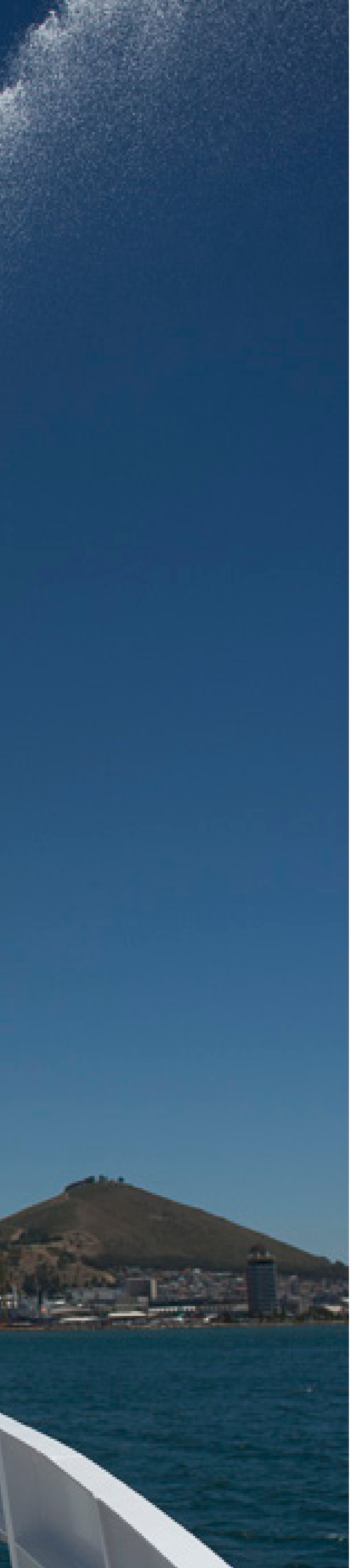
C&I LEASING PLC ANNUAL REPORT

2015



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INTRODUCTION

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SHAREHOLDER INFORMATION

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 25th Annual General Meeting of members of the Company will hold at Leasing House, C&I Leasing Drive, Off Bisola Durosinmi Etti Drive, Lekki Phase 1, Lekki, Lagos, on Thursday, June 16, 2016 at 11.00 am prompt to transact the following:

Ordinary Business

1. To receive the audited financial statements for the year ended 31st December 2015 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.

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 Friday, June 10, 2016 to Thursday, June 16, 2016 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 4 kobo per share recommended by the directors is approved by members at the Annual General Meeting, warrant will be posted on the 16th day of June, 2016 to members whose name appear in the Register of Members at the close of business on 9th day of June, 2016.

Dated the 28th day of April, 2016

BY ORDER OF THE BOARD

G. MBANUGO UDENZE – FRC/2014/
NBA/00000008124
For: MBANUGO UDENZE & CO
COMPANY SECRETARY

VISION & MISSION

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.

VISION

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

C&I LEASING PLC
OUR HISTORY

Our Business

C & I Leasing primarily started out as a finance leasing company, but has over the years grown to become the foremost name for support services in Nigeria. Over the years, the company has enjoyed consistent growth and business expansion that has allowed for it to evolve from a single line business to a multi-line business with interests in key economic sectors in Nigeria and indeed the west coast of Africa.

C&I Marine - We provide offshore support vessels and related marine services to oil majors in the Nigerian offshore sector. We now have over 18 vessels in our fleet.

C&I Outsourcing is a licensed provider of manpower recruitment, training, personnel outsourcing and human resource consultancy services.

Hertz - C&I Leasing is the sole franchisee and operator of the popular Hertz Car Rental brand in Nigeria and Ghana. The company currently manages over a thousand vehicles and professional chauffeurs.

Citracks - We provide cutting edge solutions like the CTS 3 that provides superior asset monitoring and facilitates significant cost reduction and safer operations.

Major Milestones

1990- 2000

1990 - Incorporated as a limited liability Company. Licensed by the Central bank of Nigeria to offer operating and finance leases and other ancillary services.

1997 - The company concluded a major restructuring and diversification project that saw its conversion to a public company.

1998 - C&I Leasing was awarded its first personnel recruitment and outsourcing contract with Schlumberger - The division C&I Outsourcing was established.

TWENTY FIVE YEARS
of **EXCELLENCE**

Major Milestones

2000 - 2010

2001 - Hertz Corporation, the world's No 1 Car Rental Company expands its operations into Nigeria through a franchise with C & I Leasing Plc.

2006 - C&I Petrotech Marine was incorporated in August 2006 to manage and operate all the offshore marine support, services.

2007 - C&I Motors a subsidiary of C&I Leasing is awarded the distributorship rights for Suzuki vehicles and spares in Nigeria.

2007 - ISO Certification

2009 - C&I Leasing Plc completes the purchase of an additional 28 percent of Leasafric LTD, Ghana, taking its shareholding to 87 percent.

2010 - SPDC Contract awarded for provision of 5 vessels (3 x 32t BP Tugs and 2 x 30pax PCs) to support Bonny Terminal Export Operations.

2011 - Date

2014 - C&I Leasing takes delivery of 20m Monohull Crewboats, to support Shell Nigeria Exploration and Production Company - SNEPCO's operation in Bonga and EA fields.

2014 - C&I Leasing signs MOU with Svitzer to provide terminal support tugs.

2015 - C&I Leasing Plc signs agreement with Floatel Reliance to market semi-submersible accommodation and construction support vessels.

2015 - C&I Leasing takes delivery of 20m Monohull Crew boats, to support Shell Nigeria Exploration and Production Company - SNEPCO's operation in Bonga and EA fields.

On December 28th 1990, C&I Leasing was registered and licensed by the Central Bank of Nigeria to provide finance leases. By 1997, the company concluded a major restructuring and diversification project, that saw its conversion to a public company with its shares listed on the official list of the Nigerian stock exchange as the only leasing and rental Services Company.

As at today, the company now has over 4,500 employees, offices in key locations in Nigeria and Ghana and has evolved from a single product business, to three main product lines, namely: Marine, Fleet Management and Personnel Outsourcing. For the last 25 years, we have been on a journey that has seen us redefine standards, and have crafted excellence as a way of life.

Within the last 4 years, the company has demonstrated remarkable achievements by owning / managing a fleet of 18 vessels. In addition, the company has just been awarded contracts for another 6 vessels expected to start work before June 2016. As we look into the future we already envisage a rapid growth of the business across the three major business units over the next 3 to 5 years.

THE STATEMENT OF
THE CHAIRMAN
CHIEF CHUKWUMA HENRY OKOLO

Distinguished Shareholders, Ladies and Gentlemen.

I welcome you most warmly to the 25th Annual General Meeting of our Company, C&I Leasing Plc and I am particularly delighted to welcome you for the first time in my capacity as the Chairman, Board of Directors of our company. I am pleased to present to you the Annual Report and Financial Statements for the financial year ended 31st December 2015 as well as review our performance during the year and outlook for the next financial year.

Overview of Global Economy
Global growth disappointed again in 2015, slowing to 2.4 percent from the projected 3.3 per cent and is expected to recover at a slower pace than previously envisioned.

The muted performance came even as central banks continued to pump in liquidity, oil prices plunged again and inflation was moderate.

It was also a year of divergent performers. While tumbling commodity prices took the shine-off the big emerging markets like Russia and Brazil, other emerging economies like India, Vietnam and China surprised everyone with strong upside performance. Even, after a $5 trillion stock market rout and what's tipped to be the slowest growth in 25 years, China's overall gross domestic product growth remains relatively robust compared to its peers. India's economy also expanded faster than expected in the third quarter when GDP rose 7.4 per cent from a year earlier, after a 7 per cent expansion in the previous quarter.

The weak performers include Russia which looks set for its longest slump in two decades largely because of lower oil prices and the impact of economic sanctions. Brazil has been dogged by the commodities slump, political turmoil, a corruption scandal and a widening budget gap.

In the developed world, robust U.S. jobs growth prompted the Federal Reserve to tighten monetary policy for the first time since 2006, in December 2015, while the gloom around neighboring Canada deepened. In 2016, however, growth in OECD countries is expected to strengthen to 3.8 per cent as a modest recovery in advanced economies continues and activity stabilizes among major commodity exporters.

Away from the GDP numbers, employment data around the world paints a mixed picture.
The lowest jobless rates can be found in nations such as Japan, Switzerland, Thailand and Singapore while Western Europe remains stricken by high levels of joblessness. Double digit unemployment in places like Greece and Spain underscore the challenges ahead.

In addition to the above, the world also witnessed a rise in terrorism and persistent unrest in the Middle East.

The Nigerian Economy

In the domestic space, gains from a peaceful and successful conduct of the 2015 general elections were off-set by poor monetary responses, delayed fiscal policy pronouncements and relentless decline in oil prices. The weakness in the system was reflected in the pace of GDP growth which slowed from 6.2 per cent in 2014 to 2.8 per cent in the third quarter of 2015.
Overall, Nigeria's economy grew by 2.7% year on year in 2015 which represents the slowest growth in the past five years, and much lower than the 5-year real

> During the year under review, gross earnings of the Group grew by 5 per cent to N14.6b (2014:N13.9b) and 3 per cent to N12.8b (2014: 12.5b) for the Company. This increase in revenue was as a result of sustained growth in our marine, fleet and outsourcing businesses.

GDP average of 4.8 per cent previously experienced. Real growth decelerated sharply to 2.1 per cent in fourth quarter of 2015, reflecting the weakest quarterly performance following a contraction in growth across industries and moderation in the services sector.

Despite slowing significantly, Nigeria's economic growth remains driven by the non-oil sector which recorded growth of 3.7 per cent (2014:7.1 per cent) as the non-oil sector continues to under-perform. Real growth in the crude petroleum and natural gas sector was -5.4 per cent in 2015, even as oil exports declined by about 49 per cent on the back of lower global demand for crude oil in 2015. Excluding this sector, the performance of the manufacturing sector was unimpressive contraction of 1 per cent (2014: growth of 15 per cent) with the sector plagued by the deteriorating operational and macro backdrop; largely the impact of foreign exchange unavailability for raw materials and intermediate inputs.

In 2015, headline inflation averaged at 8.6% relative to 8% recorded in 2014, driven by a sharp acceleration in imported inflation and tighter domestic food and fuel supplies.

During the year, a major development was the slump in the oil prices internationally. This resulted in the fall in crude oil earnings. In the face of this, especially for the oil producing countries like Nigeria that were import dependent, the resultant pressure on foreign earnings prompted immediate and several policy changes. With the depreciation in the value of Naira against major currencies and need to curtail imports, the Central Bank of Nigeria imposed administrative controls, such as banning 41 items from access to official foreign exchange market. The limited access to US dollars through the official window caused imports to contract. These measures caused the parallel market rates to trade at a 50%-100% premium relative to the official rate of NGN199/USD. Thus, Foreign Direct Investments as well as Foreign Portfolio Investments took a large hit due to these stringent policies around capital mobility which have come across as controls.

Of particular concern are the borrowing costs which remained relatively high with the Average Lending Rate tending to 18 per cent at the end of the year. This has tended to act as a barrier to productive investment in the economy.

In the face of challenging macro-economic environment, the capital market continued to experience a low market activity during the period. The fiscal and monetary policy responses to the weaker oil price environment have only served to exacerbate the cloud of investor uncertainty, thus amplifying the financial market rout. The local stock market depreciated by 17.4 percent in 2015. The depreciation accelerated further in 2016 as the market had lost 21.3 per cent by January 18, 2016.

Another significant issue was the general and state elections of early 2015. This created its own drama with unprecedented transfer of power from a sitting party to an opposition party for the first time in the nation's history. It created a lot of tensions and uncertainty about its outcome and therefore instability for the business community.

Insecurity continued to be the bane of growth in the country during the period though some appreciable progress was made by the security agencies in the fight against Boko Haram while public infrastructure such as power supply, good roads network remain in a poor state throughout the country. Significant investments will be needed in these areas to create the positive impact needed.

Business Performance
Our strategic business divisions and subsidiaries were impacted by the tight financial and operating conditions in the year. Notwithstanding, most of these outfits operated profitably due to prudent management of our resources. We, however, faced considerable pressure from the effects of the fall in oil prices and the effective devaluation of the Naira.

During the year under review, gross earnings of the Group grew by 5 per cent to N14.6b (2014:N13.9b) and 3 per cent to N12.8b (2014: 12.5b) for the Company. This increase in revenue was as a result of sustained growth in our marine, fleet and outsourcing businesses. We also recorded a growth of 13 per cent on net profit before tax from N412m to N465m for the Group but a drop by 20 per cent from N507m to N406m for the Company. This drop was largely due to foreign exchange losses of N123m (2014: gains of N34m) and N96m (2014: Nil) for the Group and Company respectively and impairment loss provisions of N130m (2014:N53m) and N129m (2014: gain of N67m) for the

Group and Company respectively.

Total Equity for the Group decreased by 2 per cent from N5.8b in 2014 to N5.7b in 2015 while the Total Assets increased by 25 per cent from N23b in 2014 to N29b in 2015. The Company also recorded a growth of 6.3 per cent in Total Equity from 6.3b in 2014 to N6.6b in 2015 and 20.1 per cent growth in Total Assets from N19.9 billion in 2014 to N24 billion in 2015.

It is noteworthy that our results were negatively impacted by losses from C& I Motors. A merger arrangement with the parent company, C&I l Leasing planned for 2015 could not be concluded during the year. Approvals have subsequently been obtained from Securities and Exchange Commission in the first quarter of 2016 for the merger to proceed. It is hoped that the streamlining of the operations will have a positive impact on future operations.

DIVIDEND

In view of our performance during the year, the Board of Directors recommended a dividend payment of 4 kobo per share, upon approval at the Annual General Meeting.

CONCLUSION

As my tenure begins as the Chairman, I urge you to continue to give your support to the Board and Management of the Company as your company remains on a growth path notwithstanding stiff macro-economic developments, led by an experienced and versatile Board of Directors and dedicated and highly motivated staff who are committed to delivering superior returns to our valued shareholders at all times and against all odds.

Thank you all.

CHIEF CHUKWUMA HENRY OKOLO.
Chairman, C&I Leasing Plc

BOARD OF
DIRECTORS

CHIEF CHUKWUMAH H. OKOLO

Chairman

Chief Henry Okolo is a Chartered Accountant and the Chief Executive Officer of Dorman Long Engineering Limited. He holds a B.Sc. in Accounting from the University of Nigeria, Nsuka (1978). Chief Okolo was a past coordinator of the West African Enterprise Network (Nigerian Chapter) from 1995 – 1997 and the Vice Chairman of the Nigerian Economic Summit Group.

EMEKA NDU

Vice Chairman

Mr. Emeka Ndu, a Chartered Accountant and Group Managing Director of C&I Leasing Plc, was until June 2000 the Chairman of the Equipment Leasing Association of Nigeria (ELAN). Mr. Ndu has served as the Chairman of the Shipping and Marine Services Sub-Committee of the National Consultative Forum set up by the Nigerian National Petroleum Corporation (National Content Division) to promote indigenous content in the Nigerian oil & gas industry.

ANDREW OTIKE-ODIBI

Managing Director / CEO

Mr. Andrew Otike-Odibi is a chartered Accountant, and currently the Managing Director of C&I Leasing Plc. He joined C&I Leasing in 1998 as a Senior Manager and was appointed to the Board in 2007. Prior to joining C&I, Mr. Otike-Odibi was a branch Manager with Diamond bank Plc. He holds a B. Sc and MBA from the University of Benin.

SULE UGBOMA

Director

Mr. Sule Ugboma is a graduate of Management Studies, Imo State University. He has a Diploma in Management from Nottingham University, England. He is currently the MD of DEC Oil and Gas Limited. He is also a Director in several companies in Nigeria.

PRINCESS N. U. I. UCHE

Director

Princess Mrs. N.U.I Uche is a fellow of the Institute of Chartered Accountants of Nigeria, a Certified Information Systems Auditor certified in Risk and Information Systems Control, and an Associate member of the Chartered Institute of Taxation of Nigeria.
She holds a B. Sc Honours Degree in Accounting from the University of Lagos (1982) and was trained in the accounting firm of Akintola Williams Deloitte before joining OUT Consulting limited where she is the principal Consultant.

LARRY ADEMESO

Director

Mr. Larry O. Ademeso is currently the MD/CEO of Custodian Life Assurance Ltd. Prior to his present position, he was the MD/CEO of Royal Exchange Prudential Life Plc. from 2009 - 2011 and joined the Crusader Group as the MD/CEO of the Crusader Life Assurance Ltd. Mr. Ademeso obtained his first and second degrees in Insurance and Marketing respectively from the University of Lagos. He is an Associate of the Chartered Insurance Institute of Nigeria and Associate member of the International Insurance Society.
He is an Alumni of the Lagos Business School.

OMOTUNDE ALAO-OLAIFA

Director

Tunde Alao-Olaifa is an Associate Director at Leadway Assurance Company Limited with particular focus on Proprietary Investment and Unquoted assets. In addition to his investment function, he is also tasked with managing the firm's Corporate Finance, He graduated from University of Ibadan with a degree in Political Science and an MBA from Pan Atlantic University (Lagos Business School).

IKECHUKWU DURU

Director

Mr. Duru is presently a General Manager in Credit Alliance Financial Services Limited. He holds an MBA from the University of Lagos (1998) and is a member of both the Chartered Institute of Stockbrokers (2003) and the chartered Institute of Taxation.

JACOB KHOLI

Director

Mr. Kholi is a graduate of Accounting from the University of Ghana (1989), He is a member of Institute of Chartered Accountants of Ghana (1995). He joined Venture Fund Management Company (Now Aureos Ghana Advisers Ltd.) and is currently a Managing Partner (West Africa). He is also a Director in several companies in Nigeria.

THE REPORT OF THE
DIRECTORS

The Directors are pleased to submit their annual report on the affairs of the company and its subsidiaries, together with the audited financial statements and auditors' report for the year ended 31 December 2015. The Company's corporate governance statements forms part of this Director's Report. In the opinion of the Directors, the state of the Company's affairs is satisfactory, and the financial statements presented give a true and fair view of the state of the Company during the financial year under review.

“

In respect of the current year, the Directors propose that a dividend of 4k per ordinary share of 50kobo each, amounting to N80.4 million, be paid to shareholders upon approval at the Annual General Meeting. The proposed dividend is subject to withholding tax at the appropriate tax rate and is payable to shareholders whose names appear on the Register of Members at the close of business on June 9, 2016

LEGAL FORM

C & I Leasing Plc was incorporated in 1990 as a limited liability Company and commenced full operations in 1991. In 1997, C & I leasing Plc concluded a major restructuring and diversification project that saw its conversion to a public company with its shares listed on the official list of the Nigerian stock exchange as the only leasing and rental Services Company. C & I Leasing Plc has since enjoyed consistent growth over the years and has expanded its scope of business to cover major sectors of the Nigerian economy and across the west coast of Africa.

The company which is wholly owned by a number of institutional investors and individuals has considerably diversified and currently has the following subsidiaries as at year end with the following ownership structures:

- C & I Motors Limited – 100% owned
- Leasafric Ghana Limited – 70.89%

- Epic International FZE
  - 100% owned

LOOKING BACK AT THE LAST 25 YEARS

The financial year under review marks the 25th year of excellent service delivery of the company.

C & I leasing Plc is the foremost brand for finance leases, and other ancillary services in Nigeria.
With a balance sheet size of over N29 billion (approximately $150 million), a staff strength of over 4,500 employees and operational offices in key locations in Nigeria and Ghana, the company takes pride in its track record of exceptional and qualitative service delivery. In the 25 years of its existence the company has recorded several remarkable milestones – As at today, we are still the largest leasing company in Nigeria and the only leasing company quoted on the Nigerian Stock Exchange. Our dominance in the leasing business is evident in the performance of our fleet management solutions where we provide exceptional service to a host of clients in several sectors of the economy.

We have also successfully managed the Hertz car rental franchise in Nigeria, providing short term rentals to various clients. Our track record is also visible in the personnel outsourcing business where we currently manage over 3,500 employees, working with several clients across the country. Furthermore, the company recently expanded its operations into the leasing of oilfield support vessels, to the oil and gas industry, and has within the last 4 years demonstrated remarkable achievements by owning / managing a fleet of 18 vessels. In addition, during the year, the company was awarded contracts for another 6 vessels with an IOC expected to start work in 2016. As we look into the future we already envisage a rapid growth of the business across the three major business units over the next 3 to 5 years.

PRINCIPAL ACTIVITIES

The Company's principal activities are providing transportation logistics solutions in the form of car and marine vessel rental, fleet management and automobile distribution as well as human resources solutions through its major business units and its subsidiaries. C & I Leasing is managed along four business units, namely: Hertz/Fleet Management, Marine Services, Personnel Outsourcing, and Citracks unit.

Hertz/Fleet management (Light and Heavy Duty Equipment)

The unit primarily comprises Hertz car rental, light fleet management and Heavy duty automobiles / equipment, and 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. This, it has successfully achieved by deploying fleet management solutions under its Gold and Silver Fleet Scheme to both individuals and corporate bodies. There is still strong demand for the product and the plan is to further increase the fleet size within the current year. Furthermore, plans are being put in place to improve efficiency in the unit by deploying cutting edge technological solutions to manage the risk that may be associated with the rapid growth.

