MAAIC AND MAAH LTD

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

OBEH JAMES & CO (CHARTERED ACCOUNTANTS)

MAAIC AND MAAH LTD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

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MAAIC AND MAAH LTD

FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ahmed Abu	Director
Umar Jameela Farouk	Director
Afaiyu Diana Andrew	Director

CORPORATE HEADQUARTER:

No 2 River Patoka Close,
Off Nile Street,
Maitama, Abuja.

AUDITOR:

Obeh James & Co (Chartered Accountants)
No 35, Ajose Adeogun Street, Peace Park Plaza B
Suite No. CO 3C, 2nd Floor Utako District, Abuja.
Tel: 08033919474, 08070607860
Email: obehjamesandco@gmail.com

BANKERS:

Sterling Bank Plc
Stanbic Bank Plc
Eco Bank Plc
Keystone Bank Plc
United Bank for Africa Pl

MAAIC AND MAAH LTD

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2022.

The directors present their report and audited financial statements for the year ended 31st December 2022.

Principal Activities and Corporate Development

MAAIC AND MAAH LTD is a private Company limited by shares. The Company is engaged in the business of real estate and property developer and managers.

Legal Form

The company is incorporated in Nigeria as a private company limited by shares on 30th July,2019. All necessary registration and renewals have been made with appropriate regulatory authorities in Nigeria for the Company's operations.

Donations and Charitable Gifts

The company made no contributions to charitable, political, and non-political organizations during the year.

Acquisition of shares

The company did not purchase any of its own shares during the year.

Employment of Disabled Persons

It is the policy of the company that there is no unfair discrimination in considering applications for employment on grounds of disability. All employees whether disabled or not disabled are given equal opportunities to develop their experience and knowledge and to qualify for promotion in furtherance of their careers. As at 31st December, 2022 there was no disable person in the employment of the company.

Health, Safety and Welfare at Work

The company enforces strict health and safety rules and practices at the work environment, fire prevention and firefighting equipment are installed in strategic locations within the company's premises.

Employees Training and Involvement

The company is committed to keeping employees fully informed as much as possible regarding the company's performance and progress. Views of the employees are sought where practicable, on matters which particularly affect them as employees. The company runs an open-door management policy. Management, professional and technical expertise are the company's major assets and investment in developing such skill is continuous. The company's expanding skills base is being brought about by a range of in-house and external training. Opportunities for career development within the company have been broadened. Incentive schemes designed to meet the circumstances of everyone are implemented where appropriate and some of these schemes include bonuses, promotion salaries review etc.

DIRECTOR'S RESPONSIBILITY STATEMENT

The following statements, which should be read in conjunction with the Auditors responsibility statement on 6 is made to distinguish the responsibilities of the directors for the financial statements from those of the Auditors.

The directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with International Financial Reporting Standards for Small and Medium Sized Entities (IFRS foe SMEs) and in the manner required by the Companies and Allied Matters Act of Nigeria, and the Financial Reporting Council of Nigeria Act, 2011.

The directors are required by the Companies and Allied Matters Act, Cap C20 LFN 2004 to prepare financial statements which give a true and fair view of the statement of affairs of the company and of the profit or loss for that period. The financial statements must be prepared on a going concern basis unless it is inappropriate to presume that the company will continue its business.

The directors have responsibility for ensuring that the company keeps accounting records which disclose, with reasonable accuracy, the financial position of the company and enable them to ensure that financial statements comply with the requirements of the Companies and Allied Matters Act, Cap C20 LFN 2004.

The directors have assessed the Company's ability to continue as a going concern and have no reason to believe the Company will not remain as a going concern in the year ahead.

The directors also have a general responsibility for taking such steps as reasonably open to them to safeguard the assets of the company to prevent and detect fraud and other irregularities.

The directors consider that, in preparing the financial statements on pages 9 to 15, they have used appropriate accounting policies, consistently applied, and supported by reasonable and prudent judgment and estimates, and that all applicable accounting standards have been followed.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

....

Director **Director**

MAAIC AND MAAH LTD

AUDITORS RESPONSIBILITY STATEMENT

The Auditors are responsible for forming an independent opinion on the financial statement, presented by the Director's based on their audits, and for reporting their opinion to the Directors. They also have the responsibility under the Companies and Allied Matters, Act CAP C20 LFN 2004 to report to shareholders if requirements are met or not.

