loss model required by IFRS under IAS 39. As a result of the differences in the methodology/provision, there will be variances in the impairments allowances required under the two methodologies.

Paragraph 12.4 of the revised Prudential Guidelines for financial institutions in Nigeria stipulates that financial institutions would be required to make provisions for loans as prescribed in the relevant IFRS Standards when IFRS is adopted.

However, Other Financial Institutions would be required to comply with the following:

a. Provisions for loans recognised in the profit and loss account should be determined based on the requirements of IFRS. However, the IFRS provision should be compared with provisions determined under prudential guidelines and the expected impact/changes in general reserves should be treated as follows:

- Prudential provisions is greater than IFRS provisions; the excess provision resulting should be transferred from the general reserve account to a "statutory credit reserve".
- Prudential provisions is less than IFRS provisions; IFRS determined provision is charged to the income statement. The cumulative balance in the statutory credit reserve is thereafter reversed to the general reserve account.

b. (b) The non-distributable reserve should be classified under equity as part of the core capital.

During the year ended 31 January 2011, the Company did not transfer any amount to the Statutory credit reserve. This is because there was no difference between the provisions for credit and other known losses as determined under the prudential guideline issued by the Central Bank of Nigeria (CBN), and the impairment reserve as determined in line with IAS 39 as at the year then ended.

In line with the same directive of the CBN, the Company has reconciled the statutory credit reserve as at 31 December 2012, by comparing the provision and impairment as determined under both bases. A reconciliation of this amount is provided below:

	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
Company			
Total IFRS impairment losses	832,593	643,417	393,772
Prudential provisions	(544,688)	(424,116)	(393,772)
Transfer to statutory credit reserve	**287,905**	**219,301**	**-**
Analysis of the IFRS impairment losses			
Finance lease receivables (Note 12.4)	60,624	59,442	30,012
Lease rental due (Note 11.5.1)	158,445	156,846	107,492
Loans and receivables (Note 11.5.2)	14,733	82,716	97,411
Other assets (Note 15.2)	598,791	344,413	158,857
Total IFRS impairment losses	**832,593**	**643,417**	**393,772**
Analysis of the provision for loan losses per prudential guidelines			
Finance lease receivables	60,624	59,442	30,012
Lease rental due	123,944	153,102	107,492
Loans and receivables	20,919	80,655	97,411
Other assets	339,202	130,917	158,857
Total Prudential provision for losses	**544,688**	**424,116**	**393,772**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2012

		Group			Company		
		31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
10.	**Cash and balances with banks**						
	Cash in hand	**2,231**	713	1,575	**-**	-	324
	Current balances with banks	**387,768**	454,880	356,032	**200,591**	223,479	146,458
		389,999	455,593	357,607	**200,591**	223,479	146,782
11.	**Loans and receivables**						
	Lease rental due	**896,356**	747,934	367,531	**810,924**	658,448	283,344
	Loans and advances	**32,946**	90,266	133,185	**32,295**	90,268	101,400
	Intercompany loans (Note 11.1)	**-**	**-**	**-**	**601,670**	664,444	758,758
		929,302	838,200	500,716	**1,444,889**	1,413,160	1,143,502
	Impairment allowance (Note 11.4)	**(191,203)**	(232,919)	(246,765)	**(173,178)**	(239,562)	(204,903)
		738,099	605,281	253,951	**1,271,711**	1,173,598	938,599
11.1	**Intercompany loans**						
	C&I Motors Limited	**-**	**-**	**-**	**305,093**	392,811	473,680
	CI-Trans Global Limited	**-**	**-**	**-**	**296,577**	271,633	253,293
	Leasafric Ghana Limited	**-**	**-**	**-**	**-**	-	31,785
		-	**-**	**-**	**601,670**	664,444	**758,758**
11.2	**Analysis of loans and receivables by security**						
	Secured	**-**	-	-	**-**	-	-
	Otherwise secured	**929,302**	838,200	500,716	**1,444,889**	1,413,159	1,143,502
		929,302	838,200	500,716	**1,444,889**	1,413,159	1,143,502
11.3	**Loans and receivables are further analysed as follows:**						
	Less than one year	**825,994**	745,020	445,053	**1,324,020**	1,256,063	1,016,383
	More than one year and less than five years	**99,698**	89,925	53,718	**117,606**	151,608	122,678
	More than five years	**3,609**	3,255	1,945	**3,263**	5,488	4,441
		929,302	838,200	500,716	**1,444,889**	1,413,159	1,143,502
11.4	**Impairment allowance on loans and receivables**						
	Lease rental due (Note 11.5)	**182,480**	156,847	149,587	**158,445**	156,846	107,492
	Loans and advances (Note 11.6)	**8,723**	76,072	97,178	**14,733**	82,716	97,411
		191,203	232,919	246,765	**173,178**	239,562	204,903
11.5	**Analysis of impairment allowance - Lease rental due**						
	Specific impairment	**181,210**	152,711	146,722	**157,175**	152,711	104,627
	Collective impairment	**1,270**	4,136	2,865	**1,270**	4,136	2,865
		182,480	156,847	149,587	**158,445**	156,847	107,492
11.5.1	**Movement in impairment allowance - Lease rental due**						
	At the beginning of the period	**156,847**	149,587	17,248	**156,846**	107,492	17,248
	Charge for the period	**18,794**	49,354	132,345	**18,794**	49,354	90,250
	Provision no longer required	**-**	(3,283)	-	**-**	-	-
	Written back in the period	**24,034**	-	-	**-**	-	-
	Written off in the period	**(17,195)**	(38,811)	(6)	**(17,195)**	-	(6)
	At the end of the period	**182,480**	156,847	149,587	**158,445**	156,846	107,492

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2012

		Group			Company		
		December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
11.6	**Analysis of impairment allowance - Loans and advances**						
	Specific impairment	**8,723**	76,072	97,178	**14,733**	82,716	97,411
	Collective impairment	**-**	-	-	**-**	-	-
		8,723	76,072	97,178	**14,733**	82,716	97,411
11.6.1	**Movement in impairment allowance - Loans and advances**						
	At the beginning of the period	**76,072**	97,178	85,275	**82,716**	97,411	85,508
	Charge for the period	**-**	-	11,903	**-**	-	11,903
	Provision no longer required	**(32,176)**	(21,106)	-	**(32,810)**	(14,695)	-
	Written off in the period	**(35,173)**	-	-	**(35,173)**	-	-
	At the end of the period	**8,723**	76,072	97,178	**14,733**	82,716	97,411
12.	**Finance lease receivables**						
	Gross finance lease receivable	**7,984,245**	8,132,190	5,000,517	**6,380,222**	6,273,673	3,245,211
	Unearned lease interest	**(471,735)**	(718,635)	(506,967)	**(319,662)**	(329,465)	(244,056)
	Net investment in finance lease	**7,512,510**	7,413,555	4,493,550	**6,060,560**	5,944,208	3,001,155
	Impairment allowance (Note 12.4)	**(161,394)**	(248,780)	(265,920)	(60,624)	(59,442)	(30,012)
		7,351,116	7,164,775	4,227,630	**5,999,936**	5,884,766	2,971,143
12.2	**The net investment in finance lease may be analysed as follows:**						
	Less than one year	**1,886,167**	20,131	2,405,550	**1,209,506**	16,422	800,552
	More than one year and less than five years	**5,626,343**	7,393,424	2,088,000	**4,851,054**	5,927,786	2,200,603
	More than five years	**-**	-	-	**-**	-	-
		7,512,510	7,413,555	4,493,550	**6,060,560**	5,944,208	3,001,155
12.3	**Analysis into current portion and non-current portion**						
	Current portion	**1,886,167**	20,131	2,405,550	**1,209,506**	16,422	800,552
	Non-current portion	**5,626,343**	7,393,424	2,088,000	**4,851,054**	5,927,786	2,200,603
		7,512,510	7,413,555	4,493,550	**6,060,560**	5,944,208	3,001,155
12.4	**Analysis of impairment allowance - Finance lease receivables**						
	Specific impairment	-	**-**	**-**	**-**	-	**-**
	Collective impairment	**161,394**	248,780	265,920	**60,624**	59,442	30,012
		161,394	248,780	265,920	**60,624**	59,442	30,012
12.4.1	**Movement in impairment allowance - Finance lease receivables**						
	At the beginning of the period	**248,780**	265,920	305,107	**59,442**	30,012	26,676
	Charge for the period	**1,287**	29,430	5,628	**1,182**	29,430	3,336
	Provision no longer required	**(8,208)**	(27,466)	(44,815)	**-**	-	-
	Written off in the period	**(80,465)**	(19,104)	-	**-**	-	-
	At the end of the period	**161,394**	248,780	265,920	**60,624**	59,442	30,012

	Group			Company		
	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
13. Available for sale assets						
13.1 Listed equities - at fair value						
Diamond Bank Plc (GDR)	**8,782**	8,787	10,479	**8,782**	8,787	10,479
Guaranty Trust Bank Plc (GDR)	**-**	28,376	22,841	**-**	28,376	22,841
First Bank of Nigeria Plc	**12,895**	6,219	3,664	**12,895**	6,219	3,664
Fidelity Bank Plc	**2,724**	1,784	9,469	**2,724**	1,784	9,469
	24,401	45,166	46,453	**24,401**	45,166	46,453
14. Investment in subsidiaries						
Leaseafric Ghana Limited	**-**	-	-	**709,257**	220,985	220,985
C&I Motors Limited	**-**	-	-	**700,000**	700,000	700,000
Citrans Global Limited	**-**	-	-	**191,667**	191,667	191,667
	-	-	-	**1,600,924**	1,112,652	1,112,652

14.1 Subsidiary undertakings

All shares in subsidiary undertakings are ordinary shares.

Subsidiary	Principal activity	Country of incorporation	Percentage held	Statutory year end
Leasafric Ghana Limited (Note 14.1.1)	Leasing	Ghana	85.03%	31 December
C & I Motors Limited (Note 14.1.2)	Marketing and distribution of vehicles	Nigeria	100%	31 December
Citrans Global Limited (Note 14.1.3)	Transportation and logistics	Nigeria	76.7%	31 December

14.1.1 Leasafric Ghana Limited

Leasafric Ghana Limited is a company incorporated in Ghana under the Companies Code, 1963 (Act 179) of Ghana as a Ghanian company authorised by the Bank of Ghana to provide leasing business. Leasafric Ghana was incorporated in Ghana. The requisite approval for C&I Leasing Plc investment in Leaseafric Ghana was obtained from Central Bank of Nigeria.

14.1.2 C & I Motors Limited

C & I Motors Limited was incorporated in Nigeria as a private limited liability company on 12 June 2007 and commenced business on 23 April 2008. The company was established to engage in the markeing and distribution of suzuki brands in Nigeria. It is presently a representative of Suzuki Motor Corporation, Japan in Nigeria.

14.1.3 Citrans Global Limited

Citrans Global Limited was incorporated under the Companies and Allied Matters Act CAP C20 LFN 2004, as a limited liability company on 12 August, 2008 and commenced operations on 26 May 2009. Its principal activities is provision of transportation and logistics to individuals and corporate organisations. The company is the operator of Red Cab taxi brand in Nigeria.

14.2 Condensed results of consolidated entities

The consolidated results of the consolidated entities of C & I Leasing Plc are shown in note 14.2.1

The C & I Leasing Group in the condensed results includes the results of the underlisted entities:
C & I Leasing Plc
C & I Motors Limited
Citrans Global Limited
Leasafric Ghana Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2012

14.2.1 Condensed results of consolidated entities

31 December 2012

	C&I Leasing Plc N'000	C&I Motors Limited N'000	Citrans Global Limited N'000	Leasafric Ghana Limited N'000	Total N'000	Elimination N'000	Group N'000
Condensed income statement							
Gross earnings	**10,092,696**	**817,100**	**330,825**	**632,595**	**11,873,216**	**(113,721)**	**11,759,495**
Operating income	8,792,790	261,372	283,993	444,425	9,782,580	(130,372)	9,652,208
Impairment charge	(241,705)	(10,144)	(33,764)	8,209	(277,404)	6,010	(271,394)
Operating expenses	(6,665,560)	(91,034)	(90,404)	(72,379)	(6,919,377)	91,033	(6,828,344)
Administrative expenses	(1,649,546)	(282,724)	(178,104)	(293,014)	(2,403,389)	37,940	(2,365,449)
Profit/(loss) before tax	235,979	(122,530)	(18,279)	87,241	182,410	4,611	187,021
Income tax	74,749	108,394	(1,894)	(37,012)	144,236	-	72,278
Profit/(loss) after tax	**310,728**	**(14,136)**	**(20,173)**	**50,228**	**326,646**	**4,611**	**259,299**