Marine Services

The unit has been structured to offer wide range of marine services to both onshore and offshore terminals in order to take advantage of the opportunities in the Nigerian Local Content laws. These services include Line and Hose Handling, Berthing and Escort Services, Mooring Support, Fire-fighting, Pollution Control, Security and Floating and Self-elevating Platforms. During the current year, C&I Leasing Plc signed an agreement with Floatel Reliance to market semi-submersible accommodation and construction support vessels. The company was also commissioned by the Nigerian Petroleum Development Company (NPDC) to provide 2, DP-2 Anchor handling Tugs and supply (AHTS) vessels which will provide offshore support for the company's drilling and completions operations in OML-119, Okono Offshore Field Location. Again, C & I Leasing Plc signed a new contract with SHELL for the provision of 1 unit of 80TBP AHTS for her crude loading support service at the EA field. The duration is 5 years. Worthy of note also is that the company was awarded a contract for the provision of 4 units Damen 1605 Ballistics Security Patrol boat and 1 RHIB craft to NLNG. The new built vessel is undergoing sea trials and certification in Netherlands. The duration is 5 years + 1 year option. The will invariably contribute in no small way in boosting the company's overall performance in the coming years. These 6 new vessels will be launched for the new NLNG and SHELL contracts expected to commence operation in second quarter of 2016.

Personnel Outsourcing

The unit provides Human Resource Outsourcing, Human Resource Consultancy, Personnel Evaluation and Training and Manpower Development services and has consistently contributed close to fifty per cent of the company's gross revenue with the future prospect of diversification into Power / Electricity distribution industry before the end of this year.

Financial Services

The unit focuses on providing quality finance leases to meet the needs of individuals, business owners and corporate organizations. However, as from January 2016, the unit shall be merged with Fleet Management unit due to downturn in the business and the economy at large while existing leases are still being monitored to reduce default rate in rental payment.

Citracks

This unit provides web-based, end-to end tracking and other logistics and fleet management solutions to its internal client, Hertz Nigeria and Ghana, as well as various individuals and corporate entities.

OUR SUBSIDIARY COMPANIES

Presently, the company has three operating subsidiaries:

C&I Motors Limited

C & I Motors was incorporated in 2007 and commenced operations in 2008. The Company is the sole franchisee of Suzuki vehicles in Nigeria. Its principal activities include importation of brand new Suzuki vehicles, spare parts distribution, marketing and after sales support services for Suzuki brand of cars in Nigeria. The business has been adversely affected by the harsh economic situation in the country and lack of access to long-term funding. Plans are in place to merge it with the parent company in the current year. It is hoped that the merger will have a positive overall effect on the group.

Leasafric Ghana Limited

Leasafric was incorporated in 1992 and commenced operations in 1994. It was licensed in 1994 as a non-bank financial institution to carry out the business of finance leasing as its principal business. The foreign subsidiary has further gained ground due to the inclusion of Hertz Ghana to its operations in order to provide operational leases to individuals and corporate bodies in Ghana as well. This has contributed to the improved operational performance of the company.

Epic International FZE

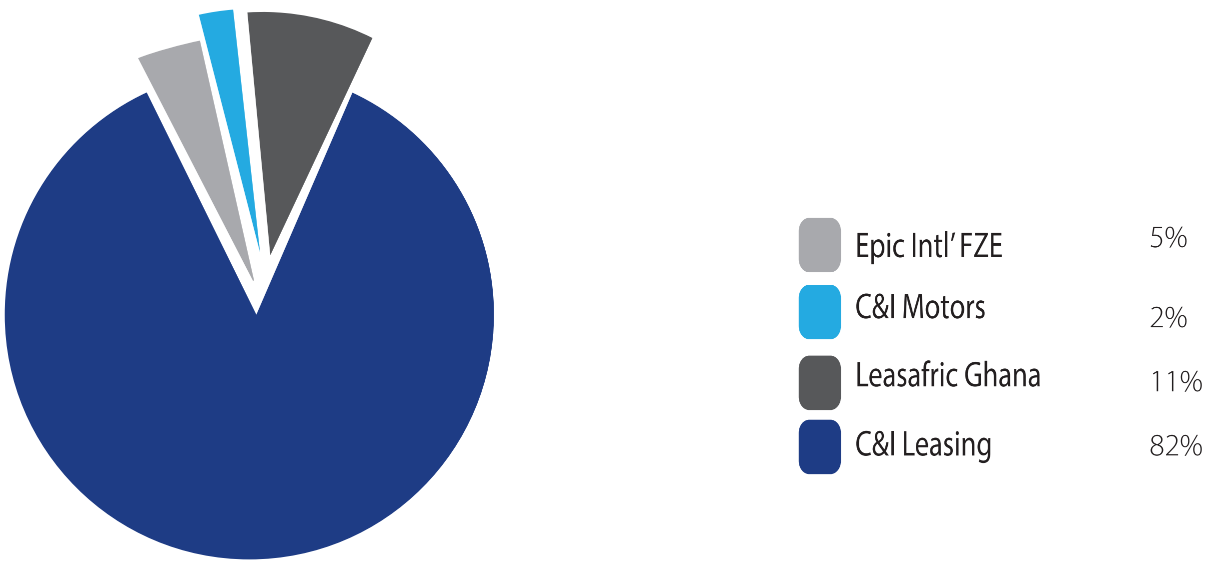
Epic International FZE was incorporated in 2011, as a free trade zone establishment in United Arab Emirates and licensed to trade in ships and boats, ships and boats spare parts, components and automobile. The Company commenced operations fully in 2014, providing two vessels each to Shell and NLNG on hire through its parent company, C & I Leasing Plc. During the year, another vessel became operational, while 5 new boats and 1 rib craft are expected in the coming year.

OPERATING RESULTS AT A GLANCE

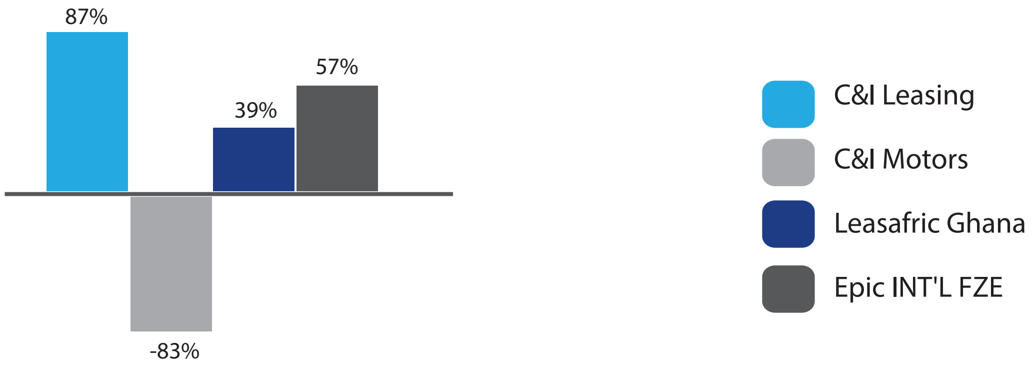
The Gross Earnings of the group and the Profit before Tax increased by 5% and 13% respectively. The Group's Profit after Tax however decreased by 53%. While the group shareholders fund decreased by 2%, that of the parent company increased by 4%. We believe that with the current restructuring plan, C & I Leasing Plc will continue to operate as a going concern for the foreseeable future. The following are the summaries of the Company's operating results:

	GROUP		COMPANY	
	2015	2014	2015	2014
	N'000	N'000	N'000	N'000
Revenue	14,577,657	13,883,942	12,847,336	12,458,699
PBT	465,639	411,806	405,834	507,301
Income Tax	(316,871)	(233,739)	(262,803)	(182,830)
PAT	148,768	317,493	143,031	324,471

GROUP'S POSITION - DECEMBER 2015
GROSS EARNINGS

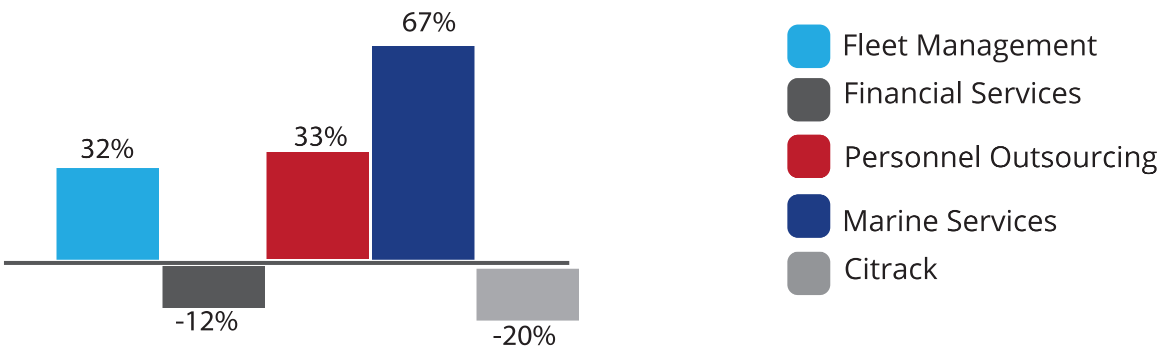


GROUP'S POSITION - DECEMBER 2015
PROFIT BEFORE TAX



COMPANY'S POSITION - DECEMBER 2015
GROSS EARNINGS

COMPANY'S POSITION - DECEMBER 2015
PROFIT BEFORE TAX



FINANCIAL PERFORMANCE AND BUSINESS REVIEW

The performance of the company during the year under review was a stark reflection of macro-economic turbulence, incessant fall in oil prices and devaluation of Naira. Despite the large number of players in the Industry, C & I Leasing enjoyed competitive advantage due to strong franchise value, proficiency and rich antecedents over its rivals.

The Group posted a profit before Tax of N466m, a growth of 13% over N412m achieved in 2014. This impressive performance was achieved against the background of a 20% drop in profit before tax for the Company. Our personnel outsourcing and fleet management businesses improved by 6 per cent and 7 per cent respectively in the period under review while the major loss still comes from C&I Motors.

Additionally, the devaluation of the Naira following the sharp drop of crude oil prices negatively impacted the Group's financial performance with an exchange loss of N123m.

The 2015 business progress was also negatively affected by several external forces, most especially the initial uncertainties of holding the national elections. The whole nation was gripped with election fever from first to third quarter of the year, while business proper started in the fourth quarter. Revenue were limited and cost of operations rose due to paucity of funds. Additional Bond issue of N600m was however raised to support the operations of the business during the period.

To this effect, the company adopted cost saving measures to sustain the business while implementing strategies to increase its share of revenue of the market in the industry. This direction is being sustained and is expected to turn around the results positively in the current financial year.

During the year, C & I Leasing Plc received rating reports from Agusto & Co as follows:

Agusto & Co:	Bbb-

This was investment grade ratings with the outlook of the business considered stable by the agency.

Photo top left
Crew members on board Masud Defender in Lagos

Photo bottom left
Hertz car rentals outlet in Lagos

Photo top right
Mr. Emeka Ndu, in Guangzhou, China, for Sea trials and inspection of MV Bello 2015, AHTS – Anchor handling, Tug and Supply Vessel, for SPDC.

STRATEGIES FOR **FUTURE GROWTH**

Future Outlook

As we progress in 2016, we remain committed to our goal of being the brand name in leasing business. We will exert a determined effort to achieve undisputed leadership within our market. Our priorities will include:

- Divestment of peripheral activities to focus on core operational areas. We expect to complete the merger of our Suzuki distribution business, C&I Motors into a support service unit within our fleet management services business. The principal reason for the restructuring is the need to streamline operations, reduce administrative costs, improve operating efficiency and derive full benefits of synergy in line with the company's long term strategic thrust.

- As sad as it sounds, effective January 2016, we intend to discontinue our finance lease business by suspending the creation of new assets as this activity has become value subtracting as a result of macroeconomic trends and continuing difficulties experienced by small to medium scale enterprise in the country.

- Our business, moving forward will therefore be driven by the three core business activities of fleet management services, offshore marine support services and manpower outsourcing. These activities contributed about 98 per cent of our total revenue in 2015.
- Superior services and execution to drive client growth and retention.
- Unrelenting development of our staff to strengthen our greatest asset which are our people
- Seizing opportunities for targeted play in regional transactions.
- Seeking various alternative options to finance our operations

All these should see us successfully enhance the Group's productivity, revenue growth and profitability in 2016.

DIVIDEND

In respect of the current year, the Directors propose that a dividend of 4k per ordinary share of 50kobo each, amounting to N80.42 million, be paid to shareholders upon approval at the Annual General Meeting. The proposed dividend is subject to withholding tax at the appropriate tax rate and is payable to shareholders whose names appear on the Register of Members at the close of business on June 9, 2016

CORPORATE GOVERNANCE

In C & I Leasing Plc, our actions and interactions with our customers, employees, government officials, suppliers, shareholders and other stakeholders reflect our values, beliefs and principles. We pride ourselves as leaders in our industry and indeed Nigeria. We are committed to conducting business in line with best practices, in accordance with applicable laws and regulations in Nigeria and the requirements of the Nigerian Stock Exchange as well as in compliance with the Code of Corporate Governance in Nigeria, 2011. The Company complied substantially with major corporate governance principles during the year under review.

THE BOARD OF DIRECTORS.

Board Composition

The Board is made up of the chairman, six non-executive directors and two executive directors. They are responsible for the oversight of the business, long-term strategy and objectives, and the oversight of the Company's risks while evaluating and directing the implementation of controls and procedures including maintaining a sound internal control system to safeguard shareholders' investments and the Company's assets. They possess the requisite academic qualifications and experience in Board affairs and are conversant with the Company's business. They are therefore able to exercise sound judgment on matters relating to the company's business in order to make valuable contribution to the progress of the company. The Chairman is a separate individual from the Managing Director, who is responsible for implementation of the Company's business strategies and the day-to-day management of the business, assisted by the Executive Director. The Non - Executive Directors are independent of the management and are free from constraints which may materially affect their judgment as Directors of the Company. They are responsible for providing good leadership and steering the company to achieving its long term goals.

Responsibilities of the Board

The Board is not just responsible to the providers of capital, but also to all relevant stakeholders who have legitimate claims to the organization. The Board has the responsibility to ensure that the company is appropriately managed and achieve its strategic objectives with the aim of creating a sustainable long term value to the shareholders through:

- Reviewing and approving the company's strategic plans for implementation by management.
- Reviewing and approving the company's financial objectives, business plans and budgets risk management policy.
- Monitoring corporate performance against the strategic plans and business, operating and capital budget.
- Ensuring the integrity of the company's accounting and financial reporting systems and that appropriate systems are in place for monitoring risk, financial controls and compliance with the law.
- Approval of major capital expenditures, acquisitions and divestitures of business operation, strategic investments and alliances, and major business expansion initiatives.
- Implementing the company's succession planning and evaluating the performance of the CEO and other Senior Managers.
- Enquiries into major performance deficiencies and any other unforeseen management crisis.
- Compliance with sound and effective corporate governance and social responsibilities.

The directors are conscious of their fiduciary position in the Company and have continued to carry out their duties with utmost regard for the best interest of the Company, its shareholders and other stakeholders.

Record of Directors attendance at Meeting:

The 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 Reports are provided ahead of meetings.

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.

The Board has a formal schedule of meetings each year and met four (4) times in the course of the year under review. Furthermore, in line with corporate governance principles, the table below shows the frequency of meetings of the Board of Directors and members' attendance at these meetings during the year under review:

ATTENDANCE FOR BOARD OF DIRECTORS MEETING	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
AVM A.D. BELLO (RTD)	4	4
CHIEF CHUKWUMA H. OKOLO	4	4
MR. CHUKWUEMEKA NDU	4	4
MR. OMOTUNDE ALAO-OLAIFA	4	4
MR. LARRY OLUGBENGA ADEMESO	4	3
MR IKECHUKWU DURU	4	4
PRINCESS (Mrs.) N.U.I UCHE	4	3
MR. RAVI SHARMA.	4	2
MR PATRICK UGBOMA	4	4
MR. ANDREW OTIKE- ODIBI	4	4

The Board of Directors held its meetings on the following dates of the year; February 26, 2015, April 23, 2015, June 25, 2015 and October 27, 2015.

BOARD CHANGES

AVM A.D. Bello (Rtd) indicated his unwillingness to continue in office as the Chairman of the Board and in accordance with the Companies and Allied Matters Act Cap C20 LFN 1990, retired on October 27, 2015 during the last Board meeting of the year under review.

The following changes were also made: The election of Chief Chukwuma Henry Okolo by the Board as the Chairman, Mr. Emeka Ndu as the Vice Chairman and the appointment Mr. Andrew Otike-Odibi presently the Executive Director as Managing Director, with effect from January 28th, 2016.

COMMITTEES

In conformity with Code of Best Practice in Corporate Governance, the Board performs its functions using various Board Committees, which allow for deeper attention to specific issues for the Board. The committees are as follows:

a. Board Operations Committee:

The operations committee performs oversight functions relating to strategic operational issues. It consists of five members, made up of three non-executive directors and two executive directors. During the year, the committee met four times with full attendance as follows:

ATTENDANCE FOR BOARD OPERATIONS COMMITTEE MEETING	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
CHIEF CHUKWUMA H. OKOLO	4	4
MR. CHUKWUEMEKA NDU	4	4
MR. LARRY OLUGBENGA ADEMESO	4	4
MR RAVI SHARMA	4	4
MR. ANDREW OTIKE- ODIBI	4	4

The Board Operations Committee held its meetings on the following dates of the year; February 19, 2015, April 21, 2015, June 6, 2015 and September 22, 2015.

b. Board Risk Committee:

The main objective of this committee is to oversee the Company's risk management process and to inform/ advise the Board of Directors about the overall risk assessment of various areas of the company's operations main risks and mitigating actions. The Committee is also responsible for assessing the adequacy and effectiveness of the Company's management of the risk and compliance function of the Company. Their terms of reference include, but are not limited to the following:

- 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 framework and control;

- Oversight of management's process for the identification of significant risks across the company and the adequacy of prevention, detection and reporting mechanisms;

- Review of the level of compliance with applicable laws and regulatory requirements which may impact on 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.

The composition of the Board Risk Committee as well as the record of attendance at meetings for the year are as detailed below:

ATTENDANCE FOR BOARD RISK COMMITTEE MEETING	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
PRINCESS (MRS) N. U. I. UCHE	2	2
MR. ANDREW OTIKE-ODIBI	2	1
MR TUNDE ALAO-OLAIFA	2	2
MR. RAVI SHARMA	2	Nil

The Risk Management Committee held its meetings on the following dates of the year; July 8, 2015 and December 3, 2015.

STATEMENT IN RESPECT OF DIRECTORS' RESPONSIBILITIES

Responsibilities in respect of financial statements

The Companies and Allied Matters Act 2004 requires the directors to prepare financial statement for each financial year that gives a true and 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 2004;

(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 accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgment, in conformity with the requirements of the International Financial Reporting Standards (IFRS) and the Companies and Allied Matters Act, CAP C20LFN 2004.

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 these financial statements.

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 being 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; and/or

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

CODE OF BUSINESS ETHICS

The Company has a code of business which defines the Company's mission within a corporate governance framework. The code is applicable to all employees as well as Directors and business partners of the Company in business conduct. These codes set the 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 dishonest practices.

SHAREHOLDING STRUCTURE.