That the company has maintained proper books of account and proper returns obtained from branches not visited by the auditors.

That the financial statements agree with the accounting records and give the information required and a true and fair view, in the case of the balance sheet of the year end, state of the financial affairs of the company at the financial year end, and in the case of the profit and loss accounts of the profit for the year.

That the financial statement has been properly prepared in accordance with the provisions of the Acts to give a true and fair view of the state of affairs and profit or loss of the company.

That the auditors have obtained all the information and explanations which to the best of their knowledge and belief were necessary for the purpose of their audit.

The Auditors opinion does not encompass the Directors report on pages 3 to 4 together with matters included therein by reference. However, the Auditors are to report to members if the matters contained in the Directors report are inconsistent with the financial statements.

OBEH JAMES & CO.
(CHARTERED ACCOUNTANTS)

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Tel: 0803 3919 474, 0815 091 7037
Email: obeh.jamesandco@gmail.com

MAAIC AND MAAH LTD

AUDITORS' REPORT TO THE MEMBERS OF MAAIC AND MAAH LTD

Report on the Financial Statements

We have audited the accompanying financial statements of MAAIC AND MAAH LTD, set out in page 9 to 25 which comprise the statement of financial position at 31st December 2022, the profit or loss account and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and a summary of significant accounting policies, and explanatory information.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statement in accordance with the Companies and Allied Matters Act, CAP C20, LFN 2004 and International Financial Reporting Standards for Small and Medium Sized Entities 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 preparation of financial statements that are free from material misstatement whether due to fraud or errors.

Auditors' Responsibility and basis of opinion

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or errors. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 Directors, as well as evaluating the overall presentation of the 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, these financial statements give a true and fair view of the financial position of **MAAIC AND MAAH LTD** as at 31st December 2022, and of its financial performance and cash flows for the year then ended; in the manner required by the Companies and Allied Matters Act CAP C20, LFN 2004 and the International Financial Reporting Standards for Small and Medium Sized Entities in compliance with the Financial Reporting Council of Nigeria, Act No 6, 2011.

The company has kept proper books of account, which agree with the statement of financial position and statement of comprehensive income as it appears from our examination of their records.

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA ICAN 0159524

Obeh James & Co

....2024

Obeh James

FRC/2024/PRO/ICAN/004/421963
For: Obeh James & Co (Chartered Accountants)
Abuja, Nigeria.

MAAIC AND MAAH LTD

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER, 2022

	NOTE	2022 ₦	2021 ₦
ASSETS			
NON-CURRENT ASSETS:			
Property, Plant & Equipment	2	159,160,780	169,771,340
Total Non-Current Assets		159,160,780	169,771,340
CURRENT ASSETS:			
Inventories	3	7,150,400	6,117,500
Trade and other Receivables	4	4,561,200	2,669,579
Cash & Cash Equivalents	5	8,458,900	6,680,350
Total Current Assets		20,170,500	15,467,429
TOTAL ASSETS		179,331,280	185,238,769
EQUITY & LIABILITIES			
Equity			
Ordinary Share Capital of =N=1 each		10,000,000	10,000,000
Revenue/(Capital) Reserve	9	153,385,317	75,078,783
Directors Account		4,591,727	90,671,896
Total Equity		167,977,044	175,750,679
Non-Current Liabilities			
Longterm Loan		-	-
Deferred Tax		-	-
Total Non-Current Liabilities		-	-
Current Liabilities			
Trade and other Payables	6	315,400	142,351
Tax	7	11,038,836	9,345,739
Total Liabilities		11,354,236	9,488,090
TOTAL EQUITY & LIABILITIES		179,331,280	185,238,769

The financial statements and notes on pages 9 to 25 Were approved by the Directors

on..and signed on it's behalf by:

DIRECTO N

The notes on pages 9 to 24 Form an integral part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER, 2022

	NOTE	2022 ₦	2021 ₦
Turnover	10	275,234,400	261,072,741
Cost of Sales	11	157,335,600	149,248,798
Gross Profit		117,898,800	111,823,943
Other Incomes		-	-
Less Distribution Cost		-	-
Administrative Expenses	12	28,553,430	27,399,421
Other Expenses		-	-
Operating Profit		89,345,370	84,424,522
Less Finance Cost		-	-
Profit Before Tax		89,345,370	84,424,522
Less Income Tax Expenses	7	11,038,836	9,345,739
Profit for the year		78,306,534	75,078,783
Other Comprehensive Income			
Total Comprehensive Income		78,306,534	75,078,783