31 December 2012

Condensed statement of financial position	C&I Leasing Plc N'000	C&I Motors Limited N'000	Citrans Global Limited N'000	Leasafric Ghana Limited N'000	Total N'000	Elimination N'000	Group N'000
Assets							
Cash and balances with banks	200,591	39,417	6,497	143,494	389,999	-	389,999
Loans and receivables	1,271,711	-	61,397	-	1,333,108	(595,009)	738,099
Trade receivables	-	205,956	70,996	5,423	282,375	-	282,374
Finance lease receivables	5,999,936	-	635,006	716,174	7,351,116	-	7,351,116
Available for sale financial assets	24,401	-	-	-	24,401	-	24,401
Investment in subsidiaries	1,600,924	-	-	-	1,600,924	(1,600,924)	-
Other assets	2,304,204	120,568	11,865	22,374	2,459,011	(72,203)	2,386,808
Inventory	-	748,095	18,076	-	766,172	-	766,172
Operating leased assets	6,877,565	-	-	708,794	7,586,359	-	7,586,359
Property, plant and equipment	900,019	29,915	43,884	69,106	1,042,925	-	1,042,925
Deferred income tax assets	813,120	40,137	-	-	853,257	-	853,257
Total assets	**19,992,471**	**1,184,088**	**847,722**	**1,665,365**	**23,689,646**	**(2,268,136)**	**21,421,510**
Liabilities and equity							
Balances due to banks	670,003	161,400	1,278	-	832,682	-	832,682
Borrowings	8,938,264	-	270,730	887,233	10,096,227	-	10,096,228
Trade payables	-	305,064	-	-	305,064	-	305,064
Deferred maintenance charge	3,465,253	-	-	-	3,465,253	-	3,465,253
Other liabilities	1,024,808	1,042,275	451,349	166,660	2,685,092	(1,174,730)	1,510,364
Retirement benefit obligations	164,669	-	-	-	164,669	-	164,669
Current income tax liability	104,153	5,687	-	(36,186)	73,654	-	73,654
Deferred income tax liability	-	-	-	43,591	43,591	3,543	47,134
Equity and reserves	5,625,321	(330,338)	124,363	604,067	6,023,413	(1,096,949)	4,926,462
Total liabilities and equity	**19,992,471**	**1,184,088**	**847,722**	**1,665,365**	**23,689,646**	**(2,268,135)**	**21,421,510**
Condensed cash flows							
Net cash from operating activities	3,225,281	(96,460)	75,092	244,169	3,448,082	443,508	3,891,590
Net cash from investing activities	(1,650,055)	(540)	-	(629,824)	(2,280,418)	494,002	(1,786,416)
Net cash from financing activities	(1,015,979)	(72,157)	(73,353)	-	(1,161,489)	(436,956)	(1,598,445)
Movement in cash and cash equivalents	559,247	(169,157)	1,739	(385,655)	6,175	500,554	506,729
Cash and cash equivalents at start of period	(1,028,661)	47,175	3,480	24,720	(953,286)	3,874	(949,412)
Cash and cash equivalents at period end	**(469,414)**	**(121,982)**	**5,219**	**(360,935)**	**(947,112)**	**504,428**	**(442,683)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2012

14.2.1 Condensed results of consolidated entities (Cont'd)

31 January 2012

	C&I Leasing Plc N'000	C&I Motors Limited N'000	Citrans Global Limited N'000	Leasafric Ghana Limited N'000	Total N'000	Elimination entries N'000	Group N'000
Condensed income statement							
Gross earnings	**8,409,439**	**1,298,632**	**378,348**	**364,296**	**10,450,715**	**45,053**	**10,495,768**
Operating income	7,791,095	489,824	310,473	317,748	8,909,140	(292,924)	8,616,216
Impairment charge	(249,646)	(107)	136	27,525	(222,092)	(6,644)	(228,736)
Operating expenses	(5,878,411)	(179,376)	(144,307)	(90,287)	(6,292,381)	255,509	(6,036,872)
Administrative expenses	(1,692,630)	(307,016)	(169,555)	(204,887)	(2,374,088)	-	(2,374,090)
(Loss)/Profit before tax	(29,592)	3,325	(3,253)	50,099	20,579	(44,059)	(23,482)
Income tax expense	96,137	(5,029)	-	-	91,108	-	91,108
(Loss)/Profit after tax	**66,545**	**(1,704)**	**(3,253)**	**50,099**	**111,687**	**(44,059)**	**67,626**

14.2.1 Condensed results of consolidated entities (Cont'd)

31 January 2012

Condensed statement of financial position	C&I Leasing Plc N'000	C&I Motors Limited N'000	Citrans Global Limited N'000	Leasafric Ghana Limited N'000	Total N'000	Elimination entries N'000	Group N'000
Assets							
Cash and balances due from banks	223,479	196,222	7,298	28,594	455,593	-	455,593
Loans and advances	1,173,598	52,529	47,393	89,486	1,363,006	(757,724)	605,281
Trade receivables	-	194,533	27,993	18,825	241,351	-	241,351
Finance lease receivables	5,884,766	-	624,589	655,420	7,164,775	-	7,164,775
Available for sale financial assets	45,166	-	-	-	45,166	-	45,166
Investment in subsidiaries	1,112,652	-	-	-	1,112,652	(1,112,652)	-
Other assets	2,761,673	100,693	38,149	374,075	3,274,590	(141,319)	3,133,271
Inventories	-	585,730	-	-	585,730	-	585,730
Operating lease assets	6,658,395	-	-	344,260	7,002,655	-	7,002,655
Property, plant and equipment	541,125	58,646	65,586	62,428	727,785	-	727,784
Deferred income tax assets	675,156	-	-	-	675,156	-	675,156
Total assets	**19,076,010**	**1,188,353**	**811,008**	**1,573,088**	**22,648,459**	**(2,011,694)**	**20,636,762**
Liabilities and equity							
Balances due to banks	1,252,140	149,047	3,817	-	1,405,004	-	1,405,004
Borrowings	8,795,365	-	297,249	1,147,813	10,240,427	-	10,240,427
Trade payables	-	272,823	-	-	272,823	-	272,823
Deferred maintenance charge	3,219,497	-	-	-	3,219,497	-	3,219,497
Other liabilities	880,151	1,006,717	372,350	140,808	2,400,026	(1,272,965)	1,127,061
Retirement benefit obligations	205,688	-	-	-	205,688	-	205,688
Current income tax liabilty	43,298	5,030	-	(4,867)	43,461	-	43,461
Deferred income tax liability	-	-	-	7,807	7,807	-	7,807
Equity and reserves	4,679,871	(245,264)	137,591	281,527	4,853,725	(738,729)	4,114,994
Total liabilities and equity	**19,076,011**	**1,188,353**	**811,007**	**1,573,088**	**22,648,460**	**(2,011,694)**	**20,636,762**
Condensed cash flows							
Net cash from operating activities	1,447,083	414,331	114,119	(139,712)	1,835,821	(81,346)	1,754,475
Net cash from investing activities	(4,452,201)	13,983	(3,806)	(286,241)	(4,728,265)	(110,399)	(4,838,664)
Net cash from financing activities	2,638,948	(335,356)	(116,718)	329,558	2,516,432	736,619	3,253,051
Movement in cash and cash equivalents	(366,170)	92,958	(6,405)	(96,395)	(376,012)	544,874	168,862
Cash and cash equivalents at start of period	(662,491)	(45,783)	9,885	124,533	(573,856)	(544,417)	(1,118,273)
Cash and cash equivalents at period end	**(1,028,661)**	**47,175**	**3,480**	**28,138**	**(949,868)**	**457**	**(949,411)**

C & I LEASING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2012

17. Operating lease assets
Group

	Autos and trucks N'000	Office equipment N'000	Marine equipment N'000	Construction in progress N'000	Cranes N'000	Total N'000
Valuation/Deemed cost						
At 1 February 2012	3,351,320	21,516	5,450,315	-	383,116	9,206,267
Additions	1,693,646	-	17,429	127,674	-	1,838,749
Transfer to own assets	(1,100)	-	-	-	-	(1,100)
Reclassification	-	-	-	-	-	-
Disposals in the period	(267,079)	-	(116,696)	-	-	(383,775)
Exchange difference	(62,533)	-	-	-	-	(62,533)
At 31 December 2012	4,714,254	21,516	5,351,048	127,674	383,116	10,597,608
Accumulated depreciation						
At 1 February 2012	1,394,472	21,490	604,026	-	183,624	2,203,612
Charge for the period	815,022	15	226,828	-	35,897	1,077,762
Transfer to own assets	(52)	-	-	-	-	(52)
Reclassification	-	-	-	-	-	-
Disposals in the period	(211,658)	-	(31,542)	-	-	(243,200)
Exchange difference	(26,873)	-	-	-	-	(26,873)
At 31 December 2012	1,970,911	21,505	799,312	-	219,521	3,011,249
Carrying amount						
At 31 December 2012	**2,743,343**	**11**	**4,551,736**	**127,674**	**163,595**	**7,586,359**
At 31 January 2012	1,956,848	26	4,846,289	-	199,492	7,002,655
At 1 February 2011	1,210,786	79	1,384,780	-	239,113	2,834,758

Operating lease assets
Company

	Autos and trucks N'000	Office equipment N'000	Marine equipment N'000	Construction in progress N'000	Cranes N'000	Total N'000
Valuation/deemed cost						
At 1 February 2012	2,886,613	21,516	5,441,672	-	391,759	8,741,560
Additions	1,107,050	-	17,429	127,674	-	1,252,153
Transfer to own assets	(1,100)	-	-	-	-	(1,100)
Reclassification	-	-	-	-	-	-
Disposals in the period	(240,428)	-	(116,696)	-	-	(357,124)
At 31 December 2012	3,752,135	21,516	5,342,405	127,674	391,759	9,635,489
Accumulated depreciation						
At 1 February 2012	1,274,025	21,490	604,026	-	183,624	2,083,165
Charge for the period	649,629	15	226,828	-	35,897	912,369
Transfer to own assets	(52)	-	-	-	-	(52)
Reclassification	-	-	-	-	-	-
Disposals in the period	(206,016)	-	(31,542)	-	-	(237,558)
At 31 December 2012	1,717,586	21,505	799,312	-	219,521	2,757,924
Carrying amount						
At 31 December 2012	**2,034,549**	**11**	**4,543,093**	**127,674**	**172,238**	**6,877,565**
At 31 January 2012	1,612,588	26	4,837,646	-	208,135	6,658,395
At 1 February 2011	1,002,302	79	1,384,780	-	239,113	2,626,274

18. Property, plant and equipment

Group	Autos and trucks	Furniture and fittings	Office equipment	Plant and machinery	Buildings	Land	Construction in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Valuation/Deemed cost								
At 1 February 2012	231,194	87,762	279,808	44,955	232,840	236,309	77,239	1,190,107
Additions	132,113	6,234	17,024	908	32,604	7,010	-	195,893
Revaluation surplus	-	-	-	-	81,193	162,647	-	243,840
Transfer/Reclassifications	-	-	-	-	56,000	-	(56,000)	-
Disposal in the period	(493)	-	(11,271)	-	-	-	-	(11,764)
Exchange difference	(1,536)	(583)	(9,776)	-	(361)	-	-	(12,256)
At 31 December 2012	361,278	93,413	275,785	45,863	402,276	405,966	21,239	1,605,820
Accumulated depreciation								
At 1 February 2012	140,463	46,420	148,975	32,390	94,075	-	-	462,323
Charge for the period	32,855	15,460	39,774	5,627	24,719	-	-	118,435
Transfer/Reclassifications	-	-	-	-	-	-	-	-
Disposal in the period	(489)	16	(12,050)	-	-	-	-	(12,523)
Exchange difference	(1,735)	(566)	(3,039)	-		-	-	(5,340)
At 31 December 2012	171,094	61,330	173,660	38,017	118,794	-	-	562,895
Carrying amount								
At 31 December 2012	**190,184**	**32,083**	**102,125**	**7,846**	**283,482**	**405,966**	**21,239**	**1,042,925**
At 31 January 2012	90,731	41,342	130,833	12,565	138,765	236,309	77,239	727,784
At 1 February 2011	127,992	42,440	79,488	19,121	158,920	236,309	77,239	741,508

18.1 The land and buildings of the group were revalued on 28 September 2012 by Messrs Ubosi Eleh and Co. Estate Surveyors and Valuers. The open market value of the land and buildings were put at N937,000,000.00 (Land N625,000,000 and building N312,000,000), and forced sale value at N655,900,000.00 (land N437,500,000 and buildings N218,400,000.The surplus arising from the revaluation was credited to the revaluation reserve through the other comprehensive income. Subsequent additions are stated at cost.

18.2 As stipulated in the Paragraph 3.11 of the Central Bank of Nigeria (CBN) revised Prudential Guidelines for Financial Institutions, the revaluation surplus of N541,865,603 (difference between the market and the historical values of the eligible property, plant and equipment being revalued) has been discounted by 55%. Therefore, the amount of N243,839,521 has been recognised in the revaluation reserve.