The analysis of shareholding in the company as at December 31, 2015 was as follows:

LIST OF SUBSTANTIAL INTEREST IN SHARES AS OF 31 DECEMBER, 2015

Shareholder	Number of shares held	% of Shareholding
LEADWAY ASSURANCE CO. LTD	140,000,353	8.66%
GRAND TOTAL	140,000,353	8.66%

C & I LEASING PLC DIRECTORS SHAREHOLDING AS OF CLOSE OF BUSINESS 31 DECEMBER 2015					
S/ No.	NAMES	TOTAL (DEC 2015)	SHAREHOLD-ING DIRECT (DEC 2015)	SHARE-HOLDING INDIRECT (DEC 2015)	INDIRECT HOLDER
1	AVM A. D. BELLO (RTD), GCON, CFR - (CHAIRMAN)	717,554	717,554		
2	CHUKWUEMEKA HENRY OKOLO - (VICE CHAIRMAN)	14,269,093	14,269,093		
3	CHUKWUEMEKA NDU - (MANAGING DIRECTOR)	60,236,490	1,338,271	58,898,219	PETRA PROPERTIES
4	OMOTUNDE ALAO-OLAIFA	140,000,353		140,000,353	LEADWAY ASSURANCE CO. LTD
5	LARRY OLUGBENGA ADEMESO	6,526,435		6,526,435	CUSTODIAN AND ALLIED INSURANCE PLC
6	IKECHUKWU DURU	60,000,010	-	60,000,010	CREDIT ALLIANCE FIN. SERV. LTD
7	PRINCESS N.U.I UCHE	78,162,708	100,200	78,062,508	OUT CONSORTIUM
8	JACOB KHOLI	43,394,691		43,394,691	AUREOS WEST AFRICA FUND LLC
9	PATRICK SULE UGBOMA	80,416,666	80,416,666		
10	ANDREW OTIKE-ODIBI (EXECUTIVE DIRECTOR)	814,300	814,300		
	DIRECTORS TOTAL	484,538,300	97,656,084	386,882,216	
	% OF TOTAL	29.97%	6.04%	23.93%	
	TOTAL OUTSTANDING SHARES		1,617,010,000	1,617,010,000	

C & I LEASING PLC DIRECTORS SHAREHOLDING AS OF CLOSE OF BUSINESS 31 DECEMBER 2014					
S/ No.	NAMES	TOTAL (DEC 2014)	SHAREHOLDING DIRECT (DEC 2014)	SHAREHOLDING INDIRECT (DEC 2014)	INDIRECT HOLDER
1	AVM A. D. BELLO (RTD), GCON, CFR - (CHAIRMAN)	54,565,773	717,554		
2	OKOLO H.C. - (VICE CHAIRMAN)	14,269,093	14,269,093		
3	NDU CHUKWUEMEKA E. - (MANAGING DIRECTOR / CEO)	1,334,271	1,334,271	53,848,219	PETRA PROPERTIES
4	LEADWAY ASSURANCE CO. LTD (OMOTUNDE ALAO-OLAIFA)	140,000,353	140,000,353		
5	CUSTODIAN AND ALLIED INSURANCE . PLC (LARRY OLUGBENGA ADEMESO.)	59,126,435	59,126,435		
6	CREDIT ALLIANCE FIN. SERV. LTD (DURU IKECHUKWU)	60,000,010	60,000,010		
7	OUT CONSORTIUM (PRINCESS N.U.I UCHE)	78,062,508	78,062,508		
8	AUREOS WEST AFRICA FUND LLC (KHOLI JACOB)	43,394,691	43,394,691		
9	UGBOMA PATRICK SULE	80,416,666	80,416,666		
10	OTIKE-ODIBI ANDREW - (EXECUTIVE DIRECTOR)	814,300	814,300		
	DIRECTORS TOTAL	531,984,100	478,135,881	53,848,219	
	% OF TOTAL	32.90%	29.57%	3.33%	
	TOTAL OUTSTANDING SHARES	1,617,010,000	1,617,010,00	1,617,010,00	

Shareholding Structure as at December 31, 2015

C & I LEASING PLC RANGE ANALYSIS AS OF CLOSE OF BUSINESS 31 DECEMBER, 2015				
Range	No Of Holders	%	Unit	%
1 - 10000	11,020	63.96%	43,856,841	2.71%
10001 - 50000	4,464	25.91%	105,165,283	6.50%
50001 - 100000	799	4.64%	63,186,470	3.91%
100001 - 500000	691	4.01%	154,704,042	9.57%
500001 - 1000000	107	0.62%	81,029,572	5.01%
1000001 - 5000000	111	0.64%	255,628,042	15.81%
5000001 - 10000000	16	0.09%	110,530,901	6.84%
10000001 - 50000000	15	0.09%	332,931,093	20.59%
50000001 - 100000000	5	0.03%	329,977,403	20.41%
100000001 - 500000000	1	0.01%	140,000,353	8.66%
Grand Total	17,229	100%	1,617,010,000	100%

POST BALANCE SHEET EVENTS

There were no significant events after the balance sheet date that could affect the reported amount of assets and liabilities as of balance sheet date.

HUMAN RESOURCES

Employment of Disabled Persons

The company operates a non-discriminatory policy in the consideration of application for employment including those received from physically challenged persons. The company's policy is that the most qualified persons are recruited for appropriate job levels irrespective of an applicant's state of origin, ethnicity, religion or physical condition. Thus, we provide employment opportunities to disabled person. In the event that a staff becomes disabled during service, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged to ensure that they fit into the company's working environment.

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 continues to place premium on its human capital development for improved

C&I Leasing Plc sponsored 12 candidates to a ship building training in Romania for a period of six weeks during the latter part of the year 2015.

efficiency of the business and maintenance of a strategic manpower advantage over Competition. During the year under review, C & I Leasing Plc invested in the training and development of its workforce through in-house and external training programmes locally and overseas, while continuously encouraging employees to develop themselves to their full potentials. Employees also benefited from on-the-job training in order to expose them to best practices. The Company's employee share scheme has been running successfully since inception.

As part of the Company's corporate social responsibility, C&I Leasing Plc sponsored 12 candidates to a ship building training in Romania for a period of six weeks during the latter part of the year 2015.

Health, Safety & Environmental Policy

C & I Leasing Plc is committed to managing a health and safety system that promotes a safe working environment for all employees, customers and visitors to the company. We have a strong conviction that a healthy workforce will always be highly productive and will deliver superior performances at all times. Employees are adequately insured against occupational and other hazards. Furthermore, top health care providers have been carefully selected under health management organizations to look after the health care needs of employees and their immediate families at the expense of the company. Fire prevention and fire-fighting equipment are installed in strategic locations within the Company's premises.

Health, Safety and Environment workshops amongst others are organized for all employees with a broad focus on good housekeeping to ensure a safe working environment. Regularly, the Company updates its staff on current issues as they relate to diseases including High Blood Pressure, Blood Sugar abnormalities and other serious diseases through pep talks, health assessments and information sharing.

In addition, the Company operates both a Group Personal Accident and the Workmen Compensation Insurance cover for the benefit of its employees. It also operates a contributory pension plan in line with the Pension Reform Act of July 2014. It is the policy of the Company to provide a safe and healthy working environment in all its facilities, and to comply with all laws and regulations pertaining to health and safety of its employees.

CORPORATE RISK AND INTERNAL CONTROL SYSTEMS

C & I Leasing Plc has a 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. They are responsible for identifying, evaluating, and managing the potential risks faced by the company. The committee reports to the Board.

AUDIT COMMITTEE

The Company has an audit committee set up in accordance with the provisions of Section 359(3) of the Companies and Allied Matters Act Cap. C20 Laws of the Federation of Nigeria, 2004. It comprise six members made of three representative of the Board of Directors nominated by the Board and three representative of shareholders elected at the annual general meeting for a tenure of one year till the conclusion of the 2015 AGM.

The statutory functions of the Committee as provided for in Section 359(6) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004 are as follows:

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 AUDIT COMMITTEE MEETING	No. of meetings held	No. of meetings attended
MR. S.B. ADERENLE	5	5
MR. FEMI ODUYEMI	5	5
MISS VINCENT CHRISTIE O.	5	5
PRINCESS (MRS.) N. U. I UCHE	5	3
MR. IKECHUKWU DURU	5	5
MR. OMOTUNDE ALAO-OLAIFA	5	5

DIVIDEND HISTORY

Financial Year End	Dividend Number	Final / Interim	Amount Declared (N)	Amount Paid (Kobo)
12-Dec-1997	4	Final	23,964,627.10	10
12-Dec-1998	5	Final	18,000,000.00	15
1-Dec-1999	6	Final	24,000,000.00	10
12-Dec-2000	7	Interim	12,000,000.00	5
31-Jan-2001	8	Final	24,000,000.00	10
31-Jan-2002	9	Final	36,170,935.65	15
31-Jan-2003	10	Final	36,000,000.00	15
31-Jan-2004	11	Final	40,000,000.00	10
31-Jan-2005	12	Final	60,000,000.00	10
31-Jan-2006	13	Interim	30,000,000.00	5
31-Jan-2006	14	Final	60,000,000.00	10
31-Jan-2007	15	Final	80,029,700.00	5
31-Jan-2008	16	Interim	96,035,640.00	6
31-Jan-2008	17	Final	95,792,821.80	6
31-Jan-2009	18	Final	191,585,643.60	12
31-Jan-2010	19	Final	42,000,000.00	2
31-Jan-2012	20	Final	37,328,059.00	2
31-Dec-2013	21	Final	64,680,400.00	4
31-Dec-2014	22	Final	129,360,800.00	8

INDEPENDENT AUDITORS

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

Dated May 2, 2016

By Order of the Board

G. MBANUGO UDENZE - FRC/2014/NBA/00000008124
For: MBANUGO UDENZE & CO
COMPANY SECRETARY

Audit Committee Report
To the Members of C&I Leasing Plc

In compliance with Section 359(6) of the Companies and Allied Matters Act 2004, the Audit Committee of the Company carried out its statutory functions with respect to the Financial Statement for the year ended 31st December, 2015.

We confirm that we examined the Scope and Planning of Audit Requirements; reviewed the external Auditors' Management Letter for the year ended 31st December, 2015 together with the management response which we considered satisfactory. We also ascertained that the accounting policies and reporting policies of the Company for the year ended 31st December, 2015 are in accordance with legal requirements and standard ethical practices.

It is our opinion that the Financial Statements for the year ended 31st December, 2015 is compliant with the requirements of the International Financial Reporting Standards as adopted by the Company.

Dated this 22nd day of March, 2016

COM. S.B. ADENRELE
Chairman

Members of the Audit Committee

Comrade Sulaimon Babatunde Adenrele
Mr. Femi Oduyemi
Miss. Christie O. Vincent
Princess (Mrs.) Ngozi.U.I. Uche
Mr. Ikechukwu Duru
Mr. Omotunde Alao-Olaifa

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, and the Financial Reporting Council Act No. 6, 2011, the Directors are responsible for the preparation of annual financial statements which give a true and fair view of the state of affairs of the Company, and of the financial performance for the year. The responsibilities include ensuring that:

(a) appropriate internal controls are established both to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;

(b) the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which ensure that the financial statements comply with requirements of International Financial Reporting Standards and the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004 and the Financial Reporting Council Act No. 6, 2011.

(c) the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed; and

(d) it is appropriate for the financial statements to be prepared on a going concern basis unless it is presumed that the Company will not continue in business.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with International Financial Reporting Standards, the requirements of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004 and the Financial Reporting Council Act No. 6, 2011.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of the financial performance for the year.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of 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.

Signed on behalf of the Directors by:

Emeka Ndu	Ikechukwu Duru
Group Vice Chairman	Director
FRC/2013/ICAN/00000003955	FRC/2013/CISN/00000001801

Report of the Independent Auditors to the Members of C&I Leasing Plc

Accountants & business advisers

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"). These consolidated financial statements comprise the consolidated statement of financial position at 31 December 2015, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and the related notes to the consolidated financial statements and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements
The Directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Companies and Allied Matters Act, Cap C20, LFN 2004, and the Banks and Other Financial Institutions Act, Cap B3, LFN 2004 and with the requirements of the International Financial Reporting Standards in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011, 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, 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 evidence about the amounts and disclosures in the consolidated 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 due 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 consolidated 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 at 31 December 2015, and of their consolidated financial performance and consolidated cash flows for the year then ended, in accordance with the Companies and Allied Matters Act, Cap C20, LFN 2004, the Banks and Other Financial Institutions Act, Cap B3, LFN 2004 and in the manner required by the International Financial Reporting Standards (IFRS) in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011.

Report on other legal requirements

The Companies and Allied Matters Act, Cap C20, LFN 2004 require that in carrying out our audit we consider and report to you on the following matters. We confirm that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

2. The Company and its subsidiaries have kept proper books of account, which are in agreement with the consolidated statement of financial position, consolidated income statement and consolidated statement of comprehensive income as it appears from our examination of their records;

3. Related party transactions and balances are disclosed in Note 61 to the consolidated financial statements.

Najeeb A. Abdus-salaam, FCA, FRC/2013/ICAN/00000000753
For: PKF Professional Services
Chartered Accountants
Lagos, Nigeria

Date: 22 March, 2016

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
A 641914

FINANCIAL STATEMENTS

Consolidated Statement of Financial Position as at 31 December 2015

		Group		Company	
		2015	2014	2015	2014
	Notes	N'000	N'000	N'000	N'000
Assets					
Cash and balances with banks	10	1,417,825	1,470,072	657,616	392,446
Loans and receivables	11	471,528	743,985	471,528	743,985
Trade & other receivables	12	6,542,523	3,970,054	11,945,566	7,354,182
Finance lease receivables	13	2,433,283	2,492,275	1,919,164	2,099,601
Available for sale assets	14	15,379	15,729	15,379	15,729
Investment in subsidiaries	15	-	-	1,458,967	1,458,967
Other assets	16	160,990	83,827	153,703	57,784
Inventories	17	431,200	573,709	62,992	30,466
Operating lease assets	18	15,475,375	11,730,045	5,384,311	5,710,877
Property, plant and equipment	19	1,418,287	1,231,117	1,094,794	1,060,541
Intangible assets	20	34,321	145,365	34,321	145,365
Current income tax assets	25	22,699	12,897	-	-
Deferred income tax assets	26.3	854,607	864,951	813,120	813,120
Total assets		29,278,017	23,334,026	24,011,461	19,883,063
Liabilities					
Balances due to banks	21	718,804	579,861	677,208	579,839
Commercial notes	22	5,598,090	4,926,881	5,587,884	4,914,135
Trade and other payables	23	3,261,843	2,004,314	3,041,772	1,657,673
Current income tax liability	24.2	464,216	212,216	440,816	201,815
Borrowings	25	13,356,957	9,663,465	7,610,963	6,147,986
Retirement benefit obligations	26	47,989	35,238	47,989	35,238
Deferred income tax liability	24.4	141,125	107,409	-	-
Total liabilities		23,589,024	17,529,384	17,406,632	13,536,686

Consolidated Statement of Financial Position as at 31 December 2015 (Contd.)

Equity					
Share capital	27	808,505	808,505	808,505	808,505
Deposit for shares	28	2,453,528	2,091,430	2,453,528	2,091,430
Share premium		679,526	679,526	679,526	679,526
Statutory reserve	29	829,325	722,521	651,203	608,294
Statutory credit reserve	30	613,725	262,799	597,077	246,151
Retained earnings	31	(54,767)	388,405	1,223,732	1,594,561
Foreign currency translation reserve	32	(393,369)	204,342	(384,323)	(161,830)
AFS fair value reserve	33	(5,513)	(5,163)	(5,513)	(5,163)
Revaluation reserve	34	581,094	484,903	581,094	484,903
		5,512,054	5,637,268	6,604,829	6,346,377
Non-controlling interest	35	176,939	167,374	-	-
Total equity		5,688,993	5,804,642	6,604,829	6,346,377
Total liabilities and equity		29,278,017	23,334,026	24,011,461	19,883,063

These consolidated financial statements were approved by the Board of Directors on 22 March 2016 and signed on its behalf by:

Emeka Ndu
Group Vice Chairman
FRC/2013/ICAN/00000003955

Ikechukwu Duru
Director
FRC/2013/CISN/00000001801

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

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

Consolidated Income Statement for the year ended 31 December 2015

		Group		Company	
		2015	2014	2015	2014
	Notes	N'000	N'000	N'000	N'000
Continued operations					
Gross earnings		14,577,657	13,883,942	12,847,336	12,458,699
Lease rental income	38	8,177,053	7,680,762	6,690,641	6,720,500
Lease interest expenses	39	(2,193,854)	(1,761,871)	(1,355,274)	(1,381,742)
Net lease rental income		5,983,199	5,918,891	5,335,367	5,338,758
Outsourcing income	40	5,509,121	4,987,412	5,509,121	4,987,412
Outsourcing expenses	40	(4,821,896)	(4,353,276)	(4,821,896)	(4,353,276)
Net outsourcing income		687,225	634,136	687,225	634,136
Vehicle sales	41	259,185	495,626	-	-
Vehicle operating expenses	42	(210,888)	(390,535)	-	-
Net income from vehicle sales		48,297	105,091	-	-
Tracking income	43	130,594	50,389	130,594	50,389
Tracking expenses	43	(31,361)	(16,724)	(31,361)	(16,724)
Net tracking income		99,233	33,665	99,233	33,665
Interest income	44	20,391	270,467	170,580	346,472
Other operating income	45	481,313	399,286	346,400	353,926
Direct leasing expenses	46	(2,681,670)	(3,271,417)	(3,214,250)	(3,734,377)
Net operating income		4,637,988	4,090,119	3,424,555	2,972,580
Impairment charge	37	(130,020)	52,985	(129,237)	67,088
Depreciation and amortisation	47	(1,968,852)	(1,606,265)	(1,174,806)	(1,113,438)
Personnel expenses	48	(762,388)	(713,699)	(647,069)	(595,731)
Distribution expenses	49	(13,479)	(58,596)	-	-
Other operating expenses	50	(1,297,610)	(1,352,738)	(1,067,609)	(821,531)
Loss on disposal of subsidiary		-	-	-	(1,667)
Profit on continuing operations before taxation		465,639	411,806	405,834	507,301
Income tax	24.1	(316,871)	(233,739)	(262,803)	(182,830)
Profit for the year from continuing operations		148,768	178,067	143,031	324,471
Discontinued operations					
Profit for the year from discontinued operations	54	-	139,426	-	-
Profit for the year		148,768	317,493	143,031	324,471
Profit attributable to:					
Owners of the parent		139,203	309,672	143,031	324,471
Non-controlling interests		9,565	7,821	-	-
		148,768	317,493	143,031	324,471
Appropriation of profit attributable to owners of the parent:					
Transfer to statutory reserve	29	106,804	149,586	42,909	97,342
Transfer to statutory credit reserve	30	350,926	214,352	350,926	214,352
Transfer to retained earnings	31	(318,527)	(54,266)	(250,804)	12,777
		139,203	309,672	143,031	324,471
Basic earnings per share [kobo]	55	8.61	19.15	8.85	20.07

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

Consolidated Statement of Comprehensive Income for the year ended 31 December 2015 (Contd.)

		Group		Company	
		2015	2014	2015	2014
	Notes	N'000	N'000	N'000	N'000
Profit for the year		148,768	317,493	143,031	324,471
Other comprehensive income					
Items that may be subsequently reclassified to profit or loss:					
Exchange difference on translation of foreign operations and foreign currency denominated loan balances hedged	32	(597,711)	174,015	(222,493)	(161,830)
Net gain on available financial assets	33	(350)	(9,557)	(350)	(9,557)
Items that will not be reclassified to profit or loss:					
Surplus on revaluation of property, plant and equipment	34	96,191	89,021	96,191	89,021
Other comprehensive income (net of tax)		(501,870)	253,479	(126,652)	(82,366)
Total comprehensive income (net of tax)		(353,102)	570,972	16,379	242,105
Attributable to:					
Owners of the parent		(362,667)	563,151	16,379	242,105
Non-controlling interest		9,565	7,821	-	-
		(353,102)	570,972	16,379	242,105

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

Consolidated Statement of Changes in Equity for the year ended 31 December 2015

Group	Share capital	Share premium	Deposit for shares
	N'000	N'000	N'000
At 1 January 2015	808,505	679,526	2,091,430
Changes in equity for the year ended 31 December 2015			
Profit for the year	-	-	-
Other comprehensive income			
Fair value changes on available for sale financial assets	-	-	-
Surplus on revaluation of property, plant and equipment	-	-	-
Gain on foreign operations translation	-	-	-
Total comprehensive income for the year ended 31 December 2015	-	-	-
Transactions with owners			
Transfer between reserves	-	-	-
Exchange difference on conversion of deposit for shares	-	-	362,098
Shares issued by subsidiary	-	-	-
Dividend paid during the year	-	-	-
Total transactions with owners	-	-	362,098
At 31 December 2015	808,505	679,526	2,453,528
At 1 January 2014	808,505	679,526	1,937,850
Changes in equity for the year ended 31 December 2014			
Profit for the year	-	-	-
Other comprehensive income			
Fair value changes on available for sale financial assets	-	-	-
Surplus on revaluation of property, plant and equipment	-	-	-
Gain on foreign operations translation	-	-	-
Total comprehensive income for the year ended 31 December 2014	-	-	-
Transactions with owners			
Transfer between reserves	-	-	-
Deposit for future subscription of shares	-	-	-
Discontinued operations	-	-	-
Shares issued by subsidiary			
Dividend paid during the year	-	-	-
Exchange difference on conversion of deposit for shares	-	-	153,580
Total transactions with owners	-	-	153,580
At 31 December 2014	808,505	679,526	2,091,430

Statutory Reserve	Statutory credit reserve	Retained earnings	Foreign currency translation reserve	AFS fair value reserve	Revaluation reserve	Non-controlling interest	Total equity
N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
722,521	262,799	388,405	204,342	(5,163)	484,903	167,374	5,804,642
-	-	139,203	-	-	-	9,565	148,768
-	-	-	-	(350)	-	-	(350)
-	-	-	-	-	96,191	-	96,191
-	-	-	(597,711)	-	-	-	(597,711)
-	-	139,203	(597,711)	(350)	96,191	9,565	(353,102)
106,804	350,926	(457,730)	-	-	-	-	-
-	-	-	-	-	-	-	362,098
-	-	-	-	-	-	-	-
-	-	(124,645)	-	-	-	-	(124,645)
106,804	350,926	(582,375)	-	-	-	-	237,453
829,325	613,725	(54,767)	(393,369)	(5,513)	581,094	176,939	5,688,993
572,935	48,447	509,704	30,327	4,394	395,882	130,872	5,118,442
-	-	309,672	-	-	-	7,821	317,493
-	-	-	-	(9,557)	-	-	(9,557)
-	-	-	-	-	89,021	-	89,021
-	-	-	174,015	-	-	-	174,015
-	-	309,672	174,015	(9,557)	89,021	7,821	570,972
149,586	214,352	(363,938)	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	(21,982)	(21,982)
						46,802	46,802
-	-	(67,028)	-	-	-	3,861	(63,167)
-	-	-	-	-	-	-	153,580
149,586	214,352	(430,966)	-	-	-	28,681	115,233
722,521	262,799	388,405	204,342	(5,163)	484,903	167,374	5,804,642