The notes on pages 9 to 25 Form an integral part of these financial statements.
The turnover above also includes directors personal accounts

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER, 2022

	Share Capital	Share Premium	Director's account	Revenue/(capital) reserve	Total
	₦	₦	₦	₦	₦
At Jan. 2022	10,000,000	-	90,671,896	75,078,783	175,750,679
Changes in equity for 2022					
New shares introduce	-	-	-	-	-
profit for the Year	-	-	-	78,306,534	78,306,534
Contribution by owners of the business	-	-	(86,080,169)	-	(86,080,169)
Total comprehensive income for the year	-	-	4,591,727	78,306,534	(7,773,635)
At Dec., 2022	10,000,000	-	4,591,727	153,385,317	167,977,044
At Jan. 2021	10,000,000	-	-		10,000,000
Changes in equity for 2021					
New shares introduce	-	-	-	-	-
profit for the Year	-	-	-	75,078,783	75,078,783
Contribution by owners of the business	-	-	90,671,896	-	90,671,896
Total comprehensive income for the year	-	-	90,671,896	75,078,783	165,750,679
At Dec., 2021	10,000,000	-	90,671,896	75,078,783	175,750,679

MAAIC AND MAAH LTD

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER, 2022

	NOTE	2022 ₦	2021 ₦
Cash Flow From Operating Activities:			
Profit before Tax		89,345,370	84,424,522
Adjustment for Non-Cash Items:			
Depreciation	2	18,610,560	16,785,560
Operating Profit before working capital changes		107,955,930	101,210,082
(Increase)/Decrease in Inventories		(1,032,900)	(6,117,500)
(Increase)/Decrease in Receivables		(1,891,621)	(2,669,579)
Increase/(Decrease) in Payables		173,049	142,351
Tax Paid	7	(9,345,739)	-
Cash surplus/(deficit) generated from operartions		95,858,719	92,565,354
Cash Flow from Investing Activities:			
Purchase of Property, Plant & Equipment	2	(8,000,000)	(186,556,900)
Disposal of Property, Plan & Equipment	2	-	-
Net cash outflow used in investing activities		(8,000,000)	(186,556,900)
Cash flow from financing activities:			
Share capital introduce		-	10,000,000
Director's account		(86,080,169)	90,671,896
Net cash flow from financing activites		(86,080,169)	100,671,896
Net increase/(decrease) in cash & cash equivalent for the period		1,778,550	6,680,350
Cash & cash equivalent b/f		6,680,350	-
Cash & cash equivalent c/f		8,458,900	6,680,350
Bank and cash balances		8,458,900	6,680,350

NOTE TO THE FINANCIAL STATEMENT AS AT 31ST DECEMBER 2022

1 Significant Accounting Policies

The following are the significant accounting policies adopted by the company in preparation of these financial statements. The accounting policies set out below have been applied consistently to all presented in these financial statements.

2 Basis of accounting

A Going Concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the company have adequate resources to continue in operational existence for the foreseeable future. The Company thus, continues to adopt the going concern basis of accounting in preparing the financial statements.

B Statement of compliance

The financial statements have been prepared in accordance with, and comply with International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs) and in the manner required by the Companies and Allied Matters Act of Nigeria, the Financial Reporting Council Act, 2011

C Basis of measurement

The financial statement has been prepared under the historical cost basis except for the following:

- Financial instruments designated at Fair Value Through Profit or Loss are measured at fair value
- Loans and receivables and Held to Maturity are measured at amortized cost.

3.1 changes in accounting policies and disclosures

A few new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2022 and have not been early adopted. None of these is expected to have a significant effect on the financial statements of the company.

4 Functional and preparation currency

Items included in these financial statements using currency that best reflects the primary economic environment in which the Company operates ("functional currency"). These financial statements are presented in Nigerian ("presentation currency"), which is the Company's functional currency.