18.3 Schedule of properties owned by the group

C & I Leasing drive, plot 5 block 8, Lekki Peninsular Scheme, Lagos, Nigeria.
C & I Leasing Drive, Plot 2 Block 114A, Lekki Peninsular Scheme, Lagos, Nigeria.
Otunba Omoba Adetoro street, Off Familoni Street, Igbo-Efon, Lagos, Nigeria.
Plot 133A, C&I Leasing Drive, Trans Amadi Industrial Layout, Port Harcourt, Rivers State, Nigeria.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2012

18. Property, plant and equipment

Company	Autos and trucks	Furniture and fittings	Office equipment	Plant and machinery	Buildings	Land	Construction in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Valuation/Deemed cost								
At 1 February 2012	113,196	30,000	148,605	28,089	117,965	236,309	77,239	751,403
Additions	124,634	5,388	15,369	908	-	7,010	-	153,309
Revaluation surplus	-	-	-	-	81,193	162,647	-	243,840
Transfer/Reclassifications	-	-	-	-	56,000	-	(56,000)	-
At 31 December, 2012	237,830	35,388	163,974	28,997	255,158	405,966	21,239	1,148,552
Accumulated depreciation								
At 1 February 2012	53,841	19,012	103,796	21,016	12,613	-	-	210,278
Charge for the period	14,661	3,248	14,531	2,535	3,280	-	-	38,255
Transfer/Reclassifications	-	-	-	-	-	-	-	-
Disposal in the period	-	-	-	-	-	-	-	-
At 31 December, 2012	68,502	22,260	118,327	23,551	15,893	-	-	248,533
Carrying amount								
At 31 December 2012	**169,328**	**13,128**	**45,647**	**5,446**	**239,265**	**405,966**	**21,239**	**900,019**
At 31 January 2012	59,355	10,988	44,809	7,073	105,352	236,309	77,239	541,125
At 1 February 2011	70,799	10,395	34,049	10,875	107,716	236,309	77,239	547,382

18.1 The land and buildings of the company were revalued on 28 September 2012 by Messrs Ubosi Eleh and Co. Estate Surveyors and Valuers. The open market value of the land and buildings were put at N897,000,000.00 (Land N585,000,000 and building N312,000,000), and forced sale value at N627,900,000.00 (land N409,500,000 and buildings N218,400,000.The surplus arising from the revaluation was credited to the revaluation reserve through the other comprehensive income. Subsequent additions are stated at cost.

18.2 As stipulated in the Paragraph 3.11 of the Central Bank of Nigeria (CBN) revised Prudential Guidelines for Financial Institutions, the revaluation surplus of N541,865,603 (difference between the market and the historical values of the eligible property, plant and equipment being revalued) has been discounted by 55%. Therefore, the amount of N243,839,521 has been recognised in the revaluation reserve.

18.3 Schedule of properties owned by the group

C & I Leasing drive, plot 5 block 8, Lekki Peninsular Scheme, Lagos, Nigeria.
C & I Leasing Drive, Plot 2 Block 114A, Lekki Peninsular Scheme, Lagos, Nigeria.
Otunba Omoba Adetoro street, Off Familoni Street, Igbo-Efon, Lagos, Nigeria.
Plot 133A, C&I Leasing Drive, Trans Amadi Industrial Layout, Port Harcourt, Rivers State, Nigeria.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2012

		Group			Company		
		31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
19.	**Balances due to banks**						
	Access Bank Plc	**5,241**	2,649	-	**5,241**	2,649	-
	Diamond Bank Plc	**394,699**	268,316	272,562	**333,743**	210,573	9,167
	Guaranty Trust Bank Plc	-	87,115	98,361	-	87,115	98,361
	First City Monument Bank Plc	-	22,442	-	-	22,442	-
	Fidelity Bank Plc	**34,234**	380,819	11,450	**34,234**	289,515	11,450
	Zenith Bank Plc	**114,974**	452,248	506,391	**114,974**	452,249	506,391
	First Bank of Nigeria Limited	**183,090**	191,415	343,371	**181,811**	187,597	183,596
	Stanbic IBTC Bank Plc	-	-	308	-	-	308
	Standard Chartered Bank Limited	**100,444**	-	53,888	-	-	-
	Leadway Assurance Company Ltd	-	-	105,889	-	-	-
	Leadway Capital Limited	-	-	83,660	-	-	-
		832,682	1,405,004	1,475,880	**670,003**	1,252,140	809,273
20.	**Borrowings**						
	Term loans (Note 20.1)	**3,206,683**	2,500,000	-	**3,206,683**	2,500,000	-
	Finance lease facilities (Note 20.2)	**3,495,858**	3,532,088	2,786,723	**2,339,095**	2,367,512	2,095,901
	Commercial notes (Note 20.3)	**2,129,197**	3,065,485	2,347,911	**2,127,996**	3,065,485	2,347,911
	Redeemable bonds (Note 20.4)	**954,100**	-	-	**954,100**	-	-
	Secured lease notes (Note 20.5)	**310,390**	72,362	114,965	**310,390**	72,363	114,965
	C&I Leasing staff trust scheme (Note 20.6)	-	790,005	790,005	-	790,005	790,005
	Due to Aureos West Africa LLC	-	280,487	186,185	-	-	-
		10,096,228	10,240,427	6,225,789	**8,938,264**	8,795,365	5,348,782
20.1	**Term loans**						
	Due to First City Monument Bank Plc (Note 20.1.3)	**2,495,640**	2,500,000	-	**2,495,640**	2,500,000	-
	Due to Fidelity Bank (Note 20.1.4)	**711,043**	-	-	**711,043**	-	-
		3,206,683	2,500,000	-	**3,206,683**	2,500,000	-
20.1.1	**Analysis of term loans**						
	Current	**791,526**	768,708	-	**791,526**	768,708	-
	Non-current	**2,415,157**	1,731,292	-	**2,407,947**	1,731,292	-
		3,206,683	2,500,000	-	**3,199,473**	2,500,000	-
20.1.2	**Movement in term loans**						
	At the beginning of the period	**2,500,000**	-	-	**2,500,000**	-	-
	Obtained in the period	**934,206**	2,500,000	-	**934,206**	2,500,000	-
	Effective interest charge/(write back)	**143,052**	-	-	**143,052**	-	-
	Repayment during the period	**(370,575)**	-	-	**(370,575)**	-	-
	At the end of the period	**3,206,683**	2,500,000	-	**3,206,683**	2,500,000	-

20.1.3 Due to First City Monument Bank Plc

Facility represents US $15,725,000 (N2,500,000,000) term loan secured from First City Monument Bank Plc on 2 December 2011 for a period of 66 months with a moratorium of 9 months on principal, to finance acquisition of crew and tug boats. The interest on the loan is 11% per annum Dollar interest rate (17% per annum Naira interest rate). The loan is secured by mortgage on the boats being financed.

20.1.4 Due to Fidelity Bank Plc

Facility represents N450,000,000 lease finance secured from Fidelity Bank Plc on 27 May 2010 for a period of four years from draw down date. The interest on the loan is 16% per annum. The outstanding balance on the lease facility was restructured to term loan in 2012 for a period of 26 months and interest at 20% per annum. The loan is secured by bill of sale on leased assets.

		Group			Company		
		31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
20.2	**Finance lease facilities**						
	Diamond Bank Plc (Note 20.2.2)	**1,349,982**	886,610	510,288	**1,349,982**	886,610	510,288
	Stanbic IBTC Bank (Note 20.2.3)	**546,286**	288,081	555,561	**285,229**	288,081	555,561
	First Bank Nigeria Ltd (Note 20.2.4)	**469,449**	306,879	-	**386,996**	201,351	-
	Access Bank Plc (Note 20.2.5)	**209,189**	60,335	-	**68,228**	60,335	-
	Leadway Assurance Company Ltd (Note 20.2.6)	**188,278**	191,721	-	**-**	**-**	-
	Lotus Capital Limited (Note 20.2.7)	**132,841**	169,061	-	**132,841**	169,062	-
	United Bank for Africa (Note 20.2.8)	**124,179**	88,811	-	**98,280**	88,810	-
	Golden Cedar, Ghana (Note 20.2.9)	**226,538**	**-**	-	**-**	**-**	-
	Barclays Bank Ghana (Note 20.2.10)	**151,752**	**-**	-	**-**	**-**	-
	Wema Bank Plc	**17,540**	25,754	-	**17,540**	25,754	-
	Fidelity Bank Plc	**-**	647,509	1,030,052	**-**	647,509	1,030,052
	Others	**79,824**	867,327	690,822	**-**	**-**	-
		3,495,858	3,532,088	2,786,723	**2,339,095**	2,367,512	2,095,901
20.2.1	**Analysis of finance lease facility**						
	Current	**1,700,295**	1,256,361	1,168,867	**1,186,774**	1,256,361	1,168,867
	Non-current	**1,795,563**	2,275,727	1,617,856	**1,152,321**	1,111,151	927,034
		3,495,858	3,532,088	2,786,723	**2,339,095**	2,367,512	2,095,901

20.2.2 Diamond Bank Plc

Facility represents N1.5 billion consumer lease finance facility secured from Diamond Bank Plc in April 2009 for a period of four years, to finance up to 90% of various lease facilities availed by C&I to its clients.The interest payable on the facility is 18% per annum. The facility was secured by legal ownership of assets finance under the lease contract.

20.2.3 Stanbic IBTC Bank Plc

Facility represents N770 million finance lease facility secured from Stanbic IBTC Bank Limited in February 2010 for a period of three years. The interest on the facility is 20% per annum. The facility was secured by legal ownership of assets finance under the lease contract.

20.2.4 First Bank Nigeria Limited

This relates to N2 billion equipment lease facility secured from First Bank Nigeria Limited on 10 February 2011 for a period of four years.The interest on the facility is 18% per annum. The facility is in tranches and the Company makes equity contribution of 20% on each tranche drawn. The facility was secured by corporate guarantee of C&I Leasing.

20.2.5 Access Bank Plc

Facility represents N90.5 million and N44.75 million vehicle finance lease secured from Access Bank in June 2011 and May 2012 respectively for a period of three years. The interest on the lease facility is payable monthly at 17% per annum. The facility was secured by legal ownership of the leased assets.

20.2.6 Leadway Assurance Company Limited

Facility represents N147 million finance lease facility secured by Citrans Global Limited from Leadway Assurance Company for a period of four years. The interest on the facility is 18% per annum and was secured by corporate guarantee of C&I Leasing Plc.

20.2.7 Lotus Capital Limited

This represents N200 million Murabaha facility secured from Lotus Capital Limited under the Murabaha agreement of 7 September 2011 for a period of three years. The interest on the facility is 16.02% per annum.

20.2.8 United Bank for Africa Plc

Facility represents N500 million contract/lease finance facility secured from United Bank for Africa Plc in August 2011 for a period of three years, to part-finance 80% of various lease facilities availed by the C&I to its clients.The interest on the facility is 16% per annum. The facility was secured by joint ownership of leased asset/equipment by UBA and C&I Leasing.

20.2.9 Golden Cedar, Ghana

Facilicty represents US$1 million and one million Ghana Cedis equipment lease facility secured from Golden Cedar Limited, Ghana in July 2012 for a period of three years. The interest on the facility is 10.5% plus LIBOR and 4% plus Bank of Ghana Prime rate for the US Dollar and Ghana Cedis denominated loans. The facility is secured by negative pledge and corporate guarantee of C&I Leasing.

20.2.10 Barclays Bank of Ghana

Facilicty represents US$750,000 finance lease facility secured from Barclays Bank of Ghana Limited in February 2012 for a period of three years. The interest on the facility is 8% per annum. The facility was secured by legal ownership of the leased assets.

		Group			Company		
		31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
20.3	**Commercial notes**						
	Institutional clients	**563,225**	1,087,445	471,261	**553,279**	1,087,445	471,261
	Individual clients	**1,565,972**	1,978,040	1,876,650	**1,574,717**	1,978,040	1,876,650
		2,129,197	3,065,485	2,347,911	**2,127,996**	3,065,485	2,347,911
20.3.1	**Analysis of commercial notes**						
	Current	**2,129,197**	3,065,485	2,347,911	**2,467,996**	3,065,485	2,347,911
	Non-current	**-**	**-**	**-**	**-**	**-**	**-**
		2,129,197	**3,065,485**	2,347,911	**2,467,996**	**3,065,485**	2,347,911
20.4	**Redeemable bond**						
	First Pension Custodian Ltd	**345,100**	-	-	**345,100**	-	-
	First Securities Discount House Ltd	**507,500**	-	-	**507,500**	-	-
	UBA Pension Custodian Ltd	**101,500**	-	-	**101,500**	-	-
		954,100	-	-	**954,100**	-	-
20.4.1	**Analysis of redeemable bond**						
	Current	**273,344**	-	-	**273,344**	-	-
	Non-current	**680,756**	-	-	**680,756**	-	-
		954,100	**-**	-	**954,100**	**-**	-

20.4.2 Facility represents notes issued by subscribers (as indicated above) on 30 November 2012 for a period of five years. Interest on the notes is payable at 18% per annum. The loan is repayable at six monthly intervals over a period of five years commencing from 31 May 2013. The loan is direct, unconditional and secured obligation of C&I Leasing.

Redeemable bonds only include financial instruments classified as liabilities at amortised cost.

		Group			Company		
		31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
20.5	**Secured lease notes**						
	First Securities Discount House	**310,390**	72,362	114,965	**310,390**	72,363	114,965
		310,390	72,362	114,965	**310,390**	72,363	114,965
20.5.1	**Analysis of Secured lease notes**						
	Current	**310,390**	72,362	114,965	**310,390**	72,363	114,965
	Non-current	**-**	**-**	**-**	**-**	**-**	**-**
		310,390	72,362	114,965	**310,390**	72,363	114,965

20.5.2 Facility represents asset backed lease note secured from First Securities Discount House Limited in February 2012 for a period of two years with a moratorium of three months on principal repayment. The interest on the facility is 16% per annum and have a remaining period to contractual maturity of less than 12 months.

20.6 **C&I Leasing staff trust scheme**

Facility represents N790,000,000 redeemable convertible loan stock issued by the company's staff trustees in January 2010 for a period of five years. The loan does not attract interest. The loan has been recalled by the staff trustees in December 2012.