Consolidated Statement of Changes in Equity
for the year ended 31 December 2015

Company	Share Capital	Share Premium
	N'000	N'000
At 1 January 2015	808,505	679,526
Changes in equity for the year ended 31 December 2015		
Profit for the year	-	-
Other comprehensive income		
Fair value changes on available for sale financial assets	-	-
Surplus on revaluation of property, plant and equipment	-	-
Total comprehensive income for the year ended 31 December 2014	-	-
Transactions with owners		
Transfer between reserves	-	-
Exchange difference on conversion of deposit for shares	-	-
Dividends paid during the year	-	-
Total transactions with owners	-	-
At 31 December 2015	808,505	679,526
At 1 January 2014	808,505	679,526
Changes in equity for the year ended 31 December 2014		
Profit for the year	-	-
Other comprehensive income		
Fair value changes on available for sale financial assets	-	-
Surplus on revaluation of property, plant and equipment	-	-
Total comprehensive income for the year ended 31 December 2014	-	-
Transactions with owners		
Transfer between reserves	-	-
Exchange difference on conversion of deposit for shares	-	-
Dividends paid during the year	-	-
Total transactions with owners	-	-
At 31 December 2014	808,505	679,526

Deposit for shares	Statutory Reserve	Statutory credit reserve	Retained earnings	Foreign currency translation reserve	AFS fair value reserve	Revaluation reserve	Total equity
N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
2,091,430	608,294	246,151	1,594,561	(161,830)	(5,163)	484,903	6,346,377
-	-	-	143,031	-	-	-	143,031
-	-	-	-	-	(350)	-	(350)
-	-	-	-	-	-	96,191	96,191
-	-	-	143,031	-	(350)	96,191	238,872
-	42,909	350,926	(393,835)	(222,493)	-	-	(222,493)
362,098	-	-	-	-	-	-	362,098
-	-	-	(120,025)	-	-	-	(120,025)
362,098	42,909	350,926	(513,860)	(222,493)	-	-	19,580
2,453,528	651,203	597,077	1,223,732	(384,323)	(5,513)	581,094	6,604,829
1,937,850	510,952	31,799	1,648,812	-	4,394	395,882	6,017,721
-	-	-	324,471	-	-	-	324,471
-	-	-	-	-	(9,557)	-	(9,557)
-	-	-	-	-	-	89,021	89,021
-	-	-	324,471	-	(9,557)	89,021	403,935
-	97,342	214,352	(311,694)	-	-	-	-
153,580	-	-	-	(161,830)	-	-	(8,250)
-	-	-	(67,028)		-	-	(67,028)
153,580	97,342	214,352	(378,722)	(161,830)	-	-	(75,278)
2,091,430	608,294	246,151	1,594,561	(161,830)	(5,163)	484,903	6,346,377

Consolidated Statement of Cash Flows the year ended 31 December 2015

		Group		Company	
		2015	2014	2015	2014
	Notes	N'000	N'000	N'000	N'000
Cash flows from operating activities					
Cash flows generated from operating activities	51	(136,272)	1,854,135	(1,629,835)	(252,316)
Lease rental income		8,177,053	7,680,762	6,690,641	6,720,500
Outsourcing income		5,509,121	4,987,412	5,509,121	4,987,412
Interest income received		20,391	270,467	170,580	346,472
Vehicle sales income		259,185	495,626	-	-
Tracking and tagging income		99,233	33,665	130,594	50,389
Other income received		134,060	88,279	57,803	46,805
Investment income received		108,171	1,367	108,171	11,658
Retirement benefit obligations paid		(207,546)	(199,570)	(207,546)	(199,570)
Cash payment to employees and suppliers		(9,456,443)	(10,008,359)	(9,630,223)	(9,427,185)
Income tax paid		(40,957)	(21,514)	(23,802)	(16,977)
Net cash provided by operating activities		4,465,996	5,182,270	1,175,504	2,267,188
Cash flows from investing activities					
Additional investments in subsidiaries		-	-	-	(45,479)
Proceeds from disposal of investment in subsdiary		-	-	-	190,000
Proceeds from sale of operating lease assets		217,476	262,786	194,599	105,940
Proceeds from sale of property, plant and equipment		61,359	141,224	870	140,815
Purchase of operating lease assets	18	(5,300,265)	(4,943,010)	(766,749)	(618,119)
Purchase of property, plant and equipment	19	(262,652)	(149,794)	(31,314)	(26,659)
Net cash flow from discontinued operations		-	(602)	-	-
Acquisition of intangible assets	20	(9,556)	(122,795)	(9,556)	(122,795)
Net cash provided by investing activities		(5,293,638)	(4,812,191)	(612,150)	(376,297)
Cash flows from financing activities					
Dividend paid		(124,645)	(63,167)	(120,025)	(67,028)
Interest paid on finance lease facilities and loans		(2,193,854)	(1,761,871)	(1,355,274)	(1,381,742)
Non controlling interest in increase in share capital		9,565	46,802	-	-
Proceeds from borrowings		4,889,986	3,639,454	3,024,345	182,284
Repayment of borrowings		(1,944,599)	(1,681,689)	(1,944,599)	(1,042,143)
Net cash provided by financing activities		636,453	179,529	(395,553)	(2,308,629)
Increase/(decrease) in cash and cash equivalents		(191,190)	549,608	167,801	(417,738)
Cash and cash equivalents at the beginning of the year		890,211	340,603	(187,393)	230,345
Cash and cash equivalents at the end of the year	36	699,021	890,211	(19,592)	(187,393)

1. The reporting entity

These consolidated 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 individual 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) and in addition, the Company renders annual returns to the Corporate Affairs Commission (CAC). As at year end, the Company has three subsidiary companies namely:

- C & I Motors Limited
- Leasafric Ghana Limited
- EPIC International FZE, United Arab Emirates

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 year ended 31 December 2015 with comparative for the year ended 31 December 2014.

The consolidated financial statements for the year ended 31 December 2015 were approved for issue by the Board of Directors on 22 March 2016.

2. Basis of preparation

2.1 Statement of compliance with IFRSs

These consolidated financial statements which have been prepared for the twelve months ended 31 December 2015 in accordance with International Financial Reporting Council as issued by the International Accounting Standard Board (IASB) and in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011. Additional information required by local regulators has been included where appropriate.

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 land 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 year the assumptions changed. Management believes that the underlying assumptions are appropriate and therefore the Group's financial statements present the financial position and results fairly.

2.3 Going concern assessment
This financial statement has been prepared on going concern basis. The group has neither intention nor need to reduce substantially its business operations. The management believes that the going concern assumption is appropriate for the group and there are no going concern threats to the operations of the group.

2.4 Functional and presentation currency
This consolidated financial statements are presented in Naira, which is the Group's presentational currency. The consolidated financial statements are presented in the currency of the primary economic environment in which the Company operates (its functional currency). For the purpose of the consolidated financial statements, the consolidated results and financial position are expressed in Naira, which is the functional currency of the Company, and the presentational currency for the financial statements.

2.5 Basis of consolidation
These consolidated financial statements comprise the financial statements of the company and its subsidiaries as at 31 December, 2015.

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 year as the parent company, using the same accounting policies.

All inter-group balances, transactions, dividends, unrealized gains on transactions within the Group are eliminated on consolidation. Unrealized 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.

2.6 Summary of new and amended standards issued and effective during the year

During the year, there were certain amendments and revisions to some of the standards. The nature and the impact of each new standard and amendments are described below. The Group intends to adopt these standards, if applicable, when they become effective.

2.6.1 Amendments to IFRS 10, IFRS 12 and IAS 28 - 'Investment entities: Applying the consolidation exception'

Effective for annual periods beginning on or after 1 January 2016.

The amendments address issues that have arisen in applying the investment entities exception under IFRS 10. The amendments to IFRS 10 clarify that the exemption (in IFRS 10.4) from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value. Furthermore, the amendments to IFRS 10 clarify that only a subsidiary of an investment entity that is not an investment entity itself and that provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value.

The amendment to IFRS 12 Disclosure of Interests in Other Entities requires an entity that prepares financial statements in which all its subsidiaries are measured at fair value through profit or loss in accordance with IFRS 10 to make disclosures required by IFRS 12 relating to investment entities.

The amendments to IAS 28 allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries.

2.6.2 Amendments to IAS 27 "Equity method in separate financial statements"

Equity Method in Separate Financial Statements

(effective for annual periods beginning on or after 1 January 2016), Published by IASB on 12 August 2015.

The amendments reinstate the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.

For first-time adopters of IFRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to IFRS. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted.

2.6.3 Amendments to IFRS 10 and IAS 28 - "Sale or contribution of assets between an investor and its associate or joint venture

This amendment is effective for annual periods beginning on or after 1 January 2016. The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3 Business Combinations, between an investor and its associate or joint venture, is recognized in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

2.6.4 Amendments to IAS 1 "Disclosure Initiative"

This amendment is effective for annual periods beginning on or after 1 January 2016. It is not expected that this amendment would be relevant to the Group. The amendments to IAS 1 Presentation of Financial Statements clarify, rather than significantly change, existing IAS 1 requirements. The amendments clarify:

- The materiality requirements in IAS 1;
- That specific line items in the statement(s) of profit or loss and OCI and the statement of financial position may be disaggregated;
- That entities have flexibility as to the order in which they present the notes to financial statements;
- That the share of OCI of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement(s) of profit or loss and other comprehensive income.

2.6.5 Annual improvements 2012-2014 Cycle
These improvements are effective for annual periods beginning on or after 1 January 2016. They include:

- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations
- IFRS 7 Financial Instruments: Disclosures
- IAS 19 Employee Benefits
- IAS 34 Interim Financial Reporting

2.7 New standards, amendments and interpretations issued but not yet effective
At the date of authorization of these financial statements the following standards, amendments to existing standards and interpretations were in issue, but not yet effective: This includes:

2.7.1 IFRS 9, 'Financial instruments'
Effective for annual periods beginning on or after 1 January 2018, issued on 24 July 2015. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting.

IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortized cost. The 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 adoption of IFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities. The application of IFRS 9 may change the measurement and presentation of many financial instruments, depending on their contractual cash flows and business model under which they are held. The impairment requirements will generally result in earlier recognition of credit losses. The new hedging model may lead to more economic hedging strategies meeting the requirements for hedge accounting. 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 2018. The Group will also consider the impact of the remaining phases of IFRS 9 when completed by the Board.

2.7.2 IFRS 14 "Regulatory deferral accounts"
Effective for annual periods beginning on or after 1 January 2016. The standard allows an entity to continue applying most of its existing accounting policies for regulatory deferral account balances upon adoption of IFRS. This standard provides first-time adopters of IFRS with relief from derecognising rate regulated assets and liabilities until a comprehensive project on accounting for such assets and liabilities is completed by the IASB.

2.7.3 IFRS 15 "Revenue from contracts with customers" Effective for annual periods beginning on or after 1 January 2018. IFRS 15 Revenue from Contracts with Customers replaces IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations. IFRS 15 specifies the accounting treatment for all revenue arising from contracts with customers. It applies to all entities that enter into contracts to provide goods or services to their customers, unless the contracts are in the scope of other IFRSs, such as IAS 17 Leases. The standard also provides a model for the measurement and recognition of gains and losses on the sale of certain non-financial assets, such as property or equipment. Extensive disclosures will be required, including disaggregation of total revenue; information about performance obligations; changes in contract asset and liability account balances between periods and key judgments and estimates. The Group is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

2.7.4 IFRS 16 "Leases"
"Effective for annual periods beginning on or after 1 January 2019. Early application is permitted, but not before an entity applies IFRS 15. The scope of the new standard includes leases of all assets, with certain exceptions. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Key features:

- The new standard requires lessees to account for all leases under a single on-balance sheet model (subject to certain exemptions) in a similar way to finance leases under IAS 17.

- Lessees recognize a liability to pay rentals with a corresponding asset, and recognize interest expense and depreciation separately.

- The new standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computer) and short-term leases (i.e., leases with a lease term of 12 months or less).

- Reassessment of certain key considerations (e.g., lease term, variable rents based on an index or rate, discount rate) by the lessee is required upon certain events.

- Lessor accounting is substantially the same as today's lessor accounting, using IAS 17's dual classification approach.

2.7.5 Amendments to IAS 16 "Property, Plant and Equipment" and IAS 38 "Intangible Assets"
Clarification of Acceptable Methods of Depreciation and Amortization (effective for annual periods beginning on or after 1 January 2016), published by IASB on 12 May 2015.

Amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. Amendments also clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

2.7.6 "IFRS 7, 'Financial instruments disclosure' Presentation', on asset and liability offsetting"
The amendments to IFRS 7 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.

2.7.7 Amendments to IFRS 11 "Joint Arrangements" Accounting for Acquisitions of Interests

Accounting for Acquisitions of Interests in Joint Operations (effective for annual periods beginning on or after 1 January 2016), published by IASB on 12 May 2011.

The amendments to IFRS 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business must apply the relevant IFRS 3 principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to IFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

2.7.8 Amendments to IAS 16 "Property, Plant and Equipment" and IAS 41 "Agriculture"

Effective for annual periods beginning on or after 1 January 2016.

IAS 41 Agriculture currently requires all biological assets related to agricultural activity to be measured at fair value less costs to sell. This is based on the principle that the biological transformation that these assets undergo during their lifespan is best reflected by fair value measurement. However, there is a subset of biological assets, known as bearer plants, which are used solely to grow produce over several periods. At the end of their productive lives they are usually scrapped. Once a bearer plant is mature, apart from bearing produce, its biological transformation is no longer significant in generating future economic benefits. The only significant future economic benefits it generates come from the agricultural produce that it creates.

The IASB decided that bearer plants should be accounted for in the same way as property, plant and equipment in IAS 16 Property, Plant and Equipment, because their operation is similar to that of manufacturing. Consequently, the amendments include them within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41. This amendment will not have impact on the Group.

Annual improvements 2010-2012 Cycle

- IFRS 2 – Share-based Payment
- IFRS 3 – Business Combinations
- IFRS 8 – Operating Segments
- IAS 16 – Property, plant and equipment
- IAS 38 - Intangible Assets
- IAS 24 – Related Parties

Annual improvements 2011-2013 Cycle

- IFRS 3 – Business Combinations
- IFRS 13 - Fair value measurement
- IAS 40 - Investment properties

3. Summary of significant accounting policies

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

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 usually 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 recognized directly in equity and attributed to the Group.

In its separate financial statements, 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 Intangible assets

3.5.1 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 years and methods are reviewed annually and adjusted if appropriate.

3.5.2 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 recognized based on the above, then development costs are recognized in profit or loss in the year in which they are incurred.

3.6 Property, plant and equipment

3.6.1 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 accumulated depreciation and/or accumulated 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 recognizes the new part with its own associated useful life and depreciation. Likewise, when a major inspection is performed, its costs is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria is satisfied.

3.6.2 Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized 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 year in which they are incurred.

3.6.3 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 year 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.

3.6.4 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.

3.6.5 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.

3.7 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 recognized 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.

3.8 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.

3.9 Inventories.
Inventories are valued at the lower of cost and net realizable 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.

3.10 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 recognized in prior years 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 amortization, if no impairment loss had been recognized. An impairment loss in respect of goodwill is not reversed.

3.11 Financial instruments

3.11.1 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.

3.11.1.1 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.

3.11.1.2 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.

3.11.1.3 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 recognized in the income statement as 'Net gains/(losses) on investment securities'.

3.11.1.4 Available-for-sale financial assets
Available-for-sale investments are financial assets that are intended to be held for an indefinite year 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 amortized 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 year in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized 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 recognized 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 realized gains on financial assets.

Interest on available-for-sale securities calculated using the effective interest method is recognized in the income statement. Dividends on available-for-sale equity instruments are recognized 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 recognized valuation models for determining fair values of non-standardized 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 recognized 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 amortized 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 contractual 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 recognizes 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 asset, the Group continues to recognize the financial asset and also recognizances a collateralised borrowing for the proceeds received.

3.11.2 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 amortized 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.

3.11.2.1 Interest bearing borrowings

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

3.11.3 Impairment of financial assets

3.11.3 Financial assets carried at amortized cost

The Group assesses at each end of the reporting year 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 reorganization;
- 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 recognized 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 amortized 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 recognized 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 year, 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.

3.11.3.2 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 year 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 year 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.

3.11.4 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 realize the asset and settle the liability simultaneously.

3.12 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 year 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.

3.13 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.

3.14 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.

3.14.1 The Group is the lessor

3.14.1.1 Operating leases

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 years are taken into account when determining the straight-line charge.

3.14.1.2 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 difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant yearic rate of return.

3.14.2 The Group is the lessee

3.14..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 capitalized to the cost of those assets. Contingent rentals are recognised as expenses in the years in which they are incurred.

3.14.2.1 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 year in which they are incurred.

3.15 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 year is not considered to be material.

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

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

3.17 Retirement benefits

3.17.1 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 years.

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 8% of their basic salary, housing and transport allowances to the pension scheme while the employer contributes the remainder to make a total contribution of 18% 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.

3.17.2 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 years; 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.

3.17.3 Terminal benefits

Terminal 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.

3.17.4 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.

3.18 Taxation

3.18.1 Current income tax

The tax expense for the year 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 year in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management yearically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

3.18.2 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 year and are expected to apply when the related deferred income tax asset is realized 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 utilized.

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 utilized.

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.

3.19 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 year, taking into account the risks and uncertainties surrounding the obligation.

3.19.1 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.

3.19.2 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.

3.19.3 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.

3.20 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.

3.20 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 amortized 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.

3.22 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 year, based on an estimate of the number of options that will eventually vest. At the end of each reporting year, 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.

3.23 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:

3.23.1 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 year has expired, any payment required by the lessee by way of penalty is recognised in income statement in the year in which termination takes place.

3.23.2 Income from finance leases

The recognition of income from finance lease is based on a pattern reflecting a constant yearic 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 year, excluding costs for services, are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.

3.23.3 Personnel outsourcing income

The group is involved with outsourcing contracts in which human capital of varying skills are outsourced to various organizations. 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.

3.23.4 Service charge income.

This represents charges for other services rendered to finance lease customers. The services are rendered yearically 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 year can be measured reliably; and

iv. The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

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.

3.23.6 Rental income

Rental income is recognized on an accrued basis.

3.23.6 Realized gains and losses

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

3.24 Foreign currency translation

3.24.1 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 year 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.

3.24.2 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 year end. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that year, 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, 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 year of the change, if the change affects that year only, or in the year of change and future year, 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 yearically 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 judgments 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 equipment

The estimation of the useful lives of assets is based on management'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 3.11, 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 amortized 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	Loans and receivables	Available for sale	Held to maturity	Fair value through profit or loss	Amortised cost	Total carrying amount
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 31 December 2015							
Assets							
Cash and balances with banks	1,417,825	-	-	-	-	-	1,417,825
Loans and receivables	-	471,528	-	-	-	-	471,528
Finance lease receivables	-	2,433,283	-	-	-	-	2,433,283
Available for sale assets	-	-	15,379	-	-	-	15,379
Trade & other receivables	-	6,542,523	-	-	-	-	6,542,523
	1,417,825	9,447,334	15,379	-	-	-	10,880,538
Liabilities							
Balances due to banks	-	-	-	-	718,804	-	718,804
Borrowings	-	-		-	-	13,356,957	13,356,957
Trade & other payables	-	-	-	-	-	3,261,843	3,261,843
Other liabilities	-	-	-	-	-	-	-
	-	-	-	-	579,859	11,470,432	12,050,291
At 31 December 2014							
Assets							
Cash and balances with banks	1,470,072	-	-	-	-	-	1,470,072
Loans and receivables	-	743,985	-	-	-	-	743,985
Finance lease receivables	-	2,492,275	-	-	-	-	2,492,275
Available for sale assets	-	-	15,729	-	-	-	15,729
Trade & other receivables	-	3,970,054	-	-	-	-	3,970,054
	1,470,072	7,206,314	15,729	-	-	-	8,692,115
Liabilities							
Balances due to banks	-	-	-	-	579,861	-	579,861
Borrowings	-	-	-	-	-	9,663,465	9,663,465
Trade & other payables	-	-	-	-	-	2,004,314	2,004,314
	-	-	-	-	579,861	11,667,779	12,247,640

Company

	Financial assets				Financial liabilities		
	Fair value through profit or loss	Loans and receivables	Available for sale	Held to maturity	Fair value through profit or loss	Amortised cost	Total carrying amount
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 31 December 2015							
Assets							
Cash and balances with banks	657,616	-	-	-	-	-	657,616
Loans and receivables	-	471,528	-	-	-	-	471,528
Finance lease receivables	-	1,919,164	-	-	-	-	1,919,164
Available for sale assets	-	-	15,379	-	-	-	15,379
Trade & Other Receivable	-	11,945,566	-	-	-	-	11,945,566
	657,616	14,336,258	15,379	-	-	-	15,009,253
Liabilities							
Balances due to banks	-	-	-	-	677,208	-	677,208
Borrowings	-	-	-	-	-	7,610,963	7,610,963
Trade & Other Payable	-	-	-	-	-	3,041,772	3,041,772
	-	-	-	-	677,208	10,652,735	11,329,943
At 31 December 2014							
Assets							
Cash and balances with banks	392,446	-	-	-	-	-	392,446
Loans and receivables	-	743,985	-	-	-	-	743,985
Finance lease receivables	-	2,099,601	-	-	-	-	2,099,601
Available for sale assets	-	-	15,729	-	-	-	15,729
Trade & Other Receivable	-	7354182	-	-	-	-	7,354,182
	392,446	10,197,768	15,729	-	-	-	10,605,943
Liabilities							
Balances due to banks	-	-	-	-	579,839	-	579,839
Borrowings	-	-	-	-	-	6,147,986	6,147,986
Trade & Other Payable	-	-	-	-	-	1,657,673	1,657,673
	-	-	-	-	579,839	7,805,659	8,385,498

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 is recognised 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 14 and were valued at N15,379,000 (31 December 2014 : N15,729,000) 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 year.