5 Presentation

The financial statements are prepared on the going concern basis of accounting. Assets and Liabilities are presented in the statement of financial position using the Current/ Non-current classification. The statement of profit or loss is presented on the function of expense method, with sub-classification by nature provided in the notes. In the statements of cash flows, the cash from operating activities are presented on the indirect method. The financial statements are presented in Nigeria Naira which is the functional currency of the Company.

6 Use of judgments and estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, incomes and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected. Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the statements are described in notes to the financial statements. The accounting policies set out below have been applied consistently to all years presented in these financial statements. The following are the judgment and estimates of these financial statements.

7 Cash and Cash equivalents

Cash and cash equivalents comprise cash on hand, deposit held at call with banks and other short-term, highly liquid investments with maturities of three months or less and are subject to an insignificant risk of change in value. Operating bank balances are included in bank and other cash balances.

8 Financial Assets

8.1 Classification

The Company recognized a financial asset in the statement of financial position when, and only when, it becomes a party to the contractual provision of the instrument. The Company classifies financial assets into; *financial assets at fair value through profit or loss, loan and receivables, Held-to-maturity financial asset and available-for-sale financial assets.*

8.2 Recognition and measurement

For financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on quoted market price or dealer price quotations. This includes listed equity securities and quoted debt instruments on major exchanges (for example, Nigerian Stock Exchange NSE) and broker quotes from the Financial Markers Dealer Association.

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 regulatory 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 technics, 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, NIBOR yield curve, FX rates, volatilities, and counterparty spreads) existing at the reporting date.

8.2.1 Financial Assets at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include 'financial assets held for trading' or assets designated as such on initial recognition. Financial assets classified as 'held for trading' are acquired principally for the purpose of selling in the short term. Financial assets designated at fair value through profit or loss are investments the company manages and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Financial assets included in this category are recognized initially at fair value and changes therein, including any interest or dividend income are recognized in profit or loss. Directly attributable transaction costs are recognized in profit or loss as incurred.

8.2.2 Loan and Receivables

Loan 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 Company intends to sell immediately or in the short term, which are classified as Held for trading, and those that the Company upon initial recognition designates as at fair value through profit or loss.
- Those that the Company upon initial recognition designates as available for sale; or
- Those that the holder may not recover substantially all its initial investment, other than because of credit deterioration.

Loans and receivables are recognized initially at fair value plus any directly attributable transaction costs. After initial recognition, they are measured at amortized cost using the effective interest method, less any accumulated impairment losses. Loans granted at below market rates are fair valued by reference to expected future cash flows and current market interest rates for instruments in a comparable or similar risk class and the difference between the historical cost and fair value is accounted for in the statement of comprehensive income.

8.2.3 Held-to-maturity Financial Assets

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

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

Interest on held to maturity investments are included in the statement compressive income and are reported as other income. In the case of impairment, the impairment loss is reported as a deduction from the carrying value of the investment and recognized in the statement of comprehensive income as impairment losses on investment securities; Held to maturity financial assets are recognized initially at fair value plus any directly attributable transaction costs. After initial recognition, they are measured at amortized cost using the effective interest method.

8.2.4 Available –for-sale Financial Assets

Available-for-sale financial assets include equity securities. The Company classifies as available-for-sale those financial assets that are generally not designated as other category of financial assets, and strategic capital investments held for an indefinite period, which may be sold in response to needs for liquidity of changes in interest rates, exchange rates or equity prices. Available for sale financial investments are initially recognized at fair value plus any directly attributable transaction costs. After initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments are recognized in other comprehensive income and accumulated in the fair value reserve. When these assets are derecognized (because of impairment or sale), the gain or loss accumulated in equity is reclassified to profit or loss.

8.2.5 Trade Receivables

Receivables are recognized initially of fair value based on amounts exchanged and subsequently at present value of estimated future cash flows. The present value of estimated future cash flows is determined by allowances for uncollectible amounts. As soon as individual trade receivables cannot be collected in the normal way and are expected to result in a loss, they are designated as doubtful trade receivables and valued at the expected collectible amounts. They are written down when they are deemed to be uncollectible.