		Group			Company		
		31 December 2012	31 January 2012	1 February 2011	31 December 2012	31 January 2012	1 February 2011
21.	**Deferred maintenance charge**						
	At the end of the period	**3,465,253**	3,219,497	743,143	**3,465,253**	3,219,497	743,143

21.1 Deferred maintenance charge relates to estimate for maintenance obligations on fleet managements under finance lease arrangement. The reimbursements are included in finance lease receivables from customers, while the maintenance charge is recognised in the income statement over the tenor of the fleet management contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2012

		Group			Company		
		31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
22.	**Other liabilities**						
	Security deposits	**73,946**	87,774	191,058	**35,841**	86,363	38,826
	Information technology levy	**14,714**	14,201	12,839	**14,680**	14,168	12,839
	VAT payable	**92,063**	130,668	104,574	**60,196**	130,668	104,574
	Intercompany balances	-	-	-	**7,984**	-	4,920
	Accounts payable	**1,067,142**	894,418	370,754	**779,116**	560,782	29,359
	Deferred rental income	**30,375**	-	66,225	**30,375**	-	18,000
	Provision and accruals	**232,124**	-	-	**96,616**	88,170	37,103
		1,510,364	1,127,061	745,450	**1,024,808**	880,151	245,621
23.	**Retirement benefit obligations**						
	Defined contribution pension plan (Note 23.1)	**164,669**	205,688	99,420	**164,669**	205,688	99,420
		164,669	205,688	99,420	**164,669**	205,688	99,420
23.1	**Defined contribution pension plan**						
	At the beginning of the period	**205,688**	99,420	66,146	**205,688**	99,420	66,146
	Contribution during the period	**350,511**	369,092	302,668	**350,511**	369,092	302,668
	Remittance during the period	**(391,530)**	(262,824)	(269,394)	**(391,530)**	(262,824)	(269,394)
	At the end of the period	**164,669**	205,688	99,420	**164,669**	**205,688**	99,420

23.1.1 The Group and its employees make a joint contribution of 15% basic salary, housing and transport allowance to each employee's retirement savings account maintained with their nominated pension fund administrators.

		Group			Company		
		31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
24.	**Taxation**						
24.1	**Income tax charge**						
	Income tax	**56,844**	53,444	39,096	**53,562**	48,414	36,933
	Education tax	**7,293**	3,228	8,344	**7,293**	3,229	8,344
	Technology tax	**2,360**	-	-	**2,360**	-	-
	Current income tax	**66,497**	56,672	47,440	**63,215**	51,643	45,277
	Deferred tax credit	**(178,101)**	(147,780)	(527,376)	**(137,964)**	(147,780)	(527,376)
	Deferred tax charge	**39,326**	-	-	**-**	-	-
	Income tax	**(72,278)**	(91,108)	(479,936)	**(74,749)**	(96,137)	(482,099)
	Reconciliation of effective tax rate						
	Profit/(loss) before tax	**187,021**	(23,482)		**235,979**	(29,592)	
	Tax calculated using the domestic corporation tax rate of 30% (31 January 2012: 30%, 1February 2011: 30%)	**56,106**	(7,045)		**70793**	(8,878)	
	Effect of tax rates in foreign jurisdictions	**(217,093)**	(25,026)		**(217,093)**	(25,026)	
	Non-deductible expenses	**263,627**	59,775		**249,842**	56,612	
	Effect of education tax levy	**7,293**	3,228		**7,293**	3,229	
	Effect of minimum tax	**2,360**	1,362		**2,360**	1,328	
	Tax exempt income	**-**	-		**-**	-	
	Effect of disposal of items of PPE	**(26,121)**	(48,372)		**(29,494)**	(48,372)	
	Effect of change in PBT due to IFRS adjustments	**-**	(44,334)		**-**	(44,334)	
	Tax reliefs	**(158,450)**	(30,696)		**(158,450)**	(30,696)	
	Total income tax	**(72,278)**	(91,108)		**(74,749)**	**(96,137)**	

		Group			Company		
		31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
24.2	**Current income tax liability**						
	At the beginning of the period	**43,461**	48,846	248,435	**43,298**	45,277	230,679
	Charge for the period (Note 24.1)	**64,137**	56,672	47,440	**60,855**	51,643	45,277
	Payments during the period	**(33,944)**	(62,057)	(247,029)	**-**	(53,622)	(230,679)
	At the end of the period	**73,654**	43,461	48,846	**104,153**	43,298	45,277
24.3	**Deferred income tax assets**						
	At the beginning of the period	**(675,156)**	(527,376)	-	**(675,156)**	(527,376)	-
	Charge in the period (Note 24.1)	**(178,101)**	(147,780)	(527,376)	**(137,964)**	(147,780)	(527,376)
	At the end of the period	**(853,257)**	(675,156)	(527,376)	**(813,120)**	(675,156)	(527,376)
24.3.1	**Analysis of deferred income tax assets**						
	Property, plant and equipment	**(853,257)**	(675,156)	(527,376)	**(813,120)**	(675,156)	(527,376)
	Tax losses carried forward	**-**	-	-	**-**	-	-
		(853,257)	(675,156)	(527,376)	**(813,120)**	(675,156)	(527,376)
24.4	**Deferred income tax liability**						
	At the beginning of the period	**7,807**	8,412	8,412	**-**	-	-
	Charge during the period	**39,327**	-	-	**-**	-	-
	Prior period adjustment	**-**	(605)	-	**-**	-	-
	At the end of the period	**47,134**	**7,807**	**8,412**	**-**	**-**	**-**
24.4.1	**Analysis of deferred income tax liability**						
	Property, plant and equipment	**47,134**	7,807	8,412	**-**	-	-
	Tax losses carried forward	**-**	-	-	**-**	-	-
		47,134	7,807	8,412	**-**	-	-
25.	**Share capital**						
25.1	**Authorised share capital**						
	3,000,000,000 ordinary shares of 50k each	**1,500,000**	1,500,000	1,500,000	**1,500,000**	1,500,000	1,500,000
25.2	**Issued and fully paid**						
	1,617,010,000 ordinary shares of 50k each	**808,505**	808,505	808,505	**808,505**	808,505	808,505
26.	**Deposit for shares**						
	At the beginning of the period	**1,565,500**	1,498,500	1,488,300	**1,565,500**	1,498,500	1,488,300
	Addition during the period	**416,958**	-	-	**416,958**	-	-
	Exchange difference adjustment	**(31,108)**	67,000	10,200	**(31,108)**	67,000	10,200
	At the end of the period	**1,951,350**	1,565,500	1,498,500	**1,951,350**	1,565,500	1,498,500

This represents US$10,000,000 unsecured variable coupon convertible notes issued by Aureos Africa LLC on 11 January 2010 for a period of five years. The interest to be paid on notes is equivalent, in any year, to dividend declared by C&I Leasing and payable on the equivalent number of ordinary shares underlying the loan stock. The Company is in the process of converting the notes to its equity and has elected to include the notes in equity as deposit for shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2012

	Group			Company		
	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
27. Statutory reserve						
At the beginning of the period	**339,094**	321,405	294,817	**332,141**	312,335	288,940
Transfer from income statement	**121,438**	17,689	26,588	**93,218**	19,806	23,395
At the end of the period	**460,532**	339,094	321,405	**425,359**	332,141	312,335

Nigerian banking regulations requires the Group to make an annual appropriation to a statutory reserve. As stipulated in S. 16 (1) of the Banks and Other Financial Institutions Act CAP B3 LFN 2004 and Central Bank of Nigeria (CBN) guidelines, an appropriation of 30% of profit after tax is made if the statutory reserve is less than the paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid-up share capital.

	Group			Company		
	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
28. Statutory credit reserve						
At the beginning of the period	**16,648**	1,215	16,648	**-**	-	-
Arising in the period	**-**	15,433	(15,433)	**-**	-	-
At the end of the period	**16,648**	16,648	1,215	**-**	**-**	-

The Group determines its loan loss provisions based on the requirements of IFRS. The difference between the loan loss provision as determined under IFRS and the provision as determined under Prudential Guidelines (as prescribed by the Central Bank) is recorded in this reserve. This reserve is non distributable.

C & I LEASING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2012

	Group			Company		
	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
29. Retained earnings						
At the beginning of the period	**370,263**	335,517	732,390	**1,295,721**	1,248,982	1,137,654
Dividend declared and paid	**-**	-	(42,000)	**-**	-	(42,000)
Transfer from income statement	**131,273**	34,746	(354,873)	**217,510**	46,739	153,328
Transfer from reserves	**-**	-	-	**-**	-	-
At the end of the period	**501,536**	370,263	335,517	**1,513,231**	1,295,721	1,248,982
30. Exchange translation reserve						
At the beginning of the period	**183,184**	-	-	**-**	**-**	-
Arising in the period	**(82,553)**	183,184	-	**-**	**-**	-
At the end of the period	**100,631**	183,184	-	**-**	**-**	-

This represents net exchange difference arising from translation of reserve balances of foreign entity at closing rate.

	Group			Company		
	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
31. AFS fair value reserve						
At the beginning of the period	**(1,522)**	(235)	-	**(1,522)**	(235)	-
Gains/loss in the period	**5,032**	(1,287)	(235)	**5,032**	(1,287)	(235)
At the end of the period	**3,510**	(1,522)	(235)	**3,510**	(1,522)	(235)

Available for sale (AFS) fair value reserve represents gains or losses arising from mark to market valuation on available for sale assets.

	Group			Company		
	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
32. Revaluation reserve						
Arising during the period	**243,840**	-	-	**243,840**	-	-
At the end of the period	**243,840**	-	-	**243,840**	-	-

Revaluation reserve relates surplus arising from the revaluation of land and buildings included in property, plant and equipment.

As stipulated in the Paragraph 3.11 of the Central Bank of Nigeria (CBN) revised Prudential Guidelines for Financial Institutions, the revaluation surplus of N541,865,603 (difference between the market and the historical values of the eligible property, plant and equipment being revalued) has been discounted by 55%. Therefore, the amount of N243,839,521 has been recognised in the revaluation reserve.

	Group			Company		
	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000	31 December 2012 N'000	31 January 2012 N'000	1 February 2011 N'000
33. Non controlling interest						
At the beginning of the period	**153,796**	138,605	119,439	**-**	**-**	**-**
Issue of new shares	**-**	-	-	**-**	**-**	**-**
Share of profit during the period	**6,588**	15,191	19,166	**-**	**-**	**-**
At the end of the period	**160,384**	153,796	138,605	**-**	-	-
34. Cash and cash equivalents						
Cash and balances with banks (Note 10)	**389,999**	455,593	357,607	**200,591**	223,479	146,782
Balances due to banks (Note 19)	**(832,682)**	(1,405,004)	(1,475,880)	**(670,003)**	(1,252,140)	(809,273)
	(442,683)	(949,411)	(1,118,273)	**(469,412)**	(1,028,661)	(662,491)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2012

	Group		Company	
	11 months to 31 December 2012 N'000	12 months to 31 January 2012 N'000	11 months to 31 December 31st Jan 2012 N'000	12 months to 31 January 2012 N'000
35. Impairment charge				
Finance lease receivables	**(6,921)**	1,964	**1,182**	29,431
Lease rental due	**18,794**	46,071	**18,794**	49,354
Loans and advances	**(38,660)**	(21,106)	**(32,649)**	(14,695)
Other assets	**296,679**	201,807	**254,378**	185,556
Inventory	**1,502**	-	**-**	-
Per income statement	**271,394**	228,736	**241,705**	249,646

35.1 Reconciliation of impairment allowance on loans and receivables, finance lease receivables and other assets

Group

	Inventory N'000	Loans and advances N'000	Lease rental due N'000	Finance lease receivables N'000	Other assets N'000	Total N'000
At 1 February 2011						
Specific impairment	3,831	97,178	146,722	-	216,932	**464,663**
Collective impairment	-	-	2,865	265,920	-	**268,785**
	3,831	97,178	149,587	265,920	216,932	**733,448**
Additional provision						
Specific impairment		-	48,084	-	186,124	**234,208**
Collective impairment		-	1,271	29,430	79,425	**110,126**
No longer required		(21,106)	(3,284)	(27,466)	(63,742)	**(115,598)**
Income statement	-	(21,106)	46,071	1,964	201,807	**228,736**
Written off	(3,831)	-	(38,811)	(19,104)	-	**(61,746)**
At 31 January 2012						
Specific impairment	-	76,072	152,711	-	338,024	**566,807**
Collective impairment	-	-	4,136	248,780	79,426	**332,342**
	-	76,072	156,847	248,780	417,450	**899,149**
Additional provision						
Specific impairment	1,502	-	17,523	-	178,903	**197,928**
Collective impairment	-	-	1,271	1,287	44,739	**47,297**
No longer required	-	(38,660)	-	(8,208)	73,037	**26,169**
Income statement	1,502	(38,660)	18,794	(6,921)	296,679	**271,394**
Written off	-	(67,349)	6,839	(80,465)	(91,689)	**(232,664)**
At 31 December 2012						
Specific impairment	1,502	8,723	181,210	-	516,927	**708,362**
Collective impairment	-	-	1,270	161,394	105,513	**268,177**
	1,502	8,723	182,480	161,394	622,440	**975,037**