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 20% at the end of the year, compared to 27% recorded for the year ended 31 December 2014 respectively.

The table below summarises the composition of regulatory capital and the ratios of the Group for the years presented below. During those two 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 2015	31 December 2014
	N'000	N'000
Tier 1 capital		
Share capital	808,505	808,505
Share premium	679,526	679,526
Statutory reserve	829,325	722,521
Retained earnings	(54,767)	388,405
Total qualifying for tier 1 capital	2,262,589	2,598,957
Tier 2 capital		
Deposit for shares	2,453,528	2,091,430
Statutory credit reserve	613,725	262,799
Exchange translation reserve	(393,369)	204,342
AFS fair value reserve	(5,513)	(5,163)
Revaluation reserve	581,094	484,903
Total qualifying for tier 2 capital	3,249,465	3,038,311
Total regulatory capital	5,512,054	5,637,268
Risk - weighted assets		
On statement of financial position	27,254,148	21,267,537
Total risk weighted assets	27,254,148	21,267,537
Risk-weighted capital adequacy ratio (CAR)	20%	27%

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 is 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 inability 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 Securities 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:

- requirements for appropriate segregation of duties, including independent authorisation of transactions.

- requirements for the reconciliation and monitoring of transactions.

- compliance with regulatory and other legal requirements.

- documentation 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 year was as follows:

Note : 8.3.1

	Group	
	2015	**2014**
	N'000	N'000
Financial assets		
Cash and balances with banks	**1,417,825**	1,470,072
Loans and receivables	**471,528**	743,986
Finance lease receivables	**2,433,283**	2,492,276
Available for sale assets	**15,379**	15,729
Trade & other receivables	**6,542,523**	3,970,054
	10,880,538	8,692,117

	Company	
	2015	**2014**
	N'000	N'000
Financial assets		
Cash and balances with banks	**657,616**	392,446
Loans and receivables	**471,528**	4,204,202
Finance lease receivables	**1,919,164**	2,099,601
Available for sale assets	**15,379**	15,729
Trade & other receivables	**11,945,566**	7,354,182
	10,605,632	14,066,160

8.3.2 Liquidity risks

The Group defines liquidity risk as the risk that the Group either does not have sufficient financial resources available to meet all its obligations and commitments as they fall due, or can access them only at excessive cost.

Liquidity risk management is governed by the Group's Board Operations Committee (BOC), the BOC is responsible for both statutory and prudential liquidity. These responsibilities include the provision of authorities, policies and procedures.

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 Board Operations Committee has primary responsibility for compliance with regulations and company policy and maintaining a liquidity crisis contingency plan.

A substantial portion of the Group's assets are funded by borrowings from financial institutions. These borrowings, which are widely diversified by type and maturity, represent a stable source of funds. The Group employs policies and procedures to mitigate it's exposure to liquidity risk. The Group complies with minimum regulatory requirements.

8.3.2 Liquidity risks

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

	Group		
	Current	Non-current	Total
	N'000	N'000	N'000
31 December 2015			
Balance due to banks	718,804	-	718,804
Borrowings	3,435,761	10,430,728	13,866,489
Trade & other payables	3,261,843	-	3,261,843
	7,416,408	10,430,728	17,847,136
31 December 2014			
Balance due to banks	579,861	-	579,861
Borrowings	2,656,185	7,007,280	9,663,465
Trade & other payables	3,261,843	-	3,261,843
	6,497,889	7,007,280	13,505,169

	Company		
	Current	Non-current	Total
	N'000	N'000	N'000
31 December 2015			
Balance due to banks	677,208	-	677,208
Borrowings	2,404,240	5,206,722	7,610,962
Trade & other payables	3,041,772	-	3,041,772
	6,123,220	5,206,722	11,329,942
31 December 2014			
Balance due to banks	579,839	-	579,839
Borrowings	2,801,933	3,346,053	6,147,986
Trade & other payables	1,657,673	-	1,657,673
	5,039,445	3,346,053	8,385,498

The Group's focus on the maturity analysis of its financial liabilities is as stated above, the Group classifies its 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 is monitored by the Group's management to ensure that the company is not openly exposed to changes in the interest rates on interest bearing liabilities. 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 subsidiaries (Leasafric Ghana Limited and EPIC International FZE, U.A.E.) whose transactions are denominated in Ghanaian Cedi and United Arab Emirates' Dirhams. The exposure to foreign exchange risk as a result of these subsidiaries in this year as a result of translation has been recognised in the other comprehensive income statement.

The Group foreign currency risk exposure arises also from long term borrowings from Aureos Africa LLC denominated in United States Dollar. 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 continuous 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 year - 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 retained earnings 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 retained earnings account.

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

During the year ended 31 December 2015, the Company has transferred N350,925,760 (31 December 2014: N214,352,332) to the statutory credit reserve. This is because the provisions for credit and other known losses as determined under the prudential guidelines issued by the Central Bank of Nigeria (CBN), is higher than the impairment allowance as determined in line with relevant IFRSs 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 2015, by comparing the provision and impairment as determined under both bases. A reconciliation of this amount is provided below:

	31 December 2015 N'000	December 2014 N'000
Company		
Total IFRS impairment losses	858,466	729,229
Prudential provisions	(1,209,392)	(943,582)
Transfer to statutory credit reserve	(350,926)	(214,353)
Analysis of the IFRS impairment losses		
Finance lease receivables (Note 38.1)	19,385	21,208
Lease rental due (Note 38.1)	206,221	169,674
Loans and receivables (Note 38.1)	4,096	17,938
Other assets (Note 38.1)	628,764	520,409
Total IFRS impairment losses	858,466	729,229
Analysis of the provision for loan losses per prudential guidelines		
Finance lease receivables	19,385	21,208
Lease rental due	248,511	196,371
Loans and advances	4,447	16,962
Other assets	937,049	709,041
Total Prudential provision for losses	1,209,392	943,582

Notes to the Consolidated Financial Statement for the year ended 31 December 2015

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
10.	Cash and balances with banks				
	Cash in hand	3,477	605	3,300	-
	Current balances with banks	998,290	867,480	654,316	392,446
	Placement with banks	416,058	601,987	-	-
		1,417,825	1,470,072	657,616	392,446
11.	Loans and receivables				
	Lease rental due	660,187	875,892	660,187	875,892
	Loans and advances	21,657	55,705	21,657	55,705
		681,844	931,597	681,844	931,597
	Impairment allowance (Note 11.4)	(210,316)	(187,612)	(210,316)	(187,612)
		471,528	743,985	471,528	743,985
11.2	Analysis of loans and receivables by security:				
	Secured	-	-	-	-
	Otherwise secured	681,844	931,597	681,844	931,597
		681,844	931,597	681,844	931,597
11.3	Loans and receivables are further analysed as follows:				
	Less than one year	379,234	518,144	379,234	518,144
	More than one year and less than five years	302,610	413,453	302,610	413,453
	More than five years	-	-	-	-
		681,844	931,597	681,844	931,597
11.4	Impairment allowance on loans and receivables				
	Lease rental due (Note 11.5)	206,221	169,674	206,221	169,674
	Loans and advances (Note 11.6)	4,095	17,938	4,095	17,938
		210,316	187,612	210,316	187,612
11.5	Analysis of impairment allowance - Lease rental due				
	Specific impairment	182,070	159,417	182,069	159,416
	Collective impairment	24,152	10,258	24,152	10,258
		206,222	169,675	206,221	169,674
11.5.1	Movement in impairment allowance - Lease rental due				
	At the beginning of the year	169,674	155,398	169,674	97,559
	Discontinued operations	-	(57,839)	-	-
	Charge for the year	36,547	72,115	36,547	72,115
	At the end of the year	206,221	169,674	206,221	169,674
11.6	Analysis of impairment allowance - Loans and advances				
	Specific impairment	4,096	14,987	4,096	14,987
	Collective impairment	-	2,951	-	2,951
		4,096	17,938	4,096	17,938
11.6.1	Movement in impairment allowance - Loans and advances				
	At the beginning of the year	17,938	68,515	17,938	16,190
	Discontinued operations	-	(46,315)	-	-
	(Write back)/Charge for the year	(13,842)	1,748	(13,842)	1,748
	Written off in the year	-	(6,010)	-	-
	At the end of the year	4,096	17,938	4,096	17,938

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
12.	Trade & other receivables				
	Financial assets				
	Trade receivables	45,839	20,545	-	-
	Operating lease service receivables	3,352,205	1,952,521	3,336,102	1,936,255
	Amount due from related companies (12.1)	-	-	5,537,999	3,460,529
	Account receivables	900,766	296,530	819,227	296,530
	Deposit for goods and services	-	96,457	-	96,457
	Other debit balances	181,293	220,202	159,351	150,145
	Consumables	112,357	14,828	112,357	14,828
	Insurance receivables	145,325	96,589	145,325	96,589
	Deposit for investments	851,129	851,129	851,129	851,129
	Withholding tax receivables	1,612,840	972,129	1,612,840	972,129
		7,201,754	4,520,930	12,574,330	7,874,591
	Impairment allowance (12.2)	(659,231)	(550,876)	(628,764)	(520,409)
		6,542,523	3,970,054	11,945,566	7,354,182
12.1	Amount due from related companies				
	C & I Motors Limited	-	-	883,628	753,998
	EPIC International FZE, United Arab Emirates	-	-	4,654,371	2,706,531
		-	-	5,537,999	3,460,529
12.2	Analysis of impairment allowance				
	- Trade & other receivables				
	Specific impairment	601,841	436,768	538,817	373,744
	Collective impairment	57,390	114,108	89,947	146,665
		659,231	550,876	628,764	520,409
12.2.1	Movement in impairment allowance				
	- Trade & other receivables				
	At the beginning of the year	550,876	671,123	520,409	633,095
	Discontinued operations	-	(10,968)	-	-
	Written off in the year	-	3,407	-	-
	Charge / (Write back) in the year	108,355	(112,686)	108,355	(112,686)
	At the end of the year	659,231	550,876	628,764	520,409
13.	Finance lease receivables				
	Gross finance lease receivable	6,777,868	6,942,582	5,175,652	5,373,173
	Unearned lease interest/maintenance (Note 13.2)	(4,272,190)	(4,367,511)	(3,237,103)	(3,252,364)
	Net investment in finance lease	2,505,678	2,575,071	1,938,549	2,120,809
	Impairment allowance (Note 13.5)	(72,395)	(82,796)	(19,385)	(21,208)
		2,433,283	2,492,275	1,919,164	2,099,601

13.2 Included in unearned lease interest/maintenance is deferred maintenance charge.

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.

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
13.3	The net investment in finance lease may be analysed as follows:				
	Less than one year	2,080,289	2,137,901	1,782,092	1,949,642
	More than one year and less than five years	425,389	437,170	156,457	171,167
		2,505,678	2,575,071	1,938,549	2,120,809
13.4	Analysis into current portion and non-current portion				
	Current portion	2,080,289	2,137,901	1,782,092	1,949,642
	Non-current portion	425,389	437,170	156,457	171,167
		2,505,678	2,575,071	1,938,549	2,120,809
13.5	Analysis of impairment allowance - Finance lease receivables				
	Specific impairment	-	-	-	-
	Collective impairment	72,395	82,796	19,385	21,208
		72,395	82,796	19,385	21,208
13.5.1	Movement in impairment allowance - Finance lease receivables				
	At the beginning of the year	82,796	110,880	21,208	49,474
	Discontinued operations	-	(6,188)	-	-
	Charge for the year	(9,780)	(14,162)	(1,823)	(28,266)
	Written off in the year	(621)	(7,734)	-	-
	At the end of the year	72,395	82,796	19,385	21,208
14.	Available for sale assets				
14.1	Listed equities - at fair value				
	Diamond Bank Plc (GDR)	11,030	9,402	11,030	9,402
	First Bank of Nigeria Plc	2,565	4,400	2,565	4,400
	Fidelity Bank Plc	1,784	1,927	1,784	1,927
		15,379	15,729	15,379	15,729
15.	Investment in subsidiaries	#			
	Leasafric Ghana Limited	-	-	754,736	754,736
	C&I Motors Limited	-	-	700,000	700,000
	EPIC International FZE, United Arab Emirates	-		4,231	4,231
		-	-	1,458,967	1,458,967

15.1 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 15.1.1)	Leasing	Ghana	85.03%	31 December
C & I Motors Limited (Note 15.1.2)	Marketing and distribution of vehicles	Nigeria	100%	31 December
EPIC International FZE, United Arab Emirates (U.A.E.) (Note 15.1.3)	Trading in ships and boats	United Arab Emirates	100%	31 December

15.1.1 L+B15:O38ana Limited

Leasafric Ghana Limited is a company incorporated in Ghana under the Companies Code, 1963 (Act 179) of Ghana as a Ghanaian 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.

15.1.2 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 marketing and distribution of Suzuki brands in Nigeria. It is presently a representative of Suzuki Motor Corporation, Japan in Nigeria.

15.1.3 EPIC International FZE, U.A.E.

EPIC International FZE, Ras Al khaimah United Arab Emirates (U.A.E.) was incorporated on 15 June 2011 as a Free Zone Establishment (FZE) under a Commercial License #5006480 issued by the Ras Al Khaimah Free Trade Zone, Ras Al Khaimah, U.A.E. The Company is registered under UAE Federal Law No.(8) of 1984 and 1988 as amended. The licensed activities of the Company is trading in ships and boats, its parts, components and automobile.

15.2 Condensed results of consolidated entities

The consolidated results of the consolidated entities of C&I Leasing Plc are shown in Note 15.2.1.

The C&I Leasing Group in the condensed results includes the results of the underlisted entities:

- C&I Leasing Plc
- C&I Motors Limited
- Leasafric Ghana Limited
- EPIC International FZE, UAE

		Parent - C&I Leasing Plc	C&I Motors Limited
		N'000	N'000
15.2.1	Condensed results of consolidated entities		
	31 December 2015		
	Condensed income statement		
	Gross earnings	12,847,336	276,510
	Operating income	3,424,555	(160,977)
	Impairment charge	(129,237)	(8,840)
	Depreciation and amortisation	(1,174,806)	(10,677)
	Other operating expenses	(1,067,609)	(94,851)
	Personnel expenses	(647,069)	(71,931)
	Distribution expenses	-	(13,479)
	Profit/(loss) before tax	405,834	(360,755)
	Income tax expense	(262,803)	-
	Profit/(loss) after tax	143,031	(360,755)

Leasafric Ghana Limited	EPIC International FZE, U.A.E	Total	Elimination	Group
N'000	N'000	N'000	N'000	N'000
1,629,756	753,594	15,507,196	(929,539)	14,577,657
1,137,693	481,504	4,882,775	(779,301)	4,103,474
7,957	-	(130,120)	-	(130,120)
(573,221)	(210,148)	(1,968,852)	-	(1,968,852)
(347,185)	(6,405)	(1,516,050)	753,053	(762,997)
(43,387)	-	(762,387)	-	(762,387)
-	-	(13,479)	-	(13,479)
181,857	264,951	491,887	(26,248)	465,639
(54,068)	-	(316,871)	-	(316,871)
127,789	264,951	175,016	(26,248)	148,768

15.2.1 Condensed results of consolidated entities (Cont'd)

	Parent - C&I Leasing Plc	C&I Motors Limited
	N'000	N'000
31 December 2015		
Condensed statement of financial position		
Assets		
Cash and balances with banks	657,616	3,824
Loans and receivables	471,528	-
Trade & other receivables	11,945,566	37,311
Finance lease receivables	1,919,164	-
Available for sale financial assets	15,379	-
Investment in subsidiaries	1,458,967	-
Other assets	153,703	7,287
Inventory	62,992	368,208
Operating lease assets	5,384,311	-
Property, plant and equipment	1,094,794	8,403
Intangible assets	34,321	-
Current income tax assets	-	-
Deferred income tax assets	813,120	41,487
Total assets	24,011,461	466,520
Liabilities and equity		
Balances due to banks	677,208	41,596
Commercial notes	5,587,884	
Trade and other payables	3,041,772	1,032,972
Current income tax liability	440,816	3,049
Borrowings	7,610,963	-
Retirement benefit obligations	47,989	-
Deferred income tax liability	-	-
Equity and reserves	6,604,829	(611,097)
Total liabilities and equity	24,011,461	466,520

	Leasafric Ghana Limited	EPIC International FZE, U.A.E	Total	Elimination	Group
	N'000	N'000	N'000	N'000	N'000
	753,217	3,168	1,417,825	-	1,417,825
	-	-	471,528	-	471,528
	294,293	-	12,277,170	(5,734,647)	6,542,523
	514,119	-	2,433,283	-	2,433,283
	-	-	15,379	-	15,379
	-	-	1,458,967	(1,458,967)	-
	-	-	160,990	-	160,990
	-	-	431,200	-	431,200
	1,552,083	8,538,981	15,475,375	-	15,475,375
	315,043	47	1,418,287	-	1,418,287
	-	-	34,321	-	34,321
	22,699	-	22,699	-	22,699
	-	-	854,607	-	854,607
	3,451,454	8,542,196	36,471,631	(7,193,614)	29,278,017
	-	-	718,804	-	718,804
	10,206		5,598,090	-	5,598,090
	56,256	2,862,122	6,993,122	(3,731,279)	3,261,843
	20,351		464,216	-	464,216
	2,222,770	5,526,590	15,360,323	(2,003,366)	13,356,957
	-	-	47,989	-	47,989
	141,125	-	141,125	-	141,125
	1,000,746	153,484	7,147,962	(1,458,969)	5,688,993
	3,451,454	8,542,196	36,471,631	(7,193,614)	29,278,017

		Parent - C&I Leasing Plc	C&I Motors Limited
		N'000	N'000
15.2.1	Condensed results of consolidated entities (Cont'd)		
	31 December 2015		
	Condensed cash flows		
	Net cash from operating activities	1,175,504	131,369
	Net cash from investing activities	(612,150)	(1,027)
	Net cash from financing activities	(395,553)	(224,667)
	Movement in cash and cash equivalents	167,801	(94,325)
	Cash and cash equivalents at start of year	(187,393)	56,553
	Cash and cash equivalents at year end	(19,592)	(37,772)

		Parent - C&I Leasing Plc	C&I Motors Limited
		N'000	N'000
15.2.1	Condensed results of Consolidated entities (Cont'd)		
	31 December 2014		
	Condensed income statement		
	Gross earnings	12,458,699	420,618
			-
	Net Operating income/(Loss)	2,972,580	(46,131)
	Impairment charge	67,088	(54,174)
	Depreciation expense	(1,113,438)	(14,211)
	Operating expenses	(821,531)	(88,614)
	Personnel expenses	(595,731)	(58,596)
	Distribution expenses	-	(84,326)
	Loss on disposal of subsidiary	(1,667)	-
	Profit/(loss) before tax	507,301	(346,052)
	Income tax expense	(182,830)	(6,302)
	Profit/(loss) after tax	324,471	(352,354)

Leasafric Ghana Limited	EPIC International FZE, U.A.E	Total	Elimination	Group
N'000	N'000	N'000	N'000	N'000
418,400	2,469,027	4,194,300	271,696	4,465,996
(896,085)	(3,714,796)	(5,224,058)	(69,580)	(5,293,638)
471,278	1,164,467	1,015,525	(379,072)	636,453
(6,407)	(81,302)	(14,233)	(176,954)	(191,189)
343,566	84,469	297,195	593,016	890,211
337,159	3,167	279,795	416,062	699,022