8.3 Reclassification of Financial Assets

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 Company may choose to reclassify financial assets that would meet the definition of loans and receivables out of held for trading or available for sale categories if the Company has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

8.4 Impairment of Financial Assets

At the end of each reporting period, the Company assesses whether its financial assets (other than at FVTPL) are impaired, ability to pay all amount due the contractual terms of the debt instrument being evaluated. Available-for-sale financial assets are considered impaired if there is objective evidence of impairment, resulting from one or more loss events that occurred after initial recognition but before the reporting date, that have an impact on the future cash flows of the assets. In the case of equity investments classified as available-for-sale, a significant or prolonged define in the fair value of the security below its cost is an objective evidence of impairment resulting in the recognition of an impairment loss. For financial assets measured at amortized cost, if the amount of the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed (either directly or by adjusting the allowance account for trade receivables through profit or loss. However, the reversal must not result in a carrying amount that exceeds what the amortized cost of the financial assets would have been had the impairment not been recognized at the date the impairment is reserved. For available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss. In respect of available-for-sale equity securities, an increase in fair value after an impairment loss is recognized in other comprehensive income and accumulated in revaluation reserve; impairment losses are not reversed through profit or loss.

8.5 Offsetting Financial Instruments

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Company has a legally enforceable right to set off recognition amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

8.6 Derecognition of Financial Assets

The Company derecognizes 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 Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of transferred financial assets, the Company continues to recognize the financial asset and recognizes a collateralized borrowing for the proceeds received.

9 Other Receivables and Prepayments

Other receivables and prepayments are carried at amortized cost less any accumulated impairment losses. Prepayment are amortized on a straight-line basis to the profit or loss.

10 Property, Plant and Equipment

10.1 Recognition and measurement

On initial recognition, items of property, plant and equipment are recognizing at cost, which includes the purchase price ae well as any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Property, plant, and equipment under construction are disclosed as capital working-in-progress. The cost of construction recognized includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant, and equipment. Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant, and equipment, and are recognized as profit or loss in the statement of comprehensive income.

10.2 Subsequent measurement

After initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the company. Ongoing repairs and maintenance are expenses as incurred.

10.3 Depreciation

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of capital-work-in-progress, from the date that the asset is completed and ready for use. Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using a straight-line basis over their estimated useful lives. Depreciation is generally recognized in profit or loss unless the amount is included in the carrying amount of another asset. The estimated depreciation rates for the current and comparative years of significant items of property, plant and equipment are as follows:

Land	0%
Building	2%
Plant & Machinery	20%
Motor Vehicle	25%
Office Equipment	20%

Furniture & Fittings	10%

Capital work in progress is not depreciated. Upon completion it is transferred to the relevant asset category. Depreciation methods, useful lives and residual values are reassessed at each reporting date. The carrying value of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss (determined by comparing net disposal proceeds with carrying amount) arising on derecognition of the asset is included in the income statement in the year the item is derecognized. 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 amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use. No property, plant and equipment were impaired as 31st December 2022 (2021 nil)

11 Impairment of Non-Financial Assets

Impairment of Property, Plant and Equipment

The carrying amounts of such assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value costs to sell and value in use impairment losses are recognized in profit or loss.

Value in use is the present value of the estimated future cash flows of that unit. Present values are computed using discounted rate that reflects the time value of money and the risks specific to the unit whose impairment is being measured. For assessing impairment, assets are grouped at the lowest level for which there have been separately identifiable cash inflows (cash-generating units). The impairment test also can be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

12 Financial Liabilities

12.1 Recognition and measurement

The Company recognized a financial liability in the statement of financial position when, it becomes a party to the contractual provision of the instrument. On initial recognition, the Company recognizes all financial liabilities at fair value. The fair value of a financial liability on initial recognition is normally represented by the transaction price. The transaction price for financial liabilities other than those classified at fair value instrument. Transaction costs incurred on issue of a financial liability classified at fair through profit or loss are expenses immediately. Subsequent measurement of financial liabilities depends on how they have been categorized on initial recognition. The Company classifies financial liabilities into: Financial liabilities at fair value through profit or loss and other financial liabilities.

12.1.1 Financial Liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include 'financial liabilities held for trading or liabilities designated as such on initial recognition.' Financial liabilities are classified in this category when that are held principally for the purpose of selling or repurchasing in the short term (trading liabilities) or are derivatives (except for a derivative that is a designated and effective hedging instrument) or meet the condition for designation in this category. All changes in fair value relating to financial liabilities at fair value through profit or loss are changed to the income statement as they arise. The Company did not have any financial liability that meet the classification criteria for held for trading and did not designate any financial liabilities as at fair value through profit or loss.