35.1 Reconciliation of impairment allowance on loans and receivables, finance lease receivables and other assets

Company	Loans and advances N'000	Lease rental due N'000	Finance lease receivables N'000	Other assets N'000	Total N'000
At 1 February 2011					
Specific impairment	97,411	104,627	-	158,857	**360,895**
Collective impairment	-	2,865	30,012	-	**32,877**
	97,411	107,492	30,012	158,857	**393,772**
Additional provision					
Specific impairment	**-**	48,084	-	134,072	**182,156**
Collective impairment	**-**	1,271	29,430	79,425	**110,126**
No longer required	(14,695)	-	-	(27,941)	**(42,636)**
Income statement	(14,695)	49,355	29,430	185,556	**249,646**
At 31 January 2012					
Specific impairment	82,716	152,711	-	264,987	**500,414**
Collective impairment	-	4,136	59,442	79,426	**143,004**
	82,716	156,847	59,442	344,413	**643,418**
Additional provision					
Specific impairment	-	17,523	-	228,291	**245,814**
Collective impairment	-	1,271	1,182	26,087	**28,540**
No longer required	(32,649)	-	-	-	**(32,649)**
Income statement	(32,649)	18,794	1,182	254,378	**241,705**
Written off	(35,334)	(17,195)	-	-	**(52,529)**
At 31 Decemeber 2012					
Specific impairment	14,733	157,175	-	493,278	**665,186**
Collective impairment	-	1,270	60,624	105,513	**167,407**
	14,733	158,445	60,624	598,791	**832,593**

	Group		Company	
	11 months to 31 December 2012 N'000	12 months to 31 January 2012 N'000	11 months to 31 December 31st Jan 12 2012 N'000	12 months to 31 January 2012 N'000
36. Rental income				
Outsourcing rental	**9,655,986**	7,786,832	**9,655,986**	7,786,832
Finance lease	**238,586**	433,558	**-**	-
Operating lease	**471,157**	361,965	**148,497**	361,965
Other income	**35,678**	-	**-**	-
	10,401,407	8,582,355	**9,804,483**	8,148,797
37. Lease interest expense				
Finance lease interest	**837,108**	139,842	**653,196**	27,670
Commercial notes interest	**410,212**	459,387	**410,212**	459,387
Bank loan interest	**304,239**	131,287	**236,498**	131,287
	1,551,559	730,516	**1,299,906**	618,344
38. Vehicles sales				
Vehicles	**636,836**	1,090,293	**-**	-
Accessories	**102,162**	170,085	**-**	-
Others	**28,127**	38,254	**-**	-
	767,125	1,298,632	**-**	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2012

	Group		Company	
	11 months to 31 December 2012 N'000	12 months to 31 January 2012 N'000	11 months to 31 December 2012 N'000	12 months to 31 January 2012 N'000
39. Vehicles operating expenses				
Vehicles	**481,658**	1,149,036	**-**	-
Accessories	**54,413**	**-**	**-**	-
Others	**19,657**	**-**	**-**	-
	555,728	1,149,036	**-**	**-**
40. Tracking and tagging income				
Tracking income	**64,626**	73,656	**-**	**-**
Tagging income	**43,768**	-	**-**	**-**
	108,394	73,656	**-**	-
41. Interest income				
Interest on loans	**261**	1,750	**260**	1,750
Interest on bank deposits	**11,479**	16,760	**1,112**	2,190
	11,740	18,510	**1,372**	3,940
42. Other income				
Gain on sale of operating lease assets (Note 42.1)	**87,072**	161,241	**87,072**	161,241
Gain on sale of property, plant and equipment (Note 42.2)	**4,493**	-	**-**	-
Foreign exchange gain	**103,211**	70,417	**80,219**	22,547
Gain on disposal of investments securities (Note 42.3)	**11,242**	-	**11,242**	-
Insurance claims received	**81,341**	72,470	**81,341**	72,470
Insurance income on finance leases	**16,187**	-	**16,187**	-
Investment income	**10,343**	-	**10,343**	-
Advertisement income	**89,080**	53,984	**-**	-
Premium earned on cars	**-**	59,182	**-**	-
Service charge	**18,232**	-	**-**	-
Rent received	**24,437**	-	**437**	-
Grants and warranty	**-**	29,700	**-**	-
Others	**25,191**	75,621	**-**	444
	470,829	522,615	**286,841**	256,702
42.1 Gain on sale of operating lease assets				
Proceeds from sale	**206,639**	165,923	**206,639**	165,923
Gross value	**357,124**	320,709	**357,124**	320,709
Accumulated depreciation	**(237,557)**	(316,027)	**(237,557)**	(316,027)
Carrying amount	**119,567**	4,682	**119,567**	4,682
Profit on disposal	**87,072**	161,241	**87,072**	161,241

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2012

	Group		Company	
	11 months to 31 December 2012 N'000	12 months to 31 January 2012 N'000	11 months to 31 December 31st Jan 2012 N'000	12 months to 31 January 2012 N'000
42.2 Gain on sale of property, plant and equipment				
Proceeds from sale	**4,547**	**-**	**-**	**-**
Gross value	**12,577**	**-**	-	**-**
Accumulated depreciation	**(12,523)**	**-**	-	**-**
Carrying amount	**54**	-	-	-
Profit on disposal	**4,493**	-	**-**	-
42.3 Gain on disposal of available for sale				
Proceeds from sale	**37,038**	-	**37,038**	-
Carrying amount	**(25,796)**	-	**(25,796)**	-
Profit on disposal	**11,242**	-	**11,242**	-
43. Operating expenses				
Outsourcing service	**4,729,920**	4,650,222	**4,729,919**	4,650,222
Direct operating expenses	**581,752**	523,047	**546,194**	465,717
Maintenance - leased assets	**311,172**	171,692	**193,253**	171,692
Depreciation - leased assets	**912,368**	590,625	**912,368**	491,847
Insurance - leased assets	**293,132**	101,286	**283,826**	98,933
	6,828,344	6,036,872	**6,665,560**	5,878,411
44. Administrative expenses				
Personnel expenses	**769,157**	1,137,306	**644,949**	993,833
Depreciation - property, plant and equipment	**289,633**	108,723	**38,259**	35,433
Auditors' remuneration	**24,614**	31,023	**14,000**	17,700
Directors' emoluments	**37,408**	36,894	**11,932**	6,900
Bank charges	**180,247**	350,914	**142,018**	119,665
Maintenance and renewals	**401,445**	222,201	**375,920**	186,011
Insurance	**43,974**	-	**43,974**	-
Advert and external relations	**161,151**	28,923	**27,809**	26,281
Travel and entertainment	**65,802**	57,339	**57,667**	49,473
Professional expenses	**60,536**	36,199	**58,269**	32,011
Communications	**50,557**	35,845	**38,718**	36,844
Subscriptions	**23,631**	49,548	**20,019**	48,507
Bad debts	**82,558**	-	**58,739**	-
Levies and penalties	**51,333**	7,650	**49,952**	7,650
Other administrative expenses	**123,403**	271,525	**67,321**	132,322
	2,365,449	2,374,090	**1,649,546**	1,692,630

	Group		Company	
	11 months to 31 December 2012 N'000	12 months to 31 January 2012 N'000	11 months to 31 December 31st Ja2012 N'000	12 months to 31 January 2012 N'000
45. Reconciliation of profit after tax to net cash provided by operating activities:				
Profit/(loss) after taxation	**259,299**	67,626	**310,728**	66,545
Adjustment to reconcile profit after tax to net cash provided by operating activities:				
Depreciation owned assets	**118,435**	113,462	**38,255**	40,171
Depreciation leased assets	**1,077,762**	591,290	**912,369**	491,847
Impairment charge	**271,394**	228,736	**241,705**	249,646
Finance lease interest	**1,551,559**	730,515	**1,299,906**	618,344
Exchange (gain)/loss	**(31,108)**	67,000	**(31,108)**	67,000
Increase/(decrease) in income tax liability	**30,193**	(5,385)	**60,855**	(1,979)
(Decrease)/Increase in deferred tax assets	**(178,101)**	147,780	**137,964**	147,780
(Decrease)/Increase in deferred tax liability	**39,327**	**-**	**-**	**-**
Profit on disposal of leased assets	**(87,072)**	(57,700)	**(87,072)**	(100,743)
Profit on disposal of owned assets	**(4,493)**	(200)	**-**	(200)
Profit on disposal of investments	**(11,242)**	-	**11,242**	-
Revaluation surplus on fixed assets	**-**	-	**-**	-
Exchange difference	**100,635**	178,446	**(73,961)**	(4,738)
Operating profit before changes in operating assets and liabilites	**2,877,289**	1,993,944	**2,510,155**	1,507,128
Net decrease/(increase) in operating assets (Note 45)	**134,721**	(3,165,058)	**55,005**	(3,237,470)
Net increase in operating liabilities (Note 46)	**620,281**	2,857,965	**349,394**	3,110,884
Total adjustments	**3,632,291**	1,686,851	**2,914,554**	1,380,542
Net cash provided by operating activities	**3,891,590**	**1,754,477**	**3,225,282**	**1,447,087**

46. Decrease/(increase) in operating assets

Loans and receivables	**57,320**	42,919	**57,973**	105,448
Due from related parties	**-**	-	**62,773**	-
Lease rental due	**(148,422)**	(380,403)	**(152,476)**	(375,104)
Finance lease receivables	**(98,955)**	(2,920,005)	**(116,352)**	(2,943,052)
Other assets	**541,473**	92,431	**203,087**	(24,762)
Inventory	**(175,389)**	-	-	-
Trade receivables	**(41,306)**	-	-	-
	134,721	(3,165,058)	**55,005**	(3,237,470)

47. Increase in operating liabilities

Other liabilities	**383,303**	381,611	**144,657**	634,530
Deferred maintenance charge	**245,756**	2,476,354	**245,756**	2,476,354
Trade payables	**32,241**	-	**-**	-
Retirement benefit obligations	**(41,019)**	-	**(41,019)**	-
	620,281	2,857,965	**349,394**	3,110,884

48. Basic earnings per share

Earnings per share (basic) (EPS) have been computed for each period on the profit after taxation attributable to ordinary shareholders and divided by the weighted average number of issued N0.50 ordinary shares during the period. While diluted earnings per share is calculated by adjusting the weighted average ordinary shares outstanding to assume conversion of all diluted potential ordinary shares. There were no potential dilutive shares in December 2012 (January 2012 : Nil)

	Group		Company	
	11 months to 31 December 2012 N'000	12 months to 31 January 2012 N'000	11 months to 31 December 2012 N'000	12 months to 31 January 2012 N'000
Profit/(loss) after taxation	**259,299**	67,626	**310,728**	66,545
Number of shares at period end	**1,617,010**	1,617,010	**1,617,010**	1,617,010
Time weighted average number of shares in issue	**1,617,010**	1,617,010	**1,617,010**	1,617,010
Diluted number of shares	**1,617,010**	1,617,010	**1,617,010**	1,617,010
Earnings/(loss) per share (EPS) (kobo) - basic	**16.04**	4.18	**19.22**	4.12
Earnings/(loss) per share (EPS) (kobo) - diluted	**16.04**	4.18	**19.22**	4.12

		Group		Company	
		11 months to 31 December 2012 N'000	12 months to 31 January 2012 N'000	11 months to 31 December 2012 N'000	12 months to 31 January 2012 N'000
49.	**Information regarding Directors and employees**				
49.1	**Directors**				
49.1.1	Directors' emoluments				
	Fees	**8,200**	6,900	**8,200**	6,900
	Other emoluments	**26,150**	24,303	**26,150**	16,889
		34,350	**31,203**	**34,350**	**23,789**
49.1.2	Fees and emoluments disclosed above excluding pension contributions include amounts paid to:				
	The Chairman	**1,200**	800	**1,200**	500
	The highest paid Director	**9,575**	9,575	**9,575**	9,575
49.1.3	The number of Directors [including the Chairman and the highest paid Director] who received fees and other emoluments [excluding pension contributions] in the following ranges were :				
		Number	**Number**	**Number**	**Number**
	N240,001 - N400,000	**8**	8	**8**	7
	N400,001 - N1,550,000	**2**	2	**1**	1
	N1,550,001 - N5,000,000	**1**	1	**1**	-
	N5,000,000 - N8,000,000	**-**	-	**-**	1
	N8,000,001 - N11,000,000	**1**	1	**-**	1
		12	12	**10**	10
		N'000	**N'000**	**N'000**	**N'000**
49.2	**Employees**				
49.2.1	**Personnel expenses**				
	Wages and salaries	**638,068**	943,509	**527,237**	817,882
	Other personnel cost	**87,688**	54,858	**82,860**	81,873
	Pension contribution	**28,578**	27,496	**26,703**	27,496
		754,334	1,025,863	**636,800**	927,251
		Number	**Number**	**Number**	**Number**
49.2.2	The average number of persons employed by the Group during the perid was as follows:				
	Managerial	**40**	41	**27**	28
	Senior staff	**60**	61	**60**	53
	Junior staff	**628**	1,267	**538**	1,187
		728	1,369	**625**	1,268

49.2.3 The number of employess of the Group, other than directors, who received emoluments in the following ranges (excluding pension contributions and certain benefits) were as follows:

N	N	Group 11 months to 31 December 2012 Number	Group 12 months to 31 January 2012 Number	Company 11 months to 31 December 2012 Number	Company 12 months to 31 January 2012 Number
70,001	80,000	**-**	22	**-**	21
80,001	90,000	**-**	20	**-**	18
90,001	100,000	**-**	16	**-**	16
100,001	110,000	**-**	13	**-**	11
110,001	120,000	**-**	26	**-**	25
120,001	130,000	**-**	51	**-**	47
140,001	150,000	**-**	104	**-**	100
150,001	190,000	**-**	70	**-**	68
190,001	200,000	**-**	8	**-**	7
200,001	220,000	**-**	24	**-**	22
220,001	230,000	**-**	19	**-**	16
230,001	250,000	**-**	186	**-**	173
250,001	370,000	**150**	210	**138**	204
370,001	420,000	**360**	365	**320**	334
430,001	580,000	**110**	133	**80**	125
580,001	700,000	**28**	23	**25**	20
700,001	750,000	**23**	23	**20**	22
840,001	850,000	**17**	15	**15**	11
1,000,001	1,100,000	**11**	6	**4**	5
1,100,001	1,150,000	**8**	13	**7**	8
1,200,001	1,400,000	**8**	9	**7**	6
1,500,000	1,550,000	**6**	5	**5**	4
1,650,000	2,050,000	**7**	8	**4**	5
		728	1,369	**625**	1,268

50. Reclassification of comparative figures

Certain comparative figures in these financial statements have been restated to give a more meaningful comparison.