Leasafric Ghana Limited	EPIC International FZE, U.A.E	Total	Elimination	Group
N'000	N'000	N'000	N'000	N'000
1,070,848	350,512	14,300,677	(416,735)	13,883,942
638,413	203,927	3,768,789	23,679	3,792,468
(14,103)	-	(1,189)	-	(1,189)
(387,408)	(91,207)	(1,606,264)	-	(1,606,264)
(29,354)	-	(939,499)	(33,982)	(973,481)
-	-	(654,327)	-	(654,327)
(58,450)	(2,625)	(145,401)	-	(145,401)
-	-	(1,667)	1,667	-
149,098	110,095	420,442	(8,636)	411,806
(44,607)	-	(233,739)	-	(233,739)
104,491	110,095	186,703	(8,636)	178,067

		Parent - C&I Leasing Plc	C&I Motors Limited
		N'000	N'000
15.2.1	Condensed results of Consolidated entities (Cont'd)		
	31 December 2014		
	Condensed statement of financial position		
	Assets		
	Cash and balances with banks	392,446	56,575
	Loans and receivables	4,204,514	-
	Trade receivables	-	12,018
	Finance lease receivables	2,099,601	-
	Available for sale financial assets	15,729	-
	Investment in subsidiaries	1,458,967	-
	Other assets	3,951,439	29,652
	Inventory	30,466	543,243
	Operating lease assets	5,710,875	-
	Property, plant and equipment	1,060,541	20,284
	Intangible assets	145,365	-
	Current income tax assets	-	-
	Deferred income tax assets	813,120	41,487
	Total assets	19,883,063	703,259
	Liabilities and equity		
	Balance due to banks	579,839	22
	Commercial notes	4,914,135	-
	Borrowings	6,147,986	
	Trade and other payables	1,657,673	940,749
	Current income tax liabilty	201,815	10,401
	Retirement benefit obligations	35,238	-
	Deferred income tax liability	-	-
	Equity and reserves	6,346,377	(247,913)
	Total liabilities and equity	19,883,063	703,259

Leasafric Ghana Limited	EPIC International FZE, U.A.E	Total	Elimination	Group
N'000	N'000	N'000	N'000	N'000
949,048	72,003	1,470,072	-	1,470,072
4,758	-	4,209,272	(3,465,287)	743,985
-	-	12,018	-	12,018
392,674	-	2,492,275	-	2,492,275
-	-	15,729	-	15,729
-	-	1,458,967	(1,458,967)	-
60,773	-	4,041,864	-	4,041,864
-	-	573,709	-	573,709
1,522,253	4,496,917	11,730,045	-	11,730,045
150,233	58	1,231,116	-	1,231,116
-	-	145,365	-	145,365
12,897	-	12,897	-	12,897
10,344	-	864,951	-	864,951
3,102,980	4,568,978	28,258,280	(4,924,254)	23,334,026
-	-	579,861	-	579,861
12,746	-	4,926,881	-	4,926,881
1,766,879	3,289,644	11,204,509	(1,541,044)	9,663,465
156,480	1,173,656	3,928,558	(1,924,244)	2,004,314
-	-	212,216	-	212,216
-	-	35,238	-	35,238
107,409	-	107,409	-	107,409
1,059,466	105,678	7,263,608	(1,458,966)	5,804,642
3,102,980	4,568,978	28,258,280	(4,924,254)	23,334,026

		Parent - C&I Leasing Plc	C&I Motors Limited
		N'000	N'000
15.2.1	Condensed results of Consolidated entities (Cont'd)		
	31 December 2014		
	Condensed cash flows		
	Net cash from operating activities	2,267,188	117,819
	Net cash from investing activities	(376,297)	12,026
	Net cash from financing activities	(2,308,629)	(76,215)
	Movement in cash and cash equivalents	(417,738)	53,630
	Cash and cash equivalents at start of year	230,345	1,107
	Cash and cash equivalents at year end	(187,393)	54,737

16.	Other assets
	Non-financial assets:
	Prepayments

17.	Inventories
	Motor vehicles
	Tracking devices
	Vehicle spare parts
	Impairment allowance

	Leasafric Ghana Limited	EPIC International FZE, U.A.E	Total	Elimination	Group
	N'000	N'000	N'000	N'000	N'000
	482,315	1,879,520	4,746,842	435,428	5,182,270
	(1,853,959)	(2,800,770)	(5,019,000)	206,809	(4,812,191)
	1,640,868	982,747	238,771	(59,242)	179,529
	269,224	61,497	(33,387)	582,995	549,608
	98,564	5,227	335,243	3,874	340,603
	367,788	66,724	235,132	586,869	890,211

	Group		Company	
	2015	2014	2015	2014
	N'000	N'000	N'000	N'000
	160,990	83,827	153,703	57,784
	160,990	83,827	153,703	57,784
	249,579	414,193	-	-
	62,992	30,466	62,992	30,466
	127,369	129,050	-	-
	439,940	573,709	62,992	30,466
	(8,740)	-	-	-
	431,200	573,709	62,992	30,466

18. Operating lease assets

	Autos and trucks	Office equipment	Marine equipment	Construction in progress	Cranes	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Group						
Cost						
At 1 January 2015	6,230,251	21,872	7,872,721	2,145,799	340,386	16,611,029
Additions	1,059,811	1,589	786,918	3,451,947	-	5,300,265
Transfer	-	-	2,145,799	(2,145,799)	-	-
Disposals in the year	(398,034)	-	-	-	-	(398,034)
Write - Off	(83,484)	-	-	-	-	(83,484)
Exchange difference	-	-	309,630	-	-	309,630
At 31 December 2015	6,808,544	23,461	11,115,068	3,451,947	340,386	21,739,406
Accumulated depreciation and impairment						
At 1 January 2015	3,302,116	21,515	1,347,264	-	210,089	4,880,984
Charge for the year	1,210,919	336	512,825	-	19,081	1,743,161
Disposals in the year	(360,114)	-	-	-	-	(360,114)
Impairment loss	-	-	-	-	-	-
At 31 December 2015	4,152,921	21,851	1,860,089	-	229,170	6,264,031
Carrying amount						
At 31 December 2015	2,655,623	1,610	9,254,979	3,451,947	111,216	15,475,375
Cost						
At 1 January 2014	4,927,398	21,516	5,398,142	1,450,807	391,759	12,189,622
Additions	1,821,803	356	975,052	2,145,799	-	4,943,010
Transfer to own assets	-	-	1,450,807	(1,450,807)	-	-
Disposals in the year	(518,950)	-	(66,144)	-	(51,373)	(636,467)
Exchange difference	-	-	114,864	-	-	114,864
At 31 December 2014	6,230,251	21,872	7,872,721	2,145,799	340,386	16,611,029
Accumulated depreciation and impairment						
At 1 January 2014	2,634,260	21,509	1,041,561	-	243,381	3,940,711
Charge for the year	1,095,709	6	371,847	-	18,081	1,485,643
Disposals in the year	(427,853)	-	(66,144)	-	(51,373)	(545,370)
Impairment loss	-	-	-	-	-	-
At 31 December 2014	3,302,116	21,515	1,347,264	-	210,089	4,880,984
Carrying amount						
At 31 December 2014	2,928,135	357	6,525,457	2,145,799	130,297	11,730,045

18. Operating lease assets

	Autos and trucks	Office equipment	Marine equipment	Construction in progress	Cranes	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Company						
Cost						
At 1 January 2015	3,998,445	21,869	5,430,411	-	340,386	9,791,111
Additions	335,090	1,589	430,070	-	-	766,749
Disposals in the year	(274,357)	-	-	-	-	(274,357)
Write-off	(83,484)	-	-	-	-	(83,484)
At 31 December 2015	3,975,694	23,458	5,860,481	-	340,386	10,200,019
Accumulated depreciation and impairment						
At 1 January 2015	2,592,559	21,515	1,256,073	-	210,089	4,080,236
Charge for the year	689,413	336	285,956	-	19,081	994,786
Disposals in the year	(259,314)	-	-	-		(259,314)
Impairment loss	-	-	-	-	-	-
At 31 December 2015	3,022,658	21,851	1,542,029	-	229,170	4,815,708
Carrying amount						
At 31 December 2015	953,036	1,607	4,318,452	-	111,216	5,384,311
Cost						
At 1 January 2014	3,842,424	21,516	5,398,142	-	391,759	9,653,841
Additions	519,353	353	98,413	-	-	618,119
Transfer to own assets	(363,332)	-	(66,144)	-	(51,373)	(480,849)
Disposals in the year	-	-	-	-	-	-
At 31 December 2014	3,998,445	21,869	5,430,411	-	340,386	9,791,111
Accumulated depreciation and impairment						
At 1 January 2014	2,198,661	21,509	1,041,561	-	243,381	3,505,112
Charge for the year	738,447	6	280,656	-	18,081	1,037,190
Disposals in the year	(344,549)	-	(66,144)	-	(51,373)	(462,066)
Impairment loss	-	-	-	-	-	-
At 31 December 2014	2,592,559	21,515	1,256,073	-	210,089	4,080,236
Carrying amount						
At 31 December 2014	1,405,886	354	4,174,338	-	130,297	5,710,877

19. Property, plant and equipment

Group	Autos and trucks	Furniture and fittings	Office equipment
	N'000	N'000	N'000
Valuation/Cost			
At 1 January 2015	414,178	59,881	301,488
Additions	191,461	8,466	23,015
Revaluation surplus	-	-	-
Reclassification	-	-	-
Disposal in the year	(6,800)	-	-
Write off	(33,831)	-	-
Exchange difference	-	(824)	(744)
At 31 December 2015	565,008	67,523	323,759
Accumulated depreciation and impairment			
At 1 January 2015	225,121	44,949	235,417
Charge for the year	80,572	6,439	24,077
Disposal in the year	(4,534)	-	-
Exchange difference	-	(931)	1,359
Impairment loss	-	-	-
At 31 December 2015	301,159	50,457	260,853
Carrying amount			
At 31 December 2015	263,849	17,066	62,906
Valuation/Cost			
At 1 January 2014	386,874	56,777	311,663
Discontinued operations	(41,100)	(10,544)	(57,436)
Additions	79,125	7,415	45,907
Revaluation surplus	-	-	-
Disposal in the year	(10,721)	-	-
Exchange difference	-	6,233	1,354
At 31 December 2014	414,178	59,881	301,488
Accumulated depreciation and impairment			
At 1 January 2014	216,014	39,661	228,479
Discontinued operations	(38,688)	(7,589)	(41,397)
Charge for the year	56,610	7,774	31,441
Disposal in the year	(8,815)	-	-
Exchange difference	-	5,103	16,894
Impairment loss	-	-	-
At 31 December 2014	225,121	44,949	235,417
Carrying amount			
At 31 December 2014	189,057	14,932	66,071

Plant and machinery	Buildings	Land	Construction in progress	Total
N'000	N'000	N'000	N'000	N'000
54,269	431,826	617,347	34,450	1,913,439
173	7,354	-	32,183	262,652
-	36,192	59,999	-	96,191
-	(56,000)		56,000	-
(2,895)	-	-	-	(9,695)
-	-	-	-	(33,831)
-	-	-	(13,210)	(14,778)
51,547	419,372	677,346	109,423	2,213,978
43,086	133,748	-	-	682,322
3,667	5,615	-	-	120,370
(2,895)	-	-	-	(7,429)
-	-	-	-	428
-	-	-	-	-
43,858	139,363	-	-	795,691
7,689	280,009	677,346	109,423	1,418,287
57,641	409,156	548,489	21,239	1,791,839
-	-	-	-	(109,080)
1,628	2,508	-	13,211	149,794
-	20,162	68,858	-	89,020
(5,000)	-	-	-	(15,721)
-	-	-	-	7,587
54,269	431,826	617,347	34,450	1,913,439
43,635	124,428	-	-	652,217
-	-	-	-	(87,674)
4,452	9,320	-	-	109,597
(5,000)	-	-	-	(13,815)
-	-	-	-	21,997
-	-	-	-	-
43,086	133,748	-	-	682,322
11,183	298,078	617,347	34,450	1,231,117

19. Property, plant and equipment

Company	Autos and trucks	Furniture and fittings	Office equipment
	N'000	N'000	N'000
Valuation/Cost			
At 1 January 2015	222,075	42,145	192,055
Additions	7,175	4,042	17,456
Revaluation surplus	-	-	-
Reclassification	-	-	-
Disposal in the year	(1,700)	-	-
Write off	(33,831)	-	-
At 31 December, 2015	193,719	46,187	209,511
Accumulated depreciation and impairment			
At 1 January 2015	124,911	29,765	149,375
Charge for the year	31,443	4,319	17,985
Disposal in the year	(1,700)	-	-
Impairment loss	-	-	-
At 31 December, 2015	154,654	34,084	167,360
Carrying amount			
At 31 December, 2015	39,065	12,103	42,151
Valuation/Cost			
At 1 January 2014	227,400	37,250	175,064
Additions	1,650	4,895	16,991
Revaluation surplus	-	-	-
Disposals	(6,975)	-	-
At 31 December, 2014	222,075	42,145	192,055
Accumulated depreciation and impairment			
At 1 January 2014	95,974	25,717	132,566
Charge for the year	35,020	4,048	16,809
Disposal in the year	(6,083)	-	-
Impairment loss	-	-	-
At 31 December, 2014	124,911	29,765	149,375
Carrying amount			
At 31 December, 2014	97,164	12,380	42,680

Plant and machinery	Buildings	Land	Construction in progress	Total
N'000	N'000	N'000	N'000	N'000
35,837	312,179	591,839	21,239	1,417,369
-	2,641	-	-	31,314
-	36,192	59,999	-	96,191
-	(56,000)	-	56,000	-
(2,895)	-	-	-	(4,595)
-	-	-	-	(33,831)
32,942	295,012	651,838	77,239	1,506,448
25,956	26,821	-	-	356,828
3,245	2,429	-	-	59,421
(2,895)	-	-	-	(4,595)
-	-	-	-	-
26,306	29,250	-	-	411,654
6,636	265,762	651,838	77,239	1,094,794
39,545	290,186	522,981	21,239	1,313,665
1,292	1,831	-	-	26,659
-	20,162	68,858	-	89,020
(5,000)	-	-	-	(11,975)
35,837	312,179	591,839	21,239	1,417,369
27,024	20,996	-	-	302,277
3,932	5,825	-	-	65,634
(5,000)	-	-	-	(11,083)
-	-	-	-	-
25,956	26,821	-	-	356,828
9,881	285,358	591,839	21,239	1,060,541

19.1 The land and buildings of the group were revalued on 31 December 2015 by Messrs Ubosi Eleh and Co. Estate Surveyors and Valuers. The open market value of the land and buildings were put at N1,035,170,000 (31 December 2014 : N986,000,000).

The revaluation surplus of N213,757,285 (31 December 2014: N197,825,326) which is the difference between the market and the historical net values of the eligible property, plant and equipment being revalued has been discounted by 55%, as stipulated in the Paragraph 3.11 of the Central Bank of Nigeria (CBN) revised Prudential Guidelines for Financial Institutions. Therefore, the amount of N96,190,778 (31 December 2014: N89,021,396) have been included in land and buildings and recognised in the revaluation reserve through the other comprehensive income.

	Group		Company	
	2015	2014	2015	2014
	N'000	N'000	N'000	N'000
20. Intangible assets				
Computer software				
At 1 January 2015	**155,982**	33,187	**155,982**	33,187
Additions	**9,556**	122,795	**9,556**	122,795
At 31 December	**165,538**	155,982	**165,538**	155,982
Accumulated amortisation				
At 1 January 2015	**10,617**	-	**10,617**	-
Amortisation charge in the year	**120,600**	10,617	**120,600**	10,617
At 31 December	**131,217**	10,617	**131,217**	10,617
Carrying amount				
At 31 December	**34,321**	145,365	**34,321**	145,365

Amortisation charged for the year is included in the other operating expenses. The software is not internally generated.

	Group 2015	Group 2014	Company 2015	Company 2014
21. Balance due to banks				
Access Bank Plc	-	15,501	-	15,501
Diamond Bank Plc	**603,390**	499,334	**561,816**	499,334
Guaranty Trust Bank Plc	-	265	-	265
Standard Chartered Bank	-	3,115	-	3,115
Stanbic IBTC Bank Plc	-	49	-	49
Fidelity Bank Plc	**6,661**	49,535	**6,661**	49,535
Zenith Bank Plc	**99,411**	3,722	**99,389**	3,700
First Bank of Nigeria Limited	**325**	3,282	**325**	3,282
Union Bank of Nigeria Plc	-	1,715	-	1,715
First City Monument Bank Plc	**9,017**	3,343	**9,017**	3,343
	718,804	579,861	**677,208**	579,839

22. Commercial notes				
Institutional clients	**1,070,682**	942,308	**1,071,503**	942,308
Individual clients	**4,527,408**	3,984,573	**4,516,381**	3,971,827
	5,598,090	4,926,881	**5,587,884**	4,914,135
22.1 Analysis of commercial notes				
Current	**5,598,090**	4,926,881	**5,587,883**	4,914,135
Non-current	**-**	-	**-**	-
	5,598,090	4,926,881	**5,587,883**	4,914,135
23. Trade and other payables				
Financial liabilities:				
Trade payables	**4,118**	108,715	**-**	-
Security deposits	**21,370**	32,457	**21,370**	32,457
Statutory deductions (WHT, PAYE)	**216,197**	288,480	**164,675**	240,618
Intercompany balances	**-**	-	**1,131**	4,758
Accounts payable	**1,568,450**	673,825	**1,483,939**	494,635
Payments received on account	**1,015,569**	791,141	**1,015,569**	791,141
Deferred rental income	**14,160**	24,033	**14,160**	24,033
	2,839,864	1,918,651	**2,700,844**	1,587,642
Non-financial liabilities:				
Accruals	**421,979**	85,663	**340,928**	70,031

	Group		Company	
	2015	2014	2015	2014
	N'000	N'000	N'000	N'000
24. Taxation				
24.1 Income tax charge				
Income tax	115,080	154,267	94,728	149,777
Education tax	18,740	27,980	18,740	27,980
Technology tax	4,058	5,073	4,058	5,073
Current income tax	137,878	187,320	117,526	182,830
Back-duty audit by FIRS (2006-2011)	145,277	-	145,277	-
Deferred tax charge	33,716	46,419	-	-
Income tax	316,871	233,739	262,803	182,830
Reconciliation of effective tax rate				
Profit before tax	465,639	411,806	405,834	507,301
Tax calculated using the domestic corporation tax rate of 30% (31 December 2014 : 30%)	139,692	123,542	121,750	152,191
Effect of tax rates in foreign jurisdictions	36,126	44,607	-	-
Tax income exempt	(221,286)	(71,211)	(221,286)	(71,211)
Non-deductible expenses	380,633	338,722	380,633	338,722
Effect of education tax levy	18,740	27,980	18,740	27,980
Effect of technology tax levy	4,058	5,073	4,058	5,073
Effect of minimum tax	-	4,490	-	-
Effect of disposal of items of PPE	16,017	32,667	16,017	32,667
Effect of prior year under provision	145,277	-	145,277	-
Tax reliefs	(202,386)	(272,131)	(202,386)	(302,592)
Total income tax	316,871	233,739	262,803	182,830

24.2	Current income tax liability				
	At the beginning of the year	212,216	208,808	201,815	191,822
	Discontinued operations	-	(6,538)	-	-
	Charge for the year (Note 24.1)	137,878	187,320	117,526	182,830
	Under-provision in prior years	145,277	-	145,277	
	Withholding tax credit notes utilised	-	(155,860)	-	(155,860)
	Payments during the year	(31,155)	(21,514)	(23,802)	(16,977)
	At the end of the year	464,216	212,216	440,816	201,815
24.3	Current income tax assets				
	At the beginning of the year	(12,897)	(373)	-	-
	Charge for the year (Note 24.1)	-	(12,524)	-	-
	Payments during the year	(9,802)	-	-	-
	Exchange difference	-	-	-	-
	At the end of the year	(22,699)	(12,897)	-	-
24.3	Deferred income tax assets				
	At the beginning of the year	(864,951)	(884,244)	(813,120)	(813,120)
	Discontinued operations	-	17,481	-	-
	Charge in the year (Note 24.1)	-	1,812	-	-
	Adjustment	10,344	-	-	-
	At the end of the year	(854,607)	(864,951)	(813,120)	(813,120)
24.3.1	Analysis of deferred income tax assets				
	Property, plant and equipment	(884,245)	(864,951)	(813,120)	(813,120)
	Allowance for loan and other assets losses	-	-	-	-
		(884,245)	(864,951)	(813,120)	(813,120)

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
24.4	Deferred income tax liability				
	At the beginning of the year	107,409	62,802	-	-
	Charge during the year	33,716	44,607	-	-
	At the end of the year	141,125	107,409	-	-
24.4.1	Analysis of deferred income tax liability				
	Property, plant and equipment	141,125	107,409	-	-
	Tax losses carried forward	-	-	-	-
		141,125	107,409	-	-
25.	Borrowings				
	Term loans (Note 25.1)	8,582,283	5,423,223	5,059,061	3,674,622
	Finance lease facilities (Note 25.2)	3,142,720	3,094,641	1,518,732	1,837,296
	Redeemable bonds (Note 25.3)	1,631,954	1,145,601	1,033,170	636,068
		13,356,957	9,663,465	7,610,963	6,147,986

The Group has not had any defaults of principal, interest or other breaches with respect to their liabilities during the year (December 2014 : Nil).