12.1.2 Other Financial Liabilities

Financial liabilities that are not classified as fair through profit or loss fall into this category and are measured cost using the effective interest method. The Company has the following non-derivative financial liabilities: trade and other payables, bank term loan, borrowings. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. After initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

a. **Trade and other Payables**
   Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. The fair value of a non-interest-bearing liability is its discounted repayment amount. Trade and other payables are not usually remeasured, as the obligation is known with a high degree of certainty and settlement is short-term.
b. **Borrowings**
   Borrowings are recognized initially at fair value, net of transaction cost incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowing using the effective interest method fees paid on the establishment of loan facilities as transaction cost of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the drawn-down occurs. To the extend there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

13 Employee benefits

13.1 Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amount in respect of all employee benefits relating to employee service in current and prior periods.

Pension Scheme

In line with the provisions of the Pension Reform Act 2004, the Company has a defined contribution pension scheme for their permanent staff. Staff contributions to scheme are funded through payroll deductions. Obligations for contributions to the defined contribution plan are recognized as employee benefit expense in profit or loss in the periods which related services are rendered by employees. The employees contribute 8% and employers contribute 10% of Basic salary, Transport & Housing Allowance to the Fund monthly.

13.2 Short-term Benefits

Wages, salaries, paid annual leave, sick leave, bonuses, and non-monetary benefits are recognized as employee benefit expense and accrued when the associated service are rendered by the employees to the Company have not been paid.

14 provisions, Contingent Liabilities and Contingent Assets

14.1 Provisions

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

14.2 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or the Company has a present obligation because of past event. It is not recognized because it is not likely that an outflow of resources will be required to settle the obligation, or the amount cannot be reliably estimated. Contingent liabilities normally comprise of legal claims under arbitration or the court process in respect of which a liability is not likely to occur. Contingent liabilities are disclosed in the financial statement when they arise.

14.3 Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized but are disclosed in the financial statement when they arise.

15 Income Taxes

An income tax comprises current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to items outside ordinary business activity of the Company or items recognized directly in equity or in other comprehensive income.

15.1 Current Taxes

Current taxes are recognized for the estimated income taxes payables or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current taxes are determined using tax rate or tax laws that have been enacted or substantively enacted by the year end.

15.2 Deferred Taxes

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax based, except for taxable temporary differences arising on initial recognition of an asset or liability differs from its tax based, except for taxable temporary differences arising on initial recognition of an asset or liability in a transaction which is not a business combination and at the time the transaction neither affects the accounting or taxable profit or loss. Recognition of deferred tax assets for unused tax (losses), tax credit and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available which allow the deferred tax assets to be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will crystallize or be realized.

The amount of deferred tax assets or liability is measured at the amount to be recovered from or paid to the relevant tax authorities. This amount is determined using tax rates and tax laws that have been enacted or substantively enacted by the year end and are expended to apply when the liability/(assets) are settle/(recovered). Deferred tax assets and liabilities are presented as non-current items irrespective of their originating nature or circumstances.

16 Equity

Equity instruments are contract that give a residual interest in the net asset of the Company. Retained earnings are classified as equity when there is no obligation to transfer cash and other assets. Components of equity are recognized at the amount of proceeds received net of incremental costs directly attributable to the transaction.

16.1 Share Capital

Share capital represents shares that have been issued by the Company; measured at the proceeds received, not of direct issue costs. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial assets. The Company's ordinary shares are classified as share capital within equity.

16.2 Share Premium

Any amounts received from issue of share capital more than the par value are classified as share premium within equity.

16.3 Retained Earnings/Revenue & Capital Reserves

The retained earnings comprise of undistributed profit or loss from previous years and current year. Accumulated fund is classified as part of equity in the statement of financial position.

16.4 Dividend payable

Dividend payable are non-adjusting events, and are recognized as a liability in the period in which they are paid or if earlier, when declared and approved by the shareholders or (Board of Directors)

17 Capital management

The Company manages its capital to ensure the entity will be able to continue as going concerns while maximizing the return to stakeholders by pricing products and services commensurately with the level of risk and through the optimization of the debt and equity balance. The Company's overall strategy remains unchanged. The Company's risk management committee reviews the capital structure of the Company on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.