51. Events after the reporting date

No event or transaction has occurred since the reporting date, which would have had a material effect on the financial statements as at that date or which needs to be mentioned in the financial statement in the interests of fair presentation of the Group's financial position as at the reporting date or its result for the year then ended.

52. Financial commitments

The Directors are of the opinion that all known commitments and liabilities, which are relevant in assessing the state of affairs of the group have been take into consideration in the preparation of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2012

53. Contingent assets/(liabilities)

The Group is not subject to any claim and other liabilities nor assets arising in the normal course of the business for the period ended 31 December 2012 (31 January 2012: Nil; 1 February 2011: N952,658,950).

54. Related party transactions

During the period the Group had significant business dealings with other companies that have common directors with the Company and those that are members of the Group. Details of these are described below:

	11 months to 31 December 2012 N'000	**12 months to 31 January 2012** N'000
Citrans Global Limited The Company is a subsidiary of C&I Leasing Plc. Transactionsduring the period relates to intercompany receivables. No provision has been recognised on the intercompany receivables.	**296,577**	271,633
C&I Motors Limited The Company is a subsidiary of C&I Leasing Plc. Transactions during the period relates to intercompany receivables. No provision has been recognised on the intercompany receivables.	**305,093**	392,811
Leasafic Ghana Ghana Limited The Company is a subsidiary of C&I Leasing Plc. Transactions during the period relates to intercompany receivables. No provision has been recognised on the intercompany receivables.	**-**	45,369
Petra Services The Company is a shareholder in C&I Leasing Plc. Transactions during the period relates to term loans given to them. No provision has been recognised on the intercompany receivables.	**701**	4,820
Diamond Bank Plc The Company is a shareholder in C&I Leasing Plc. Transactions during the period relates to term loans received from the bank.	**(1,683,725)**	(210,573)

55. Segment reporting

55.1 Segment results of operations

The segment information provided to the Group management committee for the reportable segments for the period ended 31 December 2012. The Group is divided into the following business units:

C&I Outsourcing
C&I Outsourcing is a licensed provider of manpower, recruitment, training, personnel outsourcing and human resource consultancy service provider to companies that would like to focus on their core competence.

C&I Fleet Management/Hetz Car Rentals
C&I Leasing is the sole franchisee and operator of the popular Hetz Rent-A-Car brand in Nigeria and manages over a thousand vehicles and professional chauffers, offering car rentals and fleet management services to individuals, corporate bodies, schools etc.

C&I Easi Lease (Finance Lease Services)
The Company provides both consumer and corporate leases of wide range of domestic equipment to employees of large organisation and corporate bodies through its Easi-lease product.

C&I Equipment Rentals
Offers various classes of heavy equipment which include, cranes, forklifts, bulldozers, payloaders etc to a variety of companies across the manufacturing, breweries, oil and gas sectors of the Nigerian economy.

C&I Marine Services
C&I Marine Services operates and provides management services to offshore support vessels and related marine service contract with oil majors in the Nigerian offshore sector. These services includes berthing and escort, mooring support, line & hose handling, pollution control.

	C&I Fleet management N'000	C&I Rental services N'000	C&I Finance leases N'000	C&I outsourcing N'000	C&I Marine services N'000	Total N'000
Gross earnings	**3,252,674**	**221,704**	**128,577**	**5,229,456**	**1,260,285**	**10,092,696**
Operating income	2,641,495	177,354	99,842	5,065,662	808,437	8,792,790
Operating expenses	(1,638,016)	(146,772)	-	(4,336,715)	(544,057)	(6,665,560)
Impairment loss	(14,103)	3,535	259	(87,840)	(143,556)	(241,705)
Administrative expenses	(664,852)	(34,625)	(46,521)	(532,483)	(371,066)	(1,649,547)
Profit before taxation	**324,524**	**(507)**	**53,580**	108,624	**(250,242)**	**235,978**
Total assets employed	9,253,852	394,678	748,045	1,553,832	5,136,461	17,086,868
Depreciation of property, plant and equipment	456,031	40,026	508	20,047	199,681	716,293
ROCE	4%	-	7%	7%	(5%)	1%

55.2 Geographical information

	11 months to 31 December 2012 N'000	12 months to 31 January 2012 N'000
1. Revenue		
Nigeria	**11,126,900**	10,125,878
Ghana	**632,595**	369,890
	11,759,495	10,495,768
2. Total assets		
Nigeria	**20,573,788**	18,790,674
Ghana	**847,722**	1,573,088
	21,421,510	20,363,762

56. Compliance with regulations

A penalty of N95,000 was paid by the Company for late submission of its audited financial statements for the year ended 31 January 2012 to the Central Bank of Nigeria for approval in accordance with section 25 of the Banks and Other Financial Institutions Act, Cap B3, LFN 2004.

S TO THE CONSOLIDATED FINANCIAL STATEMENTS
HE PERIOD ENDED 31 DECEMBER 2012

Transition to IFRS

Explanation of transition to IFRSs

As stated in note 2.3, these are the Company's and Group's first consolidated financial statements prepared in accordance with IFRSs.

The Company and Group have applied IFRS 1 in preparing these consolidated financial statements and the accounting policies set out in note been applied in preparing the consolidated financial statements for the period ended 31 December, 2012, the comparative information presented i consolidated financial statements for the year ended 31 January 2012 and in the preparation of an opening consolidated IFRS statement of f position at 1 February 2011 (the Group's date of transition to IFRSs).

n preparing its opening consolidated IFRS statement of financial position, the Group has adjusted amounts reported previously in financial stat prepared in accordance with Statements of Accounting Standards issued by the Nigerian Accounting Standards Board ("previous GAAP" or N GAAP {"NGAAP"}). An explanation of how the transition from previous GAAP to IFRSs has affected the Group's financial position, financial perfo and cash flows is set out in the following tables and the notes that accompany the tables.

Reconciliation of equity

		31 January 2012			01 February 2011		
Group	**Notes**	**Nigerian GAAP N'000**	**Effect of transition to IFRS N'000**	**IFRS N'000**	**Nigerian GAAP N'000**	**Effect of transition to IFRSs N'000**	
Assets							
Cash and balances with banks		455,593	-	455,593	357,607	-	3
Long term investments	h	45,166	(45,166)	-	46,453	(46,453)	
Available for sale assets	h	-	45,166	45,166	-	46,453	
Loans and receivables	a,k	16,255	589,026	605,281	36,007	217,944	2
Finance lease receivables		7,164,775	-	7,164,775	4,227,630	-	4,2
Trade receivables	b,c	-	241,351	241,351	-	247,068	2
Lease rental due	a	594,831	(594,831)	-	217,944	(217,944)	
Other assets	b	4,173,848	(1,040,577)	3,133,271	4,254,590	(873,766)	3,3
Inventories	c	-	585,729	585,729	-	626,698	6
Intangible assets		-	-	-	709	-	
Operating lease assets		7,002,655	-	7,002,655	2,834,758	-	2,8
Property, plant and equipment	d	702,520	25,264	727,784	720,984	20,524	7
Deferred income tax assets		-	727,732	675,156	-	527,376	5
Total assets		**20,155,643**	**533,695**	**20,636,762**	**12,696,682**	**547,900**	**13,2**

57. Transition to IFRS (Cont'd)

57.1.1 Reconciliation of equity (Cont'd)

Group	Notes	31 January 2012 Nigerian GAAP N'000	31 January 2012 Effect of transition to IFRS N'000	31 January 2012 IFRS N'000	01 February 2011 Nigerian GAAP N'000	01 February 2011 Effect of transition to IFRSs N'000	01 February 2011 IFRS N'000
Liabilities							
Balances due to banks		1,405,005	-	1,405,004	1,475,880	-	1,475,880
Borrowings	e	-	10,240,427	10,240,427	-	6,225,789	6,225,789
Short term borrowings	e	8,005,359	(8,005,359)	-	4,558,777	(4,558,777)	-
Other liabilities	f,j	4,825,069	(3,698,008)	1,127,061	1,702,617	(957,167)	745,450
Deferred maintenance charge		-	3,219,497	3,219,497	-	743,143	743,143
Trade payables	j	-	272,823	272,823	-	114,604	114,604
Medium term liabilities	e	1,445,063	(1,445,063)	-	877,007	(877,007)	-
Convertible bond	e,i	2,355,505	(2,355,505)	-	2,288,505	(2,288,505)	-
Retirement benefits obligation	f	-	205,688	205,688	-	99,420	99,420
Current income tax liabilty		43,461	-	43,461	48,846	-	48,846
Deferred tax liability	l	7,807	-	7,807	8,412	-	8,412
Total liabilities		**18,087,269**	**(1,565,501)**	**16,521,768**	**10,960,044**	**(1,498,500)**	**9,461,544**
Equity							
Share capital		808,505	-	808,505	808,505	-	808,505
Share premium		679,526	-	679,526	679,526	-	679,526
Deposit for shares	i	-	1,565,500	1,565,500	-	1,498,500	1,498,500
Statutory reserve		339,094	-	339,094	321,405	-	321,405
Statutory credit reserve		16,648	-	16,648	1,215	-	1,215
Retained earnings	g,h,d,k	(112,379)	535,218	370,263	(39,447)	344,951	335,517
Exchange translation reserve	g	183,184	-	183,184	(173,171)	173,171	-
AFS fair value reserve	h	-	(1,522)	(1,522)	-	(235)	(235)
		1,914,578	2,099,196	3,961,198	1,598,033	2,016,387	3,644,433
Non-controlling interest		153,796	-	153,796	138,605	-	138,605
Total equity		**2,068,374**	**2,099,196**	**4,114,994**	**1,736,638**	**2,016,387**	**3,783,038**
Total liabilities and equities		**20,155,643**	**533,695**	**20,636,762**	**12,696,682**	**517,887**	**13,214,569**

57. Transition to IFRS (Cont'd)

57.1.2 Reconciliation of profit

Group	Notes	Nigerian GAAP N'000	Effect of transition to IFRS N'000	IFRS N'000
		31 January 2012		
Gross earnings		**10,495,768**	**-**	**10,495,768**
Operating income		2,579,345	6,036,873	8,616,216
Impairment charge	k	(10,723)	(218,013)	(228,736)
Operating expenses		(2,378,831)	(3,658,041)	(6,036,872)
Administrative expenses	d	-	(2,374,092)	(2,374,090)
Profit before taxation		189,791	(213,273)	(23,482)
Income tax charge	l	(56,672)	147,780	91,108
Profit for the year after tax from continuing operations		133,119	(65,493)	67,626
Non-controlling interest		(15,191)	-	(15,191)
Profit after tax attributable to ordinary shareholders		117,928	(65,493)	52,435
Other comprehensive income				
Gain/(loss) on available for sale financial assets	h	-	(1,287)	(1,287)
Gain/(loss) on exchange translation reserve	g	-	183,184	183,184
Other comprehensive income (net of tax)		-	181,897	181,897
Total comprehensive income for the year		**-**	**116,404**	**249,523**

57.1.3 Explanatory notes to the reconciliation of equity and profit

Index

a Reclassification of lease rental due to trade receivables
b Reclassification of items which fall under trade and other receivables from other assets
c Separate recognition of line items in line with IAS 1
d Derecognition of depreciation previously charged on land
e Reclassification of financial liabilities
f Separate recognition of line items in line with IAS 1
g Reclassification of exchange revaluation reserve
h Reclassification of long term investment as financial asset
i Reclassification of borrowings as deposit for shares
j Reclassification of trade creditors from other liabilities
k Remeasurement of impairment allowances
l Recognition of deferred tax

a Reclassification of lease rental due to loans and receivables

Lease rental due, a separate line item under previous GAAP is a receivable which comprise of rentals on lease facilities which have been reclassified to loans and receivables on transitioning to IFRS.