25.1	Term loans				
	First City Monument Bank Plc (Note 25.1.3)	2,230,468	2,059,342	2,230,468	2,059,342
	Fidelity Bank (Note 25.1.4)	273,725	345,580	273,725	345,580
	ABSA Bank Limited, South Africa (Note 25.1.5)	474,542	606,762	474,542	606,762
	Diamond Bank Plc (Note 25.1.6)	743,502	662,938	743,502	662,938
	B.V. Scheepswerf Damen Gorinchem, The Netherlands (Note 25.1.7)	1,384,320	1,748,601	-	-
	Deep Ocean Development Limited, British Virgin Islands (25.1.8)	2,334,420	-	-	-
	Secured Leased Notes (25.1.9)	1,141,306	-	1,336,824	-
		8,582,283	5,423,223	5,059,061	3,674,622
25.1.1	Analysis of term loans				
	Current	1,644,432	1,039,132	1,430,632	1,039,132
	Non-current	6,937,850	4,384,091	3,628,428	2,635,490
		8,582,282	5,423,223	5,059,060	3,674,622
25.1.2	Movement in borrowings				
	At the beginning of the year	9,663,465	7,654,601	6,147,990	6,801,489
	Obtained in the year	4,889,978	3,639,454	3,024,332	182,284
	Repayment during the year	(1,944,599)	(1,681,689)	(1,944,599)	(1,042,143)
	Exchange loss	160,744	44,531	160,744	44,530
	Foreign currency translation and exchange loss on foreign currency denominated loans hedged	597,711	6,568	222,493	161,830
	At the end of the year	13,367,299	9,663,465	7,610,960	6,147,990

25.1.3 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 year 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 9% per annum Dollar interest rate. The loan is secured by mortgage on the boats being financed.

25.1.4 Fidelity Bank Plc

Facility represents N734,000,000 term loan secured from Fidelity Bank Plc on 7 December 2012 for a period of 30months effective from October 2013. The interest on the loan is 16% per annum.

25.1.5 ABSA Bank Limited, South Africa

Facility represents US Dollar 4,195,120 term loan secured from ABSA Bank Limited South Africa under a loan agreement dated 5 December 2012 for a period of four years from draw down date. The interest on the loan is London Inter Bank Offered Rate (LIBOR) plus 2.5% per annum. The loan is secured by mortgage on the boats being financed.

25.1.6 Diamond Bank Plc

Amount represents N770,000,000 invoice discounting facility secured from Diamond Bank Plc under a loan agreement dated 1 March 2013 for a period of three years effective 2 December 2012. The interest on the loan is 18% per annum. The facility is required to enable the Company meets its financial obligations on outsourcing services.

25.1.7 B.V. Scheepswerf Damen Gorinchem, The Nertherlands

Facility represents US$7,590,245 term loan secured from B.V. Scheepswerf Damen Gorinchem, The Netherlands, under a loan agreement dated 22 September 2014 for a period of five years effective 22 September 2014. The interest on the loan is 4.8% per annum. The facility is required to enable the Company meets its financial obligations on new boat acquisition. The facility was obtained by EPIC International FZE, U.A.E.

25.1.8 Deep Ocean Development Limited, British Virgin Islands

This relates to outstanding balance of $11.880,000 on construction of vessel being undertaken by Deep Ocean Development Limited, British Virgin Islands under a memorandum of agreement dated 05 August 2015. The transaction relates to EPIC International FZE, U.A.E.

25.1.9 Secured Leased Notes

Facility represents amount obtained from various individual and institutional investors under term loan agreement at interest of 9% per annum. The facility was obtained for construction of vessels for the company. As security for the facility, the investors are given equity holdings in the vessels being constructed. The tenor for the facility ranges between 50 - 60 months.

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
25.2	Finance lease facilities				
	Diamond Bank Plc (Note 26.2.2)	301,598	532,544	301,598	532,544
	Stanbic IBTC Bank (Note 26.2.3)	462,063	629,973	49,755	168,513
	First Bank Nigeria Ltd (Note 26.2.4)	580,875	618,651	580,875	618,651
	Access Bank Plc (Note 26.2.5)	274,697	339,201	274,697	339,201
	Lotus Capital Limited	-	4,067	-	4,067
	United Bank for Africa (Note 26.2.6)	645,550	374,121	90	6,028
	Golden Cedar, Ghana	-	60,555	-	-
	Barclays Bank Ghana (Note 26.2.7)	183,135	32,193	-	-
	FSDH Merchant Bank Ltd (Note 26.2.8)	311,717	168,292	311,717	168,292
	Intercontinental Bank, Ghana	182,516	130,249	-	-
	Oiko Ghana (Note 26.2.8)	200,569	204,795	-	-
		3,142,720	3,094,641	1,518,732	1,837,296
25.2.1	Analysis of finance lease facility				
	Current	1,582,440	1,294,627	764,719	1,459,912
	Non-current	1,560,280	1,800,014	754,013	377,384
		3,142,720	3,094,641	1,518,732	1,837,296

25.2.2 Diamond Bank Plc

Facility represents N1.5 billion corporate 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.

25.2.3 Stanbic IBTC Bank Plc

Facility represents N700 million finance lease facility line secured from Stanbic IBTC Bank Limited in February 2012 for a period of three years. The interest on the facility is 19% per annum. The facility was secured by legal ownership of assets finance under the lease contract.

25.2.4 First Bank Nigeria Limited

This relates to N2 billion equipment lease facility line 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.

25.2.5 Access Bank Plc

Facility represents N420million 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.

25.2.6 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.

25.2.7 Barclays Bank of Ghana

Facility 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.

25.2.8 FSDH Merchant Bank Limited

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.

25.2.9 Oikocredit EDCS Ghana

This facility represents the GHS 5,000,000 term loan secured from Oikocredit on 5 May 2014 for a period of 54 months to finance lease contracts. The interest on the loan is 21%. The loan is secured by promissory notes and the assignment of vehicles purchased with the loan.

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
25.3	Redeemable bonds				
	First Pension Custodian Ltd	153,378	230,067	153,378	230,067
	First Securities Discount House Ltd	225,556	338,334	225,556	338,334
	UBA Pension Custodian Ltd	45,111	67,667	45,111	67,667
	FSDH Merchant Bank Ltd	609,125	-	609,125	-
	Convertible bond (Note 25.3.3)	598,784	509,533	-	-
		1,631,954	1,145,601	1,033,170	636,068

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
25.3.1	Analysis of redeemable bonds				
	Current	208,889	322,426	208,889	302,889
	Non-current	1,932,598	823,175	824,281	333,179
		2,141,487	1,145,601	1,033,170	636,068

25.3.2 Redeemable bonds include financial instruments classified as liabilities measured at amortised cost

The redeemable bonds represent 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 include financial instruments classified as liabilities measured at amortised cost.

25.3.3 Convertible bond

This represents 5 year USD375,000 each convertible bonds, in an aggregate principal amount of USD3,000,000 issued in 2014 by Leasafric Ghana Limited.

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
26.	Retirement benefit obligations				
	Defined contribution pension plan (Note 26.1)	47,989	35,238	47,989	35,238
		47,989	35,238	47,989	35,238
26.1	Defined contribution pension plan				
	At the beginning of the year	35,238	24,288	35,238	24,288
	Contribution during the year	220,297	210,520	220,297	210,520
	Remittance during the year	(207,546)	(199,570)	(207,546)	(199,570)
	At the end of the year	47,989	35,238	47,989	35,238

26.1.1 The Group and its employees make a joint contribution of 18% basic salary, housing and transport allowance to each employee's retirement savings account maintained with their nominated pension fund administrators.

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
27.	Share capital				
27.1	Authorised share capital				
	3,000,000,000 ordinary shares of 50k each	1,500,000	1,500,000	1,500,000	1,500,000
27.2	Issued and fully paid				
	1,617,010,000 ordinary shares of 50k each	808,505	808,505	808,505	808,505
28.	Deposit for shares				
	At the beginning of the year	2,091,430	1,937,850	2,091,430	1,937,850
	Exchange difference on translation	362,098	153,580	362,098	153,580
	At the end of the year	2,453,528	2,091,430	2,453,528	2,091,430

This represents US$12,486,143.09 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 the 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.

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
29.	Statutory reserve				
	At the beginning of the year	722,521	572,935	608,294	510,952
	Transfer from income statement	106,804	149,586	42,909	97,342
	At the end of the year	829,325	722,521	651,203	608,294

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	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
30.	Statutory credit reserve				
	At the beginning of the year	262,799	48,447	246,151	31,799
	Arising in the year	350,926	214,352	350,926	214,352
	At the end of the year	613,725	262,799	597,077	246,151

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.

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
31.	Retained earnings				
	At the beginning of the year	388,405	509,699	1,594,561	1,648,812
	Dividend declared and paid	(124,645)	(67,028)	(120,025)	(67,028)
	Transfer from income statement	139,203	309,672	143,031	324,471
	Transfer to statutory reserve	(106,804)	(149,586)	(42,909)	(97,342)
	Transfer to statutory credit reserve	(350,926)	(214,352)	(350,926)	(214,352)
	At the end of the year	(54,767)	388,405	1,223,732	1,594,561
32.	Foreign currency translation reserve				
	At the beginning of the year	204,342	30,327	(161,830)	-
	Arising in the year	(597,711)	174,015	(222,493)	(161,830)
	At the end of the year	(393,369)	204,342	(384,323)	(161,830)

This represents net exchange difference arising from translation of foreign operations and foreign currency denominated loan balances hedged.

33. AFS fair value reserve				
At the beginning of the year	(5,163)	4,394	(5,163)	4,394
(Loss)/gain arising in the year	(350)	(9,557)	(350)	(9,557)
At the end of the year	(5,513)	(5,163)	(5,513)	(5,163)

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

34. Revaluation reserve				
At the beginning of the year	484,903	395,882	484,903	395,882
Arising during the year	96,191	89,021	96,191	89,021
At the end of the year	581,094	484,903	581,094	484,903

As stipulated in the Paragraph 3.11 of the Central Bank of Nigeria (CBN) revised Prudential Guidelines for Financial Institutions, the revaluation surplus of N213,757,285 (31 December 2014 : N197,825,326) (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 N96,190,778.25 (31 December 2014 : N89,021,396) has been recognised in the revaluation reserve.

35. Non controlling interest				
At the beginning of the year	167,374	130,872	-	-
Discontinued operations	-	(21,982)	-	-
Share of increase in share capital of Leasafric Ghana	-	46,802	-	-
Share of dividend paid by Leasafric Ghana	-	3,861	-	-
Share of profit from Leasafric Ghana	9,565	7,821	-	-
At the end of the year	176,939	167,374	-	-

	Group 2015 N'000	Group 2014 N'000	Company 2015 N'000	Company 2014 N'000
36. Cash and cash equivalents				
Cash and balances with banks (Note 10)	1,417,825	1,470,072	657,616	392,446
Balance due to banks (Note 21)	(718,804)	(579,861)	(677,208)	(579,839)
	699,021	890,211	(19,592)	(187,393)
37. Impairment charge				
Finance lease receivables	(9,780)	(14,162)	(1,823)	(28,265)
Lease rental due	36,547	72,115	36,547	72,116
Loans and advances	(13,842)	1,748	(13,842)	1,747
Other assets	108,355	(112,686)	108,355	(112,686)
Inventory	8,740	-	-	-
Per income statement	130,020	(52,985)	129,237	(67,088)

37.1

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	Trade and other receivables N'000	Total N'000
At 1 January 2015						
Specific impairment	-	14,987	159,417	-	436,768	611,172
Collective impairment	-	2,951	10,258	82,796	114,108	210,113
	-	17,938	169,675	82,796	550,876	821,285
Charge for the year						
Specific impairment	8,740	(10,891)	22,653	-	165,073	185,575
Collective impairment	-	(2,951)	13,894	(9,780)	(56,718)	(55,555)
Income statement	8,740	(13,842)	36,547	(9,780)	108,355	130,020
Written off	-	-	-	(621)	-	(621)
At 31 December 2015						
Specific impairment	8,740	4,096	182,070	-	601,841	796,747
Collective impairment	-	-	24,152	72,395	57,390	153,937
	8,740	4,096	206,222	72,395	659,231	950,684
At 1 January 2014						
Specific impairment	1,502	66,128	147,323	-	587,199	802,152
Collective impairment	-	2,387	8,076	110,880	83,924	205,267
	1,502	68,515	155,399	110,880	671,123	1,007,419
Discontinued operations	(1,502)	(46,315)	(57,839)	(6,188)	(10,968)	(122,812)
Debit balances written off	-	-	-	-	3,407	3,407
Charge for the year						
Specific impairment	-	1,184	69,933	-	(153,838)	(82,721)
Collective impairment	-	564	2,182	(14,162)	41,152	29,736
Income statement	-	1,748	72,115	(14,162)	(112,686)	(52,985)
Written off	-	(6,010)	-	(7,734)	-	(17,151)
At 31 December 2014						
Specific impairment	-	14,987	159,417	-	436,768	611,172
Collective impairment	-	2,951	10,258	82,796	114,108	210,113
	-	17,938	169,674	82,796	550,876	821,285

37. Impairment charge

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

Company	Loans and advances	Lease rental due	Finance lease receivables	Trade and other receivables	Total
	N'000	N'000	N'000	N'000	N'000
At 1 January 2015					
Specific impairment	14,987	159,416	-	373,744	548,147
Collective impairment	2,951	10,258	21,208	146,665	181,082
	17,938	169,674	21,208	520,409	729,229
Charge for the year					
Specific impairment	(10,891)	22,653	-	165,073	176,835
Collective impairment	(2,951)	13,894	-	(56,718)	(45,775)
No longer required	-	-	(1,823)	-	(1,823)
Income statement	(13,842)	36,547	(1,823)	108,355	129,237
At 31 December 2015					
Specific impairment	4,096	182,069	-	538,817	724,982
Collective impairment	-	24,152	19,385	89,947	133,484
	4,096	206,221	19,385	628,764	858,466
At 1 January 2014					
Specific impairment	13,803	89,483	-	527,582	630,868
Collective impairment	2,387	8,076	49,474	105,513	165,450
	16,190	97,559	49,474	633,095	796,318
Charge for the year					
Specific impairment	1,184	69,933	-	(153,838)	(82,721)
Collective impairment	564	2,182	(28,266)	41,152	15,632
Income statement	1,748	72,115	(28,266)	(112,686)	(67,089)
At 31 December 2014					
Specific impairment	14,987	159,416	-	373,744	548,147
Collective impairment	2,951	10,258	21,208	146,665	181,082
	17,938	169,674	21,208	520,409	729,229

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
38.	Lease rental income				
	Finance lease	3,436,121	3,012,793	3,391,647	2,965,269
	Operating lease	4,740,932	4,667,969	3,298,994	3,755,231
		8,177,053	7,680,762	6,690,641	6,720,500
39.	Lease interest expense				
	Finance lease	1,396,977	871,074	568,864	495,421
	Commercial notes	559,792	471,078	559,792	471,078
	Term loans	237,085	419,719	226,618	415,243
		2,193,854	1,761,871	1,355,274	1,381,742
40.	Outsourcing income				
	Outsourcing rental	5,509,121	4,987,412	5,509,121	4,987,412
	Outsourcing service expense	(4,821,896)	(4,353,276)	(4,821,896)	(4,353,276)
		687,225	634,136	687,225	634,136

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
41.	Vehicle sales				
	Vehicles	182,000	383,532	-	-
	Accessories	60,869	87,369	-	-
	Others	16,316	24,725	-	-
		259,185	495,626	-	-
42.	Vehicles operating expenses				
	Vehicles	157,930	325,012	-	-
	Accessories	47,196	52,119	-	-
	Others	5,762	13,404	-	-
		210,888	390,535	-	-
43.	Tracking income				
	Tracking income	130,594	50,389	130,594	50,389
	Tracking expenses	(31,361)	(16,724)	(31,361)	(16,724)
		99,233	33,665	99,233	33,665
44.	Interest income				
	Interest on loans and advances	3,575	247,412	153,815	337,456
	Interest on bank deposits	16,816	23,055	16,765	9,016
		20,391	270,467	170,580	346,472
45.	Other operating income				
	Gain on sale of operating lease assets (Note 45.1)	179,556	171,689	179,556	87,156
	Gain on sale of property, plant and equipment (Note 45.2)	59,093	139,318	870	139,923
	Foreign exchange gain	-	-	-	68,384
	Insurance claims received	14,029	4,640	14,029	4,640
	Insurance income on finance leases	2,110	10,088	2,110	10,088
	Investment income	107,904	1,367	107,904	1,367
	Franked Investment Income	267	-	267	10,291
	Rent received	433	14,073	433	14,073
	Others	117,921	58,111	41,231	18,004
		481,313	399,286	346,400	353,926
45.1	Gain on sale of operating lease assets				
	Gross value	398,034	636,467	274,357	480,850
	Accumulated depreciation	(360,114)	(545,370)	(259,314)	(462,066)
	Carrying amount	37,920	91,097	15,043	18,784
	Proceeds from sale	217,476	262,786	194,599	105,940
	Profit on disposal	179,556	171,689	179,556	87,156

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
45.2	Gain on sale of property, plant and equipment				
	Gross value	9,695	15,721	4,595	11,975
	Accumulated depreciation	(7,429)	(13,815)	(4,595)	(11,083)
	Carrying amount	2,266	1,906	-	892
	Proceeds from sale	61,359	141,224	870	140,815
	Profit on disposal	59,093	139,318	870	139,923
46.	Direct leasing expenses				
	Operating lease rental expenses	2,322,664	2,861,354	2,855,244	3,324,314
	Finance lease assets maintenance	217,739	269,711	217,739	269,711
	Finance lease assets insurance	141,267	140,352	141,267	140,352
		2,681,670	3,271,417	3,214,250	3,734,377
47.	Depreciation and amortisation				
	Operating lease assets	1,726,421	1,485,642	994,787	1,037,189
	Property, plant and equipment	121,831	110,006	59,419	65,633
	Amortisation of intangible assets - computer software	120,600	10,617	120,600	10,617
		1,968,852	1,606,265	1,174,806	1,113,439
48.	Personnel expense				
	Salaries and allowances	630,471	621,567	520,498	507,335
	Pension contribution expense	40,013	22,838	36,750	19,655
	Performance bonus	22,172	-	22,172	-
	Training and medical	69,732	69,294	67,649	68,741
		762,388	713,699	647,069	595,731
49.	Distribution expenses				
	Marketing	175	47,800	-	-
	Advertising	13,304	10,796	-	-
		13,479	58,596	-	-
50.	Other operating expenses				
	Auditors' remuneration	26,101	20,176	16,940	18,522
	Directors' emoluments	58,731	23,591	57,361	15,400
	Foreign exchange loss	123,424	33,971	96,039	-
	Bank charges	183,752	139,545	165,865	123,842
	Fuel, repairs and maintenance	64,948	427,116	55,777	118,480
	Insurance	23,021	53,147	21,804	49,513
	Advertisement and external relations	17,069	20,400	17,069	20,400
	Travel and entertainment	117,169	105,581	109,429	99,968
	Legal and professional	82,485	114,378	79,256	111,292
	Communications	64,368	46,112	63,989	45,742
	Subscriptions	75,449	57,010	74,161	52,544
	Licences and levies	45,448	13,765	41,162	8,846
	Printing and stationaries	18,160	13,255	17,433	11,463
	Rent and rates	34,093	28,058	14,501	12,921
	Diesel and electricity	49,507	28,576	40,977	18,571
	Security and office supplies	161,795	96,155	43,856	36,299
	Debit balances written off	117,416	131,902	117,316	77,728
	Penalties	34,674	-	34,674	-
		1,297,610	1,352,738	1,067,609	821,531

		Group		Company	
		2015	2014	2015	2014
		N'000	N'000	N'000	N'000
51.	Cash flows generated from operating activities				
	Profit after taxation	139,203	317,493	143,031	324,471
	Adjustment to reconcile profit after tax to net cash provided by operating activities:				
	Depreciation of property, plant and equipment	120,370	109,597	59,421	65,634
	Depreciation of operating lease assets	1,743,161	1,485,643	994,786	1,037,190
	Amortisation of intangible assets	120,600	10,617	120,600	10,617
	Impairment charge	247,435	78,917	246,552	10,639
	Interest on finance lease facilities and loans	2,193,854	1,761,871	1,355,274	1,381,742
	Loss on disposal of investment in subsidiary	-	-	-	1,667
	Exchange (gain)/loss	522,842	198,111	522,842	198,104
	Increase/(decrease) in current income tax liability	283,155	187,320	262,803	182,830
	Increase/(decrease) in current income tax assets	-	(12,524)	-	-
	(Decrease)/increase in deferred income tax assets	-	1,812	-	-
	(Decrease)/increase in deferred income tax liability	33,716	44,607	-	-
	Profit on disposal of operating lease assets	(179,556)	(171,689)	(179,556)	(87,156)
	Profit on disposal of property, plant and equipment	(59,093)	(139,318)	(870)	(139,923)
	Exchange (gain)/loss on foreign currency translation	(294,429)	80,124	-	-
	Operating profit before changes in operating assets and liabilites	4,732,055	3,635,088	3,381,852	2,661,344
	Net decrease/(increase) in operating assets (Note 52)	(9,109,442)	(6,222,095)	(9,026,940)	(7,452,227)
	Net increase in operating liabilities (Note 53)	4,101,912	4,123,649	3,872,222	4,214,096
	Total adjustments	(275,475)	1,536,642	(1,772,866)	(576,787)
	Cash flows generated from operating activities	(136,272)	1,854,135	(1,629,835)	(252,316)
52.	Decrease/(increase) in operating assets				
	Loans and receivables	(8,715,881)	(8,269,035)	(13,521,335)	(10,047,530)
	Finance lease receivables	68,772	816,966	182,260	(1,525)
	Other assets	(77,163)	1,494,719	4,344,661	2,627,294
	Inventories	133,669	259,345	(32,526)	(30,466)
	Trade receivables	(518,839)	(524,090)	-	-
		(9,109,442)	(6,222,095)	(9,026,940)	(7,452,227)
53.	Increase in operating liabilities				
	Commercial notes	671,209	1,952,738	673,749	1,946,228
	Trade payables	-	(38,208)	-	-
	Other liabilities	3,210,406	1,998,599	2,978,176	2,057,348
	Deferred maintenance charge		-	-	-
	Retirement benefit obligations	220,297	210,520	220,297	210,520
		4,101,912	4,123,649	3,872,222	4,214,096

55. Basic earnings per share

Earnings per share (basic) (EPS) have been computed for each year on the profit after taxation attributable to ordinary shareholders and divided by the weighted average number of issued N0.50 ordinary shares during the year. 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 2015 (December 2014 : Nil).