18 Revenue

Revenue is recognized when the significant risks and rewards of ownership have transferred to the buyers, customers, and or clients continuing managerial involvement usually associated with ownership and effective control have ceased, the amount of revenue can be measured reliably, it is probable that economic benefits associated with transaction will flow to the Company and the cost incurred in respect of the transaction can be measured reliably.

19 Financial Risk Management Disclosures

The company activities expose it to a variety of financial risk with intensity namely market risk, credit risk and liquidity risk. The company's risk management program focuses on maintaining a profile of investments that are less risky with adequate returns on investments. Also, the company seeks to minimize potential adverse effects on its financial performance, financial position, and cash flow through its sound risk management policies by the board of directors.

Risk Management Framework

Risk management is carried out by the company's compliance directorate under policies approved by the board of directors. The compliance directorate carries out regular review of the investment environment and come up with strategies for managing potential exposures. The strategic activities are reviewed regularly and approved by the board as may be necessary.

19.1 Market Risk

Market risk is the risk that changes in market prices, such as interest rate will affect the Company's income or the value of its holdings of financial instruments. The company's objective of managing risk is to monitor and control market risk exposures within acceptable investment profile and maximizing returns on such investment. The Company is not significantly exposed to market risk (interest rate risk) as its holding in rate sensitive financial instruments are of short-term nature.

19.2 Credit Risk

Credit risk is the risks that counterparty will be unable to meet its contractual obligations and arises principally from the company's trade and other receivables including its cash and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting dates were:

TRADE AND SUNDRY RECEIVABLES

	2022	2021
	=N=	=N=
Trade Receivables	4,561,200	2,669,579
Staff loans at fair values		
Prepayments		

In ensuring proper monitoring of customer credit risk, they are analyzed and grouped according to type of counterparty.

SUNDRY RECEIVABLES AND STAFF LOANS

These balances are reviewed regularly for impairment considering loss experience (continued employment of staff) from each source and recoverability based on cash flows. Where impairment does not exist, the amounts are not impaired. No impairment was recorded with respect to other receivables during the period covered by the financial statement

	2022	2021
	=N=	=N=
Impairment for trade receivables-3rd parties		
Impairment for staff loans		
Impairment trade receivables		
Receivables less impairment		

Impairment

The aging of trade receivables at the reporting date:

GROSS

	2022	2021
	=N=	=N=
Not past due 0-30 days		
Past due 31-180 days	4,561,200	2,669,579
Past due 181-365 days		
More than 365 days		
Total		

IMPAIRMENT

	2022	2021
	=N=	=N=
Not past due 0-30 days		
Past due 31-180 days		
Past due 181-365 days		
More than 365 days		
Total		

CARRYING AMOUNT

	2022	2021
	=N=	=N=
Not past due 0-30 days		
Past due 31-180 days	4,561,200	2,669,579
Past due 181-365 days		
More than 365 days		
Total	**4,561,200**	**2,669,579**

19.3 Liquidity Risk

Liquidity risk is the risk that the company will be unable to meet its obligations as they fall due. The Company's approach to managing liquidity is to ensure its cash and cash equivalent adequately meet its maturing obligations without incurring significant financial and reputational losses. Liquidity risk arises principally from trade and other payables.

19.4 Trade Payables and Accruals

	2022	2021
	=N=	=N=
Trade payables	315,400	142,351
Accruals		

NOTES TO THE FINANCIAL STATEMENT AS AT 31st DECEMBER, 2022

2 Property, Plant & Equipment

(a) The movement on these accounts during the year were as follows:

	Land & Bilding ₦	Office Equipment ₦	Furniture & Fittings ₦	Motor Vehicle	Plant & Machinery	Total
DEEMED COST						
At 1/1/2022	120,000,000	2,540,500	3,516,400	35,500,000	25,000,000	186,556,900
Additions	-	3,500,000	-	-	4,500,000	8,000,000
Disposal	-	-				
At 31/12/2022	120,000,000	6,040,500	3,516,400	35,500,000	29,500,000	194,556,900
DEPRECIATION						
At 1/1/2022	2,400,000	508,100.00	527,460.00	7,100,000.00	6,250,000.00	16,785,560
Charges for the Year	2,400,000	1,208,100.00	527,460.00	7,100,000.00	7,375,000.00	18,610,560
Dep. On disposal	-	-	-			
	4,800,000	1,716,200	1,054,920	14,200,000	13,625,000	35,396,120
CARRYING AMOUNT						
At 31/12/2021	115,200,000	4,324,300	2,461,480	21,300,000	15,875,000	159,160,780
At 31/12/2021	117,600,000	2,032,400	2,988,940	28,400,000	18,750,000	169,771,340

(b) At the balance date there were no commitment for capital expenditure.