57. Transition to IFRS (Cont'd)

57.1.3 Explanatory notes to the reconciliation of equity and profit

b Reclassification of trade receivables from other assets

Trade receivables in line with IAS 1 under IFRS should be classified as a separate line item. Trade debtors previously classified as part of other assets under NGAAP has now been reclassified accordingly.

c Reclassification of inventories from other assets

IAS 1 requires certain items to be recognised on the face of the financial statements. Under previous GAAP, inventory was included under other assets. This has been reclassified accordingly under IFRS as a separate line item on the face of the statement of financial position.

d Derecognition of depreciation previously charged on land

Under the previuos GAAP (NGAAP), land and buildings were merged together and depreciated. IFRS - IAS 16.58, requires that land is accounted for separately, even when land and buildings are acquired togther. Therefore, on transitioning to IFRS, land has been separeted from buildings and all previously recognised depreciation on land have been derecognised, as land is deemed an appreciable property and not depreciable and retained earnings credited accordingly with the accumulated depreciation on land.

e Reclassification of financial liabilities

Under previous GAAP, borrowings were split into various line items, which were other liabilities, medium term liabilities and short term borrowings. All these have been merged together and their current and non-current portion distinguished in the notes relating to them.

f Reclassification of retirement benefits obligations from other liabilities

Employee benefits in line with IAS 1 are required to be shown as separate line items. Thus, defined contribution pension plan (staff pension) which falls under employee benefits as been reclassified from other liabilities as a separate line item.

g Reclassification of exchange translation reserve

Under previous GAAP, unrealised gains on translation of foreign currencies and operations were recognised directly in equity. IAS 21 - The effects of changes in foreign exchange rates requires exchange differences on translation of foreign operations to be recognised in equity through the other comprehensive income. Thus, gains or losses on translation of foreign operations are now recognised under equity through the other comprehensive income.

h Reclassification of long term investment as available for sale assets

Under the previous GAAP, investments are classified based on their tenure that is short term investment, long term investment or investment properties in line with SAS 13. However under IFRS, they are classified based on management intention. Items hitherto classified as long term investment under Nigerian GAAP are reclassified as available for sale assets based on management's intention. IFRS also requires the gains or losses on these category of financial assets to be recognised in equity through the other comprehensive income, therefore the losses previously recognised under operating expenses have been reclassifed to the fair value reserve through the other comprehensive income.

57. Transition to IFRS (Cont'd)

57.1.3 Explanatory notes to the reconciliation of equity and profit

i Reclassification of convertible bond included in borrowings to deposit for shares as part of equity

Under IFRS, a basis of preparation and presentation of financial statements is the principle of economic substance over legal form, therefore deposit for shares previously classified as a part of borrowings is now reclassified under equity as it is currently undergoing the conversion process to be ultimately issued as shares.

j Reclassification of trade creditors as trade payables from other liabilities

IAS 1 requires certain items to be recognised on the face of the financial statements. Under previous GAAP, trade payables previously trade creditors was included under other liabilities. This has been reclassified accordingly under IFRS as a separate line item on the face of the statement of financial position.

k Remeasurement of impairment charge

This represents the increase in impairment allowances on the receivables presented in the financial statements as required under IFRS based on certain parameters.

A specific provision for loan impairment is established to provide for management's estimate of credit losses as soon as the recovery of an exposure is identified as doubtful. This provision is made for each account that is not performing in accordance with the terms of the Prudential Guideline. Also, a general reserve of at least 1% is made for all performing accounts to recognise losses in respect of risks inherent in any loan and receivable portfolio. Under IFRS based on certain parameters, an impairment loss can only be recognised if there is objective evidence that a loss has occurred after the initial recognition but before the reporting date.

l Recognition of deferred tax

Under the previous GAAP the Company did not recognise deferred tax. However, in line with IAS 12, Accounting for income taxes deferred tax assets or liabilities should be recognised in full.

57.1.4 Exception and elections applied from full retrospective application

Exception applied

The Group has applied the following mandatory exceptions from retrospective application:

i. Estimates exception

Estimates under IFRS at 1 February 2011 should be consistent with estimates made for the same date under Nigerian GAAP, unless there is evidence that those estimates were in error.

ii. Derecognition of financial assets and liabilities exception

Financial assets and liabilities derecognised before 1 February 2011 are not re-recognised under IFRS.

iii. Non-controlling interests exception

From 1 February 2011 total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if it results in the non-controlling interests having a deficit balance.

Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners) from 1 February 2011.

The guidance contained in IFRS on accounting for the loss of control of a subsidiary is applied prospectively from 1 February 2011.

57. Transition to IFRS (Cont'd)

57.1.3 Explanatory notes to the reconciliation of equity and profit

57.1.4 Exception and elections applied from full retrospective application (cont'd.)

iv. Classification and measurement of financial assets exception

The assessment of whether the Group's financial assets meet the requirements to be measured at amortised cost, as set out in IAS 39, was performed at 1 February 2011.

Elections applied

The Group has applied the following optional exemptions from retrospective application:

vi Business combinations

The Group has elected to apply the exemption on business combinations. As a result of this election the previous GAAP numbers were carried forward as none of its previous business combinations were restated.

vii. Foreign currency translation

The Group elected to set the foreign currency translation reserve in respect of Leasafric Ghana subsidiary's foreign operations on the date of transition to IFRS at zero as provided by IFRS 1. A13. As a result of this exemption, the foreign currency translation reserve in opening statement of financial position was reclassified to retained earnings.

viii. Investments in subsidiaries, associates and joint ventures

The Group has elected to apply the exemption to retain its previous GAAP numbers as the deemed cost of its investments in subsidiaries, joint ventures and associates in the company stand alone financial statements.

ix. Property, plant and equipment

Except for land and buildings, the Group has elected to adopt the carrying values of all items of property, plant and equipment under Nigerian GAAP as their deemed cost.

57. Transition to IFRS (Cont'd)

57.2.1 Reconciliation of equity

Company	Notes	31 January 2012 Nigerian GAAP N'000	31 January 2012 Effect of transition to IFRSs N'000	31 January 2012 IFRS N'000	01 February 2011 Nigerian GAAP N'000	01 February 2011 Effect of transition to IFRS N'000	01 February 2011 IFRS N'000
Assets							
Cash and balances with banks		223,479	-	223,479	146,782	-	146,782
Investment in subsidiaries	a,b	613,652	499,000	1,112,652	613,652	499,000	1,112,652
Long term investment		45,166	(45,166)	-	46,453	(46,453)	-
Available for sale financial assets		-	45,166	45,166	-	46,453	46,453
Loans and receivables	c,k	674,055	499,542	1,173,598	762,747	175,852	938,599
Finance lease receivables		5,884,766	-	5,884,766	2,971,142	-	2,971,143
Lease rental due	c	505,346	(505,346)	-	175,852	(175,852)	-
Other assets	a.b	3,474,171	(712,498)	2,761,673	3,421,470	(499,002)	2,922,468
Operating lease assets		6,658,395	-	6,658,395	2,626,274	-	2,626,274
Property, plant and equipment	d	515,860	25,265	541,125	526,858	20,524	547,382
Deferred income tax assets	j	-	675,156	675,156	-	527,376	527,376
Total assets		**18,594,890**	**481,118**	**19,076,010**	**11,291,230**	**547,898**	**11,839,129**
Liabilities							
Balances due to banks		1,252,140	-	1,252,140	809,273	-	809,273
Borrowings	e	-	8,795,365	8,795,365	-	5,348,782	5,348,782
Short term borrowings	e	8,005,360	(8,005,360)	-	4,558,777	(4,558,777)	-
Other liabilities	f	4,305,337	(3,425,186)	880,151	1,088,185	(842,564)	245,621
Deferred maintenance charge		-	3,219,497	3,219,497	-	743,143	743,143
Retirement benefits obligation	f	-	205,688	205,688	-	99,420	99,420
Convertible bond	e,h	2,355,505	(2,355,505)	-	2,288,505	(2,288,505)	-
Current income tax liability		43,297	-	43,298	45,277	-	45,277
Total liabilities		**15,961,639**	**(1,565,500)**	**14,396,139**	**8,790,017**	**(1,498,502)**	**7,291,516**
Equity							
Share capital		808,505	-	808,505	808,505	-	808,505
Share premium		679,526	-	679,526	679,526	-	679,526
Deposit for shares	h	-	1,565,500	1,565,500	-	1,498,500	1,498,500
Statutory reserve		332,141	-	332,141	312,335	-	312,335
Statutory credit reserve		-	-	-	-	-	-
Retained earnings	d,g,k	813,080	452,626	1,295,721	700,847	518,122	1,248,982
AFS fair value reserve	g	-	(1,522)	(1,522)	-	(235)	(235)
Total equity		**2,633,252**	**2,016,605**	**4,679,871**	**2,501,213**	**2,016,387**	**4,547,613**
Total liabilities and equity		**18,594,890**	**451,105**	**19,076,010**	**11,291,230**	**517,885**	**11,809,116**

57. Transition to IFRS (Cont'd)

57.2.2 Reconciliation of profit

		31 January 2012		
Company	Notes	Nigerian GAAP N'000	Effect of transition to IFRSs N'000	IFRS N'000
Gross earnings		**8,409,439**	**-**	**8,409,439**
Operating income		1,912,684	5,878,411	7,791,095
Operating expenses	g	(1,697,373)	(4,181,038)	(5,878,411)
Impairment charge	k	(31,630)	(218,016)	(249,646)
Administrative expenses	d	-	(1,692,634)	(1,692,630)
Profit before taxation		183,681	(213,277)	(29,592)
Income tax charge	j	(51,642)	147,779	96,137
Profit for the year after tax from continuing operations		132,039	(65,498)	66,545
Other comprehensive income				
Gain/(loss) on available for sale financial assets		-	(1,287)	(1,287)
Gain/(loss) on exchange translation reserve		-	-	-
Other comprehensive income (net of tax)		-	(1,287)	(1,287)
Total comprehensive income for the year		**132,039**	**(66,785)**	**65,258**

57.2.3 Explanatory notes to the reconciliation of equity and profit

Index

a Reclassification of deposit for shares
b Reclassification of investment in subsidiaries to other assets
c Reclassification of lease rental due to trade receivables
d Derecognition of depreciation previously charged on land
e Reclassification of financial liabilities
f Separate recognition of line items in line with IAS 1
g Reclassification of long term investment as a financial asset
h Reclassification of borrowings as deposit for shares
i Remeasurement of impairment allowances
j Recognition of deferred tax

a Reclassification of deposit for shares
Under IFRS, a basis of preparation and presentation of financial statements is the principle of economic substance over legal form, therefore deposit for shares previously classified as a part of other asset is now reclassified under investment in subsidiaries as it will lead to the ultimate issuance of shares.

b Reclassification of investment in subsidiaries to other assets
Reclassification of investment in WAP which does not meet the definition of a subsidiary in accordance with IFRS to other assets.

c Reclassification of lease rental due to loans and receivables
Lease rental due, a separate line item under previous GAAP is a receivable which comprise of rentals on lease facilities (core operations) given out and which remain outstanding at the year end. They are usually recovered within the next accounting period, and as such have been reclassified as a trade receivable under IFRS.

57. Transition to IFRS (Cont'd)

57.2.3 Explanatory notes to the reconciliation of equity and profit

d Derecognition of depreciation previously charged on land

Under the previuos GAAP (NGAAP), land and buildings were merged together and depreciated. IFRS - IAS 16.58, requires that land is accounted for separately, even when land and buildings are acquired togther. Therefore, on transitioning to IFRS, land has been separeted from buildings and all previously recognised depreciation on land have been derecognised, as land is deemed an appreciable property and not depreciable and retained earnings credited accordingly with the accumulated depreciation on land.

e Reclassification of financial liabilities

Under previous GAAP, borrowings were split into various line items, which were other liabilities, medium term liabilities and short term borrowings. All these have been merged into one and their current and non-current portion have been distinguished in the notes relating to them.

f Reclassification of line items in statement of financial position line with IAS 1

Employee benefits in line with IAS 1 are required to be shown as separate line items. Thus, defined contribution pension plan (staff pension) which falls under employee benefits as been reclassified from trade and other payables (previously current liabilities) as a separate line item.

g Reclassification of long term investment as a financial asset.

Under the previous GAAP, investments are classified based on their tenure that is short term investment, long term investment or investment properties in line with SAS 13. However under IFRS, they are classified based on management intention. Items hitherto classified as long term investment under Nigerian GAAP are reclassified as available for sale assets based on management's intention. IFRS also requires the gains or losses on these category of financial assets to be recognised in equity through the other comprehensive income, therefore the losses previously recognised under operating expenses have been reclassifed to the fair value reserve through the other comprehensive income.

h Reclassification of convertible bond included in borrowings to deposit for shares as part of equity

Under IFRS, a basis of preparation and presentation of financial statements is the principle of economic substance over legal form, therefore deposit for shares previously classified as a part of borrowings is now reclassified under equity as it is currently undergoing the conversion process to be ultimately issued as shares.

i Remeasurement of impairment allowances

This represents the increase in impairment allowances on the receivables presented in the financial statements as a result of certain parameters guiding impairment under IFRS.

A specific provision for loan impairment is established to provide for management's estimate of credit losses as soon as the recovery of an exposure is identified as doubtful. This provision is made for each account that is not performing in accordance with the terms of the Prudential Guideline. Also, a general reserve of at least 1% is made for all performing accounts to recognise losses in respect of risks inherent in any loan and receivable portfolio. Under IFRS based on certain parameters, an impairment loss can only be recognised if there is objective evidence that a loss has occurred after the initial recognition but before the reporting date.

j Recognition of deferred tax

Under the previous GAAP the Company did not recognise deferred tax. However, in line with IAS 12, Accounting for income taxes deferred tax assets or liabilities should be recognised in full.

57. Transition to IFRS (Cont'd)

57.2.3 Explanatory notes to the reconciliation of equity and profit

57.2.4 Exception and elections applied from full retrospective application

Exception applied
The Company has applied the following mandatory exceptions from retrospective application:

i. **Estimates exception**
Estimates under IFRS at 1 February 2011 should be consistent with estimates made for the same date under Nigerian GAAP, unless there is evidence that those estimates were in error.

ii. **Derecognition of financial assets and liabilities exception**
Financial assets and liabilities derecognised before 1 February 2011 are not re-recognised under IFRS.

iii. **Classification and measurement of financial assets exception**
The assessment of whether the Company's financial assets meet the requirements to be measured at amortised cost, as set out in IAS 39, was performed at 1 February 2011.