	Group 2015 N'000	Group 2014 N'000	Company 2015 N'000	Company 2014 N'000
Profit after taxation	139,203	309,672	143,031	324,471
	Number	Number	Number	Number
Number of shares at year 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 per share (EPS) (kobo) - basic	8.61	19.15	8.85	20.07
Earnings per share (EPS) (kobo) - diluted	8.61	19.15	8.85	20.07

		N'000	N'000	N'000	N'000
56.	Information regarding Directors and employees				
56.1	Directors				
56.1.1	Directors' emoluments				
	Fees	18,363	11,854	17,000	10,200
	Other emoluments	18,245	8,322	18,245	8,322
		36,608	20,176	35,245	18,522
56.1.2	Fees and emoluments disclosed above excluding pension contributions include amounts paid to:				
	The Chairman	3,000	1,200	3,000	1,200
	The highest paid Director	14,000	9,575	14,000	9,575

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	-	-	-	-
N400,001	-	N1,550,000	10	10	8	8
N1,550,001	-	N5,000,000	1	1	-	-
N5,000,000	-	N8,000,000	-	-	1	1
N8,000,001	-	N11,000,000	1	1	1	1
			12	12	10	10

		Group		Company	
		2015	2014	2015	2014
		Number	Number	Number	Number
56.2	Employees				
56.2.1	The average number of persons employed by the Group during the perid was as follows:				
	Managerial	29	31	19	18
	Senior staff	48	56	42	48
	Junior staff	506	526	424	444
		583	613	485	510

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

N		N				
250,000	-	370,000	159	174	150	162
370,001	-	420,000	256	268	218	228
430,001	-	580,000	80	84	50	54
580,001	-	700,000	24	25	21	22
700,001	-	750,000	18	17	15	14
840,001	-	850,000	14	14	12	12
1,000,001	-	1,100,000	12	12	5	5
1,100,001	-	1,150,000	5	4	4	3
1,200,001	-	1,400,000	5	6	4	5
1,500,000	-	1,550,000	5	4	4	3
1,650,000	-	2,050,000	5	5	2	2
			583	613	485	510

57. Reclassification of comparative figures

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

58. Events after the reporting date

C&I Leasing Plc recently obtained approval of the Securities and Exchange Commission (SEC) for the proposed scheme of external restructuring between C&I Leasing Plc and C&I Motors Ltd (wholly owned subsidiary). A court ordered meeting in this regard has been scheduled for 7 April 2016. Consequently, C&I Leasing Plc and C&I Motors Ltd will be merged effective 7 April 2016.

59. 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.

60. 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 year ended 31 December 2015 (31 December 2014 : Nil).

61. Related party transactions

During the year, 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:

Name	Relationship	Nature of transaction	2015 N'000	2014 N'000
C&I Motors Ltd	Subsidiary of C&I	Intercompany receivables	883,628	753,998
	Leasing Plc.	Interest income	150,240	71,738
Diamond Bank Plc	Shareholder in C&I	Finance lease facility	743,502	1,694,817
	Leasing Plc.	Interest expense	204,451	270,538
EPIC International FZE	Subsidiary of C&I	Intercompany receivables	4,654,371	2,706,531
	Leasing Plc	Lease rental	753,059	350,371

62. Segment reporting

62.1 Segment results of operations

The segment information provided to the Group management committee for the reportable segments for the year ended 31 December 2015:

	Fleet management N'000	Finance Leases N'000	Personnel Outsourcing N'000	Marine Services N'000	Citrack N'000	Total N'000
Gross earnings	**3,714,471**	**149,310**	**5,588,329**	**3,254,178**	**141,048**	**12,847,336**
Operating income	2,732,329	35,859	5,605,508	2,990,402	127,963	11,492,061
Operating expenses	(1,093,237)	(665)	(4,978,860)	(1,909,129)	(85,615)	(8,067,506)
Depreciation	(720,612)	(854)	(31,961)	(314,030)	(107,350)	(1,174,807)
Impairment loss	(12,816)	(64,982)	(10,156)	(40,333)	(949)	(129,236)
Personnel expense	(381,462)	(7,520)	(187,083)	(63,900)	(7,104)	(647,069)
Administrative expenses	(393,562)	(9,450)	(264,163)	(391,507)	(8,927)	(1,067,609)
Profit before taxation	**130,640**	**(47,612)**	**133,285**	**271,503**	**(81,982)**	**405,834**
Total assets employed	3,626,591	(92,156)	1,794,914	5,755,882	109,039	11,194,270
Interest expense	850,055	78,535	106,561	312,370	7,754	1,355,275
Earnings before interest and tax	987,640	30,678	232,363	579,515	(88,474)	1,741,722
ROCE (EBIT/Total Asset)	27%	-33%	13%	10%	-81%	16%

		2015 N'000	2014 N'000
62.2	**Geographical information**		
	1. Revenue		
	Nigeria: - Local	**11,756,318**	11,724,382
	- Outside Nigeria	**437,989**	738,200
	Ghana	**1,629,756**	1,070,848
	United Arab Emirates	**753,594**	350,512
		14,577,657	13,883,942
	2. Total assets		
	Nigeria	**17,055,195**	15,662,069
	Ghana	**3,434,416**	3,102,980
	United Arab Emirates	**8,798,747**	4,568,978
		29,288,358	23,334,027

63. Contravention

The Company contravened certain provisions of the Securities and Exchange Commission during the year under review. Details of these include:

- fine of N27 million was paid to Securities and Exchange Commission for late submission of accounts 2011 - 2013.
- A penalty of N11 million was paid to Securities and Exchange Commission for failure to notify SEC before converting bond to equity.

Value Added Statement - Group
for the year ended 31 December 2015

	31 December 2015 N'000	%	31 December 2014 N'000	%
Gross income	14,577,657		13,883,942	
Interest expense	(2,193,854)		(1,761,871)	
	12,383,803		12,122,071	
Bought in goods and services:				
- Local	(6,868,425)		(7,042,437)	
- Foreign	-		(326,542)	
Value added	5,515,378	100	4,753,092	100
Distribution:				
Payment to employees:				
Salaries, wages and other benefits	762,388	14	713,699	15
To pay government:				
Current income tax	283,155	5	187,320	4
To pay shareholders:				
Dividend	124,645	2	120,025	3
To pay providers of capital:				
Interest	2,193,854	40	1,761,871	37
Retained for future replacement of assets and expansion of business:				
- Depreciation	1,968,852	36	1,606,265	34
- Deferred income tax	33,716	1	46,419	1
- Profit for the year	148,768	2	317,493	6
	5,515,378	100	4,753,092	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.

Value Added Statement - Company
for the year ended 31 December 2015

	31 December 2015 N'000	%	31 December 2014 N'000	%
Gross income	12,847,336		12,458,699	
Interest expense	(1,355,274)		(1,381,742)	
	11,492,062		11,076,957	
Bought in goods and services:				
- Local	(7,934,331)		(7,411,717)	
- Foreign	-		-	
Value added	3,557,731	100	3,665,240	100
Distribution:				
Payment to employees:				
- Salaries, wages and other benefits	647,069	18	595,731	16
To pay Government:				
- Current income tax	117,526	3	182,830	5
To pay shareholders:				
- Dividend	120,025	3	67,028	2
To pay providers of capital:				
- Interest	1,355,274	38	1,381,742	38
Retained for future replacement of assets and expansion of business:				
- Depreciation of property, plant and equipment	1,174,806	33	1,113,438	30
- Profit for the year	143,031	5	324,471	9
	3,557,731	100	3,665,240	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.

Financial Summary - Group
for the year ended 31 December 2015

	31 December 2015 N'000	31 December 2014 N'000	31 December 2013 N'000	31 December 2012 N'000	31 January 2012 N'000
Statement of financial position					
Assets					
Cash and balances with banks	1,417,825	1,470,072	979,909	394,255	455,593
Loans and receivables	471,528	743,985	819,485	808,507	605,281
Trade and other receivables	6,542,523	3,970,054	2,731,243	2,520,404	3,268,895
Finance lease receivables	2,433,283	2,492,275	3,295,079	3,885,863	3,945,278
Available for sale assets	15,379	15,729	25,282	24,401	45,166
Other assets	160,990	83,827	119,592	68,761	105,727
Inventories	431,200	573,709	833,054	766,171	585,730
Operating lease assets	15,475,375	11,730,045	8,248,911	7,586,359	7,002,655
Property, plant and equipment	1,418,287	1,231,117	1,139,621	1,042,925	727,784
Intangible assets	34,321	145,365	33,187	-	-
Current income tax assets	22,699	12,897	373	36,184	-
Deferred income tax assets	854,607	864,951	884,244	863,612	675,156
Total assets	29,278,017	23,334,026	19,109,980	17,997,442	17,417,265
Liabilities					
Balance due to banks	718,804	579,861	639,306	832,682	1,405,004
Commercial notes	5,598,090	4,926,881	2,974,143	2,129,197	3,065,485
Trade and other payables	3,261,843	2,004,314	2,427,589	1,807,104	1,399,884
Current income tax liability	464,216	212,216	208,808	129,564	43,461
Borrowings	13,356,957	9,663,465	7,654,602	7,967,030	7,174,942
Retirement benefits obligation	47,989	35,238	24,288	164,669	205,688
Deferred income tax liability	141,125	107,409	62,802	47,134	7,807
Total liabilities	23,589,024	17,529,384	13,991,538	13,077,380	13,302,271
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	2,453,528	2,091,430	1,937,850	1,951,350	1,565,500
Statutory reserves	829,325	722,521	572,935	460,532	339,094
Statutory credit reserve	613,725	262,799	48,447	16,648	16,648
Retained earnings	(54,767)	388,405	509,704	502,786	370,263
Exchange translation reserve	(393,369)	204,342	30,327	100,631	183,184
AFS fair value reserve	(5,513)	(5,163)	4,394	3,510	(1,522)
Revaluation reserve	581,094	484,903	395,882	243,840	-
	5,512,054	5,637,268	4,987,570	4,767,328	3,961,198
Non-controlling interest	176,939	167,374	130,872	152,734	153,796
Total equity	5,688,993	5,804,642	5,118,442	4,920,062	4,114,994
Total liabilities and equity	29,278,017	23,334,026	19,109,980	17,997,442	17,417,265

Financial Summary - Group
for the year ended 31 December 2015

	31 December 2015 N'000	31 December 2014 N'000	31 December 2013 N'000	31 December 2012 N'000	31 January 2012 N'000
Income statement					
Gross earnings	14,577,657	13,883,942	12,299,459	11,760,468	10,495,768
Operating income	7,351,019	7,378,260	12,299,459	11,760,468	10,495,768
Operating expenses	(2,713,031)	(3,288,141)	(8,567,268)	(8,029,066)	(7,916,424)
Net operating income	4,637,988	4,090,119	3,732,191	3,731,402	2,579,344
Impairment charge	(130,020)	52,985	(2,358)	(277,404)	(228,735)
Depreciation expense	(1,968,852)	(1,606,265)	(1,361,117)	(1,196,197)	(108,723)
Personnel expenses	(762,388)	(713,699)	(753,752)	(769,157)	(1,137,206)
Other operating expenses	(1,311,089)	(1,411,334)	(1,310,441)	(1,308,021)	(1,128,162)
Profit before tax	465,639	411,806	304,523	180,623	(23,482)
Income tax expense	(316,871)	(233,739)	(142,926)	72,277	91,108
Profit after tax	148,768	178,067	161,597	252,901	67,626
Profit attributable to:					
Owners of the parent	139,203	170,246	183,459	253,963	52,435
Non-controlling interest	9,565	7,821	(21,862)	(1,062)	15,191
	148,768	178,067	161,597	252,901	67,626
Earnings per share in kobo (basic)	9	19	11	16	4

Financial Summary - Company
for the year ended 31 December 2015

	31 December 2015	31 December 2014	31 December 2013	31 December 2012	31 January 2012
	N'000	N'000	N'000	N'000	N'000
Statement of financial position					
Assets					
Cash and balances with banks	657,616	392,446	820,466	200,591	223,479
Loans and receivables	471,528	743,985	2,530,000	1,271,711	1,173,598
Trade and other receivables	11,945,566	7,354,182	2,700,137	2,293,864	2,725,080
Finance lease receivables	1,919,164	2,099,601	2,069,810	2,534,683	2,665,269
Available for sale financial assets	15,379	15,729	25,282	24,401	45,166
Investments in subsidiaries	1,458,967	1,458,967	1,605,155	1,605,155	1,112,652
Other assets	153,703	57,784	73,582	6,109	36,593
Inventories	62,992	30,466	-	-	-
Operating lease assets	5,384,311	5,710,877	6,148,729	6,877,565	6,658,395
Property, plant and equipment	1,094,794	1,060,541	1,011,388	900,019	541,125
Intangible assets	34,321	145,365	33,187	-	-
Deferred income tax assets	813,120	813,120	813,120	813,120	675,156
Total assets	24,011,461	19,883,063	17,830,856	16,527,218	15,856,513
Liabilities					
Balance due to banks	677,208	579,839	590,121	670,003	1,252,140
Commercial notes	5,587,884	4,914,135	2,967,907	2,127,996	3,065,485
Trade and other payables	3,041,772	1,657,673	1,237,508	1,010,128	880,151
Current income tax liability	440,816	201,815	191,822	118,832	43,298
Borrowings	7,610,963	6,147,986	6,801,489	6,810,269	5,729,880
Retirement benefit obligations	47,989	35,238	24,288	164,669	205,688
Total liabilities	17,406,632	13,536,686	11,813,135	10,901,897	11,176,642
Equity					
Share capital	808,505	808,505	808,505	808,505	808,505
Deposit for shares	2,453,528	2,091,430	1,937,850	1,951,350	1,565,500
Share premium	679,526	679,526	679,526	679,526	679,526
Statutory reserve	651,203	608,294	510,952	425,359	332,141
Statutory credit reserve	597,077	246,151	31,799	-	-
Retained earnings	1,223,732	1,594,561	1,648,813	1,513,231	1,295,721
Foreign currency translation reserve	(384,323)	(161,830)	-	-	-
AFS fair value reserve	(5,513)	(5,163)	4,394	3,510	(1,522)
Revaluation reserve	581,094	484,903	395,882	243,840	-
Total equity	6,604,829	6,346,377	6,017,721	5,625,321	4,679,871
Total liabilities and equity	24,011,461	19,883,063	17,830,856	16,527,218	15,856,513

Financial Summary - Company
for the year ended 31 December 2015

	31 December 2015 N'000	31 December 2014 N'000	31 December 2013 N'000	31 December 2012 N'000	31 January 2012 N'000
Income statement					
Gross earnings	12,847,336	12,458,699	10,239,813	10,092,696	8,409,439
Operating income	12,847,336	12,458,699	10,239,813	10,092,696	8,409,439
Operating expenses	(9,422,781)	(9,486,119)	(7,310,123)	(7,053,098)	(6,496,755)
Net operating income	3,424,555	2,972,580	2,929,690	3,039,598	1,912,684
Impairment charge	(129,237)	(10,640)	35,652	(241,705)	(249,646)
Depreciation expense	(1,174,806)	(1,102,822)	(1,070,107)	(950,627)	(35,433)
Personnel expenses	(647,069)	(595,731)	(584,942)	(644,949)	(993,833)
Other operating expenses	(1,067,609)	(754,419)	(951,989)	(966,338)	(663,364)
Loss on disposal of subsidiary	-	(1,667)	-	-	-
Profit/(loss) before tax	405,834	507,301	358,304	235,979	(29,592)
Income tax expense	(262,803)	(182,830)	(72,990)	74,749	96,137
Profit after tax	143,031	324,471	285,314	310,728	66,545
Profit attributable to:					
Owners of the parent	143,031	324,471	285,314	66,545	66,545
Non-controlling interest	-	-	-	-	-
	143,031	324,471	285,314	66,545	66,545
Earnings per share in kobo (basic)	9	20	4	10	21

LEASING PLC

E-Dividend – Mandate Form

Centurion 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
Centurion Registrars Limited
70b Acme Road, behind FUNMEC Filling Station,
Ogba, Ikeja,
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…………………….…………….……….20……..…

Authorized signatory/Bank Stamp Authorized Signatory/Bank Stamp Shareholder's Signature Joint Shareholder's Signature

Your completed forms should be returned to Centurion 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: cusomercare@centurionregistrars.com

PROXY FORM

RC No: 161070

25TH ANNUAL GENERAL MEETING OF MEMBERS OF THE COMPANY WILL HOLD AT LEASING HOUSE, C&I LEASING DRIVE, OFF BISOLA DUROSINMI ETTI DRIVE, LEKKI PHASE 1, LEKKI, LAGOS, ON THURSDAY, JUNE 16, 2016 AT 11.00 AM PROMPT

I/We* ....

....

(Name of Shareholders in block letter)

Being member/members of C & I Leasing Plc, hereby appoint:

....

....

or failing him Chief Chukwuma Henry Okolo or failing him, Mr. Chukwuemeka E. Ndu or failing him the Chairman of the meeting as my proxy to act and vote for me/us on our behalf at the Annual General Meeting of the Company to be held on the 16th day of June at 11:00 a.m. and at any adjournment thereof:

....

....

Dated this .... day off 2016

Signature(s) of Shareholder(s)*** ....

RESOLUTION	FOR	AGAINST
To receive and consider the Financial Statements for the year ended 31st December, 2015 together with the reports of the Directors, Auditors and Audit Committee thereon.		
To declare a dividend.		
To re-elect Chief Chukwuma Henry Okolo as director		
To re-elect Mr Ikechukwu Duru as director		
To re-elect Sir Patrick Ugboma as director		
To approve the remuneration of the Directors.		
To authorize the Directors to fix the remuneration of the Auditors.		
To elect members of the Audit Committee for the ensuing year.		
To pass a resolution 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.		

Please indicate with an X in the appropriate square how you wish your votes to be cast on resolution set out above. Unless otherwise instructed the proxy will vote or abstain from voting at his direction

PROXY FORM

BEFORE POSTING THE ABOVE FORM, TEAR OFF THIS PART AND RETAIN FOR ADMISSION TO THE MEETING.

IF YOU ARE UNABLE TO ATTEND THIS MEETING

A member (Shareholder who is unable to attend this Annual General Meeting is allowed by law to vote on a poll or by a proxy. The above proxy form has been prepared to enable you exercise your right to vote in case you cannot personally attend the meeting.

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

Please sign this proxy form and send it so as to reach the address shown overleaf not later than 48 hours before the time for holding the meeting.
If executed by a corporation, the proxy form should be sealed with the corporation's common seal.

IMPORTANT
The name of the Shareholder must be written in BLOCK LETTERS on the proxy form where marked. This admission form must be produced by the Shareholder or his proxy, who need not be a member of the Company, in order to obtain entrance to the Annual General Meeting.

Signature of person attending: ....

FOR COMPANY USE ONLY NO OF SHARES

NOTES

NOTES

www.c-ileasing.com