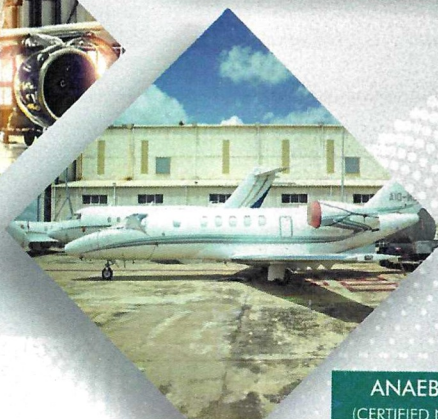




# FINANCIAL STATEMENTS

FOR THE THIRTEEN MONTHS PERIOD  
ENDED 31<sup>ST</sup> DECEMBER,  
2024



ANAEONAM KEN & CO  
(CERTIFIED NATIONAL ACCOUNTANTS)



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**BA ADENIYI** MFR dsm fnipr psc (+)  
Comptroller-General of Customs  
FEDERAL REPUBLIC OF NIGERIA



**Dr. Armstrong Takang (PhD)**  
CEO (Chief Executive Officer)  
Ministry of Finance Incorporated (MOFI)





**DCG. AO. Alajogun**  
*Chairman*



**Capt. KW Mbaya**  
*Managing Director*



**ACG. AB Mohammed**  
*Director*



**Comptroller N. Isiyaku**  
*Director*



**DR Femi Ogunseinde**  
*Director*



**ACG. WA Dappa**  
*Director*



**Ms Hauwa Ibrahim Kuchi**  
*Company Secretary*





### Incorporation

**NIGERIA CUSTOMS TECHNICAL AND HANGAR SERVICES LTD** ("the Company or Hangar") is a company incorporated on 2<sup>nd</sup> August, 2016 in Nigeria under the Companies and Allied Matters Act as a private limited liability company, and is domiciled in Nigeria. The corporate address of the Company is at Nnamdi Azikiwe International Airport, Abuja, Nigeria.

### Objectives

The Company is a fully integrated technical and maintenance company, registered to undertake the Renovation, Modification Alteration, Adapting or Specially Equipping Technical Infrastructures, and business of Transportation within and outside Nigeria for domestic and inter-state purposes.

### Commencement:

**The Company as a limited liability by share officially commenced operation on 1<sup>st</sup> of December, 2023 with registration Number RC. 1351212 and TIN. 1057802512**

### Corporate Governance Mantra

- **OUR VISION:**  
To become the most well known and most profitable government owned company, consistently declaring healthy dividends to our shareholders
- **OUR MISSION:**  
To establish an aviation company that will stand the test of time, service aviation community and Nigeria with world standard aviation services that is anchored on safety.



- **OUR CORE VALUE:**  
**Excellence, Integrity, Resilience and Determination to succeed.**

**Registered Office Address:** Customs Service HQ,  
No 3, Abidjan Street,  
Wuse Zone 3, Abuja, FCT

**Corporate Office Address:** **CUSTOMS AIRWING HANGAR**  
General Aviation Wing  
Nnamdi Azikiwe International Airport  
Abuja

<b>Directors:</b>	<b>NAME</b>	<b>DESIGNATION</b>
	MR. O.A ALAJOGUN DCG	CHAIRMAN
	CAPT. K.W.MBAYA	MANAGING DIRECTOR
	MR. W.A DAPPA .ACG	DIRECTOR
	MR. A.B. MOHAMMED ACG	DIRECTOR
	MR. N. ISIYAKU CC	DIRECTOR
	DR. FEMI OGUNSEINDE	DIRECTOR

**Company's Secretary:** MS HAUWA IBRAHIM KUCHI  
NCS Technical & Hangar Services Ltd  
Abuja.

<b>Management Team:</b>	CAPT. KW.MBAYA	MANAGING DIRECTOR
	BAKARI AISHA BARKINDO MGR.	HUMAN RESOURCES
	BENTU NANRET JOSHUA	MGR. RESEARCH & BUS. DEV.
	DAUDA ENIOLA KHADIJAH	HEAD, ACCOUNTS

**Independent Auditors:** **ANAEBONAM KEN & Co**  
(Certified National Accountants)  
Suite A24/27, Nkwegu Plaza  
Plot 1078 Durumi District  
Area 1, Garki, Abuja, FCT,  
Tel: 08023588751, 07033599822  
E-mail: anaebonamkenneth@yahoo.co.uk

**Bankers:** Zenith Bank Pic  
CBN



## **DIRECTORS' REPORT FOR THE THIRTEEN MONTHS PERIOD ENDED 31<sup>ST</sup> DECEMBER, 2024**

The Directors are pleased to present their annual report on the affairs of **NIGERIA CUSTOMS TECHNICAL AND HANGAR SERVICES LTD** ("the Company or Hangar"), prepared under the International Financial Reporting Standards (IFRS) for the period ended 31<sup>st</sup> December 2024.

### **Legal form and principal activity**

**NIGERIA CUSTOMS TECHNICAL AND HANGAR SERVICES LTD** ("the Company or Hangar") is a company incorporated on the 2<sup>nd</sup> August, 2016 in Nigeria under the Companies and Allied Matters Act as a private limited liability Company to carry on business as automobile mechanic and aircraft maintenance; engage in Renovating, Modification, Altering, and carry on any business of Transportation (both Air and Land), carriage, Haulage, Charter etc. The corporate address of the Company is at Nnamdi Azikiwe International Airport, Abuja, Nigeria.

### **Operating Results:**

The following is a summary of the Company's operating results:

	<b>2024</b>
	<b>N</b>
Gross income	213,218,631
Profit/( Loss ) before taxation	50,359,343
Taxation	30,029,980
Profit/( Loss ) after Taxation	20,329,362

### **Changes in the board of directors and secretary.**

Mr Udechukwu Obi Osakwe was replaced by Dr Femi Ogunseide as Director representing MOFI upon the promotion and transfer of Mr Udechukwu Obi to ministry of Aviation during the year under review.

### **Shareholders'/Directors' and their interest**

The directors who had stake during the period and their interest in the share of the company post –restructured, and as at reviewed period end as follows:

#### **Number of Ordinary shares of N1 each**

	<b>2024</b>	<b>%</b>
	<b>'000</b>	
Nigeria Customs Service	700,000	70%
Ministry of Finance Incorporated (MOFI)	300,000	30%

## **NIGERIA CUSTOMS TECHNICAL AND HANGAR SERVICES LTD**

### **Property, plant and equipment**

Changes in property, plant and equipment during the year under review are shown in Note 2 of the financial statements. In the opinion of the Directors, the market value of the Company's assets is not lower than the value shown in the accounts.



### **Employee Involvement and Training**

The Company encourages participation of employees in arriving at decisions in respect of matters affecting their well being. Towards this end, the Company provides opportunities for employees to deliberate on issues affecting the Company and employees' interests, with a view to making inputs to decisions thereon. The Company places a high premium on the development of its manpower. Consequently, the Company do sponsor its employees for various training.

### **Contracts**

In accordance with Section 303(1) of the Companies and Allied Matters Act, 2020, none of the Directors has notified the Company of any declarable interest in contracts with which the Company is involved as at 31 December, 2024

### **Auditors**

In accordance with Section 401(2) of the Companies and Allied Matters Act (CAMA) 2020 Messrs Anaebonam Ken & Co. (Certified National Accountants) have indicated their willingness to continue in office as auditor to the Company.

BY ORDER OF BOARD



**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION  
TO THE FINANCIAL STATEMENTS  
FOR THE THIRTEEN MONTHS PERIOD ENDED 31<sup>ST</sup> DECEMBER, 2024.**

The directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with International Accounting Standards in the manner required by the Companies and Allied Matters Act of Nigeria.

The directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

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 a going concern in the years ahead.

**SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:**

**DCG. AO. Alajogun**  
*Chairman*

\_\_\_\_\_  
Name

\_\_\_\_\_  


\_\_\_\_\_  
Signature

\_\_\_\_\_  
14th February, 2025

\_\_\_\_\_  
Date

**Ms Hauwa Ibrahim Kuchi**  
*Company Secretary*

\_\_\_\_\_  
Name

\_\_\_\_\_  


\_\_\_\_\_  
Signature

\_\_\_\_\_  
14th February, 2025

\_\_\_\_\_  
Date





# ANAEBONAM KEN & CO.

**CERTIFIED NATIONAL ACCOUNTANTS**

Auditing, Accounting, Taxation, Forensic Accounting Services & Management Consulting

**HEAD OFFICE:**

Suite: A26/27, Nkwegu Plaza,  
Plot 1078, Durumi District,  
Area 1 Garki, Abuja

Our Ref: \_\_\_\_\_

Tel: 08023588751, 07033599822

E-mail: anaebonamkenneth@yahoo.co.uk

Managing Partner:

Anaebonam Kenneth Onochie CNA, ACTI, CFA

## Independent Auditor's Report to the **NIGERIA CUSTOMS TECHNICAL AND HANGAR SERVICES LTD**

### Report on the Audit of the Financial Statements For the Thirteen months period ended 31st December, 2024

#### Opinion

We have audited the financial statements of **NIGERIA CUSTOMS TECHNICAL AND HANGAR SERVICES LTD** which comprises of the statement of Financial Position as at 31st December 2024, and the statement of Profit or Loss and Other Comprehensive Income, statement of Changes In Equity and statement of Cash Flows for the Thirteen months then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of **NIGERIA CUSTOMS TECHNICAL AND HANGAR SERVICES LTD** as at the period 31st December, 2024, and its Profit or Loss and cash flows for the period then ended in accordance with International Financial Reporting Standards, Financial Reporting Council of Nigeria Act No 6, 2011 and the Provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004.

#### Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Federation of Accountants' Code of Ethics for Professional Accountants (IFAC Code) and other Independence requirements applicable to performing audits of **NIGERIA CUSTOMS TECHNICAL AND HANGAR SERVICES LTD**. We have fulfilled our other ethical responsibilities in accordance with the IFAC Code and in accordance with other ethical requirements applicable to performing the audit of **NIGERIA CUSTOMS TECHNICAL AND HANGAR SERVICES LTD**. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **WHAT WE HAVE AUDITED.**

Company Financial Statement comprise:

- a. The Statement of Financial Position as at 31<sup>st</sup> December, 2024
- b. The Statement of Profit or Loss and Other Comprehensive Income, 31<sup>st</sup> December, 2024
- c. The Statement of Cash Flow for the period ended 31<sup>st</sup> December, 2024
- d. The Statement of Changes In Equity for the period ended 31<sup>st</sup> December, 2024
- e. The Statement of Value Added for the period ended 31<sup>st</sup> December, 2024
- f. The Notes to the Financial Statement for the period ended 31<sup>st</sup> December, 2024

The financial reporting framework that has been applied in the preparation of the financial statement is applicable laws and IFRS.

## **OUR AUDIT APPROACH**

### **Materiality**

Our audit was influenced by the application of quantitative materiality