Elections applied
The Company has applied the following optional exemptions from retrospective application:

iv. **Property, plant and equipment**
Except for land and buildings, the Company has elected to adopt the carrying values of all items of property, plant and equipment under NGAAP as their deemed cost.

v. **Investments in subsidiaries, associates and joint ventures**
C&I Leasing has elected to apply the exemption to retain its previous GAAP numbers as the deemed cost of its investments in subsidiaries, joint ventures and associates in the company stand alone financial statements.

C & I LEASING PLC

VALUE ADDED STATEMENT - GROUP

	11 months to 31 December 2012 N'000	%	12 months to 31 January 2012 N'000	%
Gross income	11,759,495		10,495,768	
Interest expense	(1,551,559)		(730,516)	
	10,207,936		9,765,252	
Administrative overheads:				
Local	(7,633,990)		(7,630,498)	
Foreign	(421,571)		(316,178)	
Value added	**2,152,375**	**100**	**1,818,576**	**100**
Distribution:				
Payment to employees:				
- Salaries, wages and other benefits	769,157	36	1,137,306	63
To pay government:				
- Current income tax	66,497	3	56,672	3
Retained for future replacement of assets and expansion of business				
- Depreciation of property, plant and equipment	1,196,197	56	704,752	39
- Deferred income tax	(138,775)	(6)	(147,780)	(8)
- Profit/(Loss) for the period/year	259,299	12	67,626	3
	2,152,375	**100**	**1,818,576**	**100**

Value added is the additional wealth created by the efforts of the Group and its employees. This statement shows the allocation of that wealth between the employees, government, shareholders and that re-invested for the future creation of more wealth.

C & I LEASING PLC

VALUE ADDED STATEMENT - COMPANY

	11 months to 31 December 2012 N'000	%	12 months to 31 January 2012 N'000	%
Gross income	10,092,696		8,409,439	
Interest expense	(1,299,906)		(618,344)	
	8,792,790		7,791,095	
Administrative overheads:				
Local	(6,971,054)		(6,674,432)	
Foreign	-		-	
Value added	**1,821,736**	**100**	**1,116,663**	**100**
Distribution :				
Payment to employees:				
- Salaries, wages and other benefits	644,949	35	993,833	89
To pay government:				
- Current income tax	63,215	3	51,643	5
Retained for future replacement of assets and expansion of business				
- Depreciation of property, plant and equipment	950,624	52	532,018	48
- Deferred income tax	(147,780)	(7)	(527,376)	(48)
- Profit/(Loss) for the period/year	310,728	17	66,545	6
	1,821,736	**100**	**1,116,663**	**100**

Value added is the additional wealth created by the efforts of the Company and its employees. This statement shows the allocation of that wealth between the employees, government, shareholders and that re-invested for the future creation of more wealth.

C & I LEASING PLC

FINANCIAL SUMMARY - GROUP

STATEMENT OF FINANCIAL POSITION

	As reported under IFRS				As reported under NGAAP	
	31 December 2012	**31 January 2012**	**31 January 2011**		**31 January 2010**	**31 January 2009**
	N'000	**N'000**	**N'000**		**N'000**	**N'000**
Assets						
Cash and balances with banks	**389,999**	455,593	357,607	Cash and balances with banks	2,302,120	383,288
Loans and receivables	**738,099**	605,281	253,951	Loans and advances	271,202	208,188
Trade receivables	**282,374**	241,351	247,068	Lease rental due	-	-
Finance lease receivables	**7,351,116**	7,164,775	4,227,630	Finance lease receivables	4,176,098	4,416,412
Available for sale assets	**24,401**	45,166	46,453	Long term investments	46,688	25,198
Investments in subsidiaries	**-**	-	-		-	81,459
Other assets	**2,386,808**	3,133,271	3,380,824	Other assets	4,150,960	3,140,501
Inventories	**766,172**	585,730	626,698	Investment in subsidiaries	-	-
Operating lease assets	**7,586,359**	7,002,655	2,834,758	Operating lease assets	1,352,210	1,555,097
Property, plant and equipment	**1,042,925**	727,784	741,508	Property, plant and equipment	653,670	632,618
Intangible assets	**-**	-	709	Intangible assets	-	-
Deferred income tax assets	**853,257**	675,156	527,376		-	-
Total assets	**21,421,510**	20,636,762	13,244,582		12,952,948	10,442,761
Liabilities						
Balances due to banks	**832,682**	1,405,004	1,475,880	Bank overdrafts	682,721	2,037,837
Borrowings	**10,096,228**	10,240,427	6,225,789	Short term borrowings	904,779	147,863
Trade payables	**305,064**	272,823	114,604	Medium term liabilities	-	-
Deferred maintenance charge	**3,465,253**	3,219,497	743,143		324,646	-
Other liabilities	**1,510,364**	1,127,061	745,450	Convertible bond	6,359,405	5,702,108
Convertible bond	**-**	-	-		2,258,085	-
Retirement benefits obligation	**164,669**	205,688	99,420		66,146	56,633
Current income tax liability	**73,654**	43,461	48,846		248,435	149,181
Deferred income tax liability	**47,134**	7,807	8,412		-	-
Total liabilities	**16,495,048**	16,521,768	9,461,544		10,844,217	8,093,622
Equity						
Share capital	**808,505**	808,505	808,505		808,505	808,505
Share premium	**679,526**	679,526	679,526		679,526	679,526
Deposit for shares	**1,951,350**	1,565,500	1,498,500		-	-
Statutory reserves	**460,532**	339,094	321,405		294,817	244,200
Statutory credit reserve	**16,648**	16,648	1,215		1,215	1,215
Retained earnings	**501,536**	370,263	335,517		205,229	419,056
Exchange translation reserve	**100,631**	183,184	-		-	-
AFS fair value reserve	**3,510**	(1,522)	(235)		-	-
Revaluation reserve	**243,840**	-	-		-	-
	4,766,078	3,961,198	3,644,433		1,989,292	2,152,502
Non-controlling interest	**160,384**	153,796	138,605		119,439	196,637
Total equity	**4,926,462**	4,114,994	3,783,038		2,108,731	2,349,139
Total liabilities and equity	**21,421,510**	20,636,762	13,244,582		12,952,948	10,442,761

C & I LEASING PLC

FINANCIAL SUMMARY - GROUP

INCOME STATEMENT

	As reported under IFRS			As reported under NGAAP	
	31 December 2012 N'000	31 January 2012 N'000	31 January 2011 N'000	31 January 2010 N'000	31 January 2009 N'000
Gross earnings	**11,759,495**	10,495,768	8,647,445	8,287,858	6,774,402
Operating income	**9,652,208**	8,616,215		8,287,858	6,774,402
Operating expenses	**(6,828,344)**	(6,036,872)		(6,363,428)	(4,925,589)
Administrative expenses	**(2,365,449)**	(2,374,090)		(1,651,511)	(1,336,995)
Impairment charge	**(271,394)**	(228,736)	(215,725)	(161,752)	(103,230)
Profit before tax	**187,021**	(23,482)	(215,725)	111,167	408,588
Income tax expense	**72,278**	91,108	(47,440)	(118,127)	(74,359)
Profit/(loss) after tax	**259,299**	67,626	(263,165)	(6,960)	334,229
Profit/(loss) attributable to:					
Owners of the parent	**252,711**	52,435	(282,331)	(42,181)	362,731
Non-controlling interest	**6,588**	15,191	19,166	35,221	(28,502)
	259,299	67,626	(263,165)	(6,960)	334,229
Earnings/(loss) per share in kobo (basic)	**16**	4	(33)	9	19

C & I LEASING PLC

FINANCIAL SUMMARY - COMPANY

STATEMENT OF FINANCIAL POSITION

	As reported under IFRS			As reported under NGAAP	
	31 December 2012	31 January 2012	31 January 2011	31 January 2010	31 January 2009
	N'000	N'000	N'000	N'000	N'000
Assets					
Cash and balances with banks	**200,591**	223,479	146,782	1,948,175	244,456
Loans and receivables	**1,271,711**	1,173,598	938,599	629,263	231,236
Finance lease receivables	**5,999,936**	5,884,766	2,971,143	2,640,899	2,789,294
Available for sale financial assets	**24,401**	45,166	46,453	46,688	25,198
Investments in subsidiaries	**1,600,924**	1,112,652	1,112,652	612,652	533,291
Other assets	**2,304,204**	2,761,673	2,922,468	2,465,082	1,518,997
Operating lease assets	**6,877,565**	6,658,395	2,626,274	1,284,238	1,524,618
Property, plant and equipment	**900,019**	541,125	547,382	451,882	443,783
Deferred income tax assets	**813,120**	675,156	527,376	-	-
Total assets	**19,992,471**	19,076,010	11,839,129	10,078,879	7,310,873
Liabilities					
Balances due to banks	**670,003**	1,252,140	809,273	495,469	1,019,725
Borrowings	**8,938,264**	8,795,365	5,348,782	2,278,305	-
Other liabilities	**1,024,808**	880,151	245,621	4,296,385	3,885,840
Deferred maintenance charge	**3,465,253**	3,219,497	743,143	324,646	-
Retirement benefits obligation	**164,669**	205,688	99,420	66,146	56,633
Current income tax liability	**104,153**	43,298	45,277	230,679	121,791
Deferred tax liability	**-**	-	-	-	-
Total liabilities	**14,367,150**	14,396,139	7,291,516	7,691,630	5,083,989
Equity					
Share capital	**808,505**	808,505	808,505	808,505	808,505
Deposit for shares	**1,951,350**	1,565,500	1,498,500	-	-
Share premium	**679,526**	679,526	679,526	679,526	679,526
Statutory reserve	**425,359**	332,141	312,335	288,940	238,323
Statutory credit reserve	**-**	-	-	-	-
Retained earnings	**1,513,231**	1,295,721	1,248,982	-	500,530
AFS fair value reserve	**3,510**	(1,522)	(235)	610,278	-
Revaluation reserve	**243,840**	-	-	-	-
Total equity	**5,625,321**	4,679,871	4,547,613	2,387,249	2,226,884
Total liabilities and equity	**19,992,471**	19,076,010	11,839,129	10,078,879	7,310,873

C & I LEASING PLC

FINANCIAL SUMMARY - GROUP

INCOME STATEMENT

	As reported under IFRS			As reported under NGAAP	
	31 December 2012	31 January 2012	31 January 2011	31 January 2010	31 January 2009
	N'000	N'000	N'000	N'000	N'000
Gross earnings	**10,092,696**	8,409,439	6,205,274	5,178,687	4,676,395
Operating income	**8,792,790**	7,791,095	6,205,274	5,178,687	4,676,395
Impairment charge	**(241,705)**	(249,646)	(205,819)	(47,681)	(36,340)
Operating expenses	**(6,665,560)**	(5,878,411)	(4,754,271)	(3,984,055)	(3,323,319)
Administrative expenses	**(1,649,546)**	(1,692,630)	(1,043,943)	(809,502)	(881,495)
Profit before tax	**235,979**	(29,592)	201,241	337,449	435,241
Exceptional item	**-**	-	-	114,145	-
Income tax expense	**74,749**	96,137	(45,277)	(116,592)	(67,535)
Profit/(loss) after tax	**310,728**	66,545	155,964	335,002	367,706
Profit/(loss) attributable to:					
Owners of the parent	**310,728**	66,545	17,359	335,002	367,706
Non-controlling interest	**-**	-	138,605	-	-
	310,728	66,545	155,964	335,002	367,706
Earnings/(loss) per share in kobo (basic)	**19**	4	10	21	23

E-Dividend – Mandate Form

Diamond Registrars Limited

Dear Shareholder(s)

In view of the robust developments in the financial sector, C & I Leasing Plc is pleased to introduce our e-dividend module to you. This is to facilitate the payment of your dividend through direct credit to your bank account irrespective of the type of account, Current/Savings. It makes dividend payment faster and safer. We advise that you take advantage of this service by supplying the information as required below and return same to us accordingly.

Please ensure you state the actual name used in purchasing the shares and the signature(s) you signed at that time and fill in BOLD prints.

Thank you.

Basil Aharanwa
Registrar

The Registrar
Diamond (Registrars) Limited
59, Ogunlana Drive
Surulere
Lagos

Please take this as authority to credit my/our under-mentioned account with any dividend payment(s) due on my/our shareholding particulars of which are stated below from the date hereof:

Shareholder's name

(Surname) (Other Names)

Shareholders account no(s) ____________________

CSCS Investor Account No.

CSCS Clearing House No

Name of Stock Broker

Mobile Phone Number(s)

Fax Number E-Mail Address

Bank Name Branch

Bank Account Number Sort Code

Dated this…………………….………………………………..……….Day of…….……………….…………………….200….…..…

Authorized signatory/Bank Stamp	Authorized Signatory/Bank stamp	Shareholders signature	Joint Shareholders signature

Your completed forms should be returned to Diamond Registrars Limited or any of the Diamond Bank Plc branches nearest to you.

Please note that it is very important that you clearly state your bank Name, Bank Account Number, E-mail Address and Mobile Phone Numbers to ensure proper processing of your mandate.

For more information, contact us on 01-2710574, 01-7433581 or E-mail: registrar@diamondcapital.com