(c) No assets of the company was pledged as security for loans during the reporting period.

NOTES TO THE FINANCIAL STATEMENT AS AT 31st DECEMBER, 2022

		2022	2021
		₦	₦
3	**INVENTORIES**		
	Opening inventories	-	-
	Closing inventories	7,150,400	6,117,500
4	**TRADE & OTHER RECEIVABLES**		
	Trade receivables	4,561,200	2,669,579
	Other receivables (WHT)		
		4,561,200	2,669,579
5	**CASH & CASH EQUIVALENT**		
	Cash in hand	-	-
	Cash at Bank	8,458,900	6,680,350
		8,458,900	6,680,350
6	**TRADE & OTHER PAYABLES**		
	Trade Payables	315,400	142,351
	Accruals	-	-
		315,400	142,351

7 COMPANY INCOME TAX

The tax charge for the year has been computed after adjusting for certain items of expenditure and income. The carrying amount of liabilities that are financial liabilities equal their respective fair values as the impact of discounting is insignificant. They are all within level 3 of the fair value hierarchy.

Taxation

	2022	2021
	₦	₦
Provision for the year:		
Income tax	8,339,938	6,815,487
Education tax	2,698,898	2,530,252
Charge to Profit/Loss account	11,038,836	9,345,739
Balance b/fwd	9,345,739	
Paid	(9,345,739)	
Balance c/fwd	11,038,836	9,345,739

		2022	2021
8	**SHARE CAPITAL**		
	Authorised shares capital:		
	10,000,000 ordinary shares of =N=1 each	10,000,000	10,000,000
		10,000,000	10,000,000
	Issued and fully paid shares capital:		
	10,000,000 ordinary shares of =N=1 each	10,000,000	10,000,000
		10,000,000	10,000,000
9	**REVENUE/(CAPITAL) RESERVE**		
	Opening balance	75,078,783	-
	Profit/(Loss) for the year	78,306,534	75,078,783
	Balance c/fwd	153,385,317	75,078,783

NOTES TO THE FINANCIAL STATEMENT AS AT 31st DECEMBER, 2022

10 REVENUE

	2022	2021
	₦	₦
Turnover	275,234,400	261,072,741
	275,234,400	261,072,741

11 COST CLASSIFICATION BY NATURE: DIRECT COST

Cost of sales	157,335,600	149,248,798
	157,335,600	149,248,798

12 ADMINISTRATIVE EXPENSES

Salaries & Wages	6,200,500	5,669,389
Printing & Stationery	155,020	143,440
Utility	97,800	89,405
Communication	103,900	136,919
Internet Services	26,940	15,980
Advert & Publicity	165,500	231,650
Medical	33,505	859,000
Transport & Travelling	1,456,500	1,580,600
Legal	120,500	423,500
Repairs & Maintenance- Furniture & fittings	213,500	213,500
Repairs & Maintenance- Motor Vehicles	225,600	356,800
Repairs & Maintenance Office Equipment	215,600	158,200
Repairs & Maintenance Plant & Equipment	756,400	566,504
Bank charges	171,605	168,974
Depreciation	18,610,560	16,785,560
	28,553,430	27,399,421

13 KEY MANAGEMENT PERSONNEL COMPENSATION

Short tern benefits	-	-
Other long tern benefits	-	-
Termination benefits	-	-
Post employment benefits	-	-
TOTAL	-	-

14 GUARANTEES AND OTHER FINANCIAL COMMITMENT

a Contingent Liability

There is no contingent liability involving th company as at 31st December, 2022

b Financial commitment

The director's are of the opinion that all known liabilities and commitment relevant in assessing the company's state of affairs have been taken into account in the preparation of this financial statement.

15 EVENT AFTER REPORTING PERIOD

There are no post balance sheet events which could have had materials effect on the financial position of the company as at 31 December 2022 nil) and profit attributable to equity holders on that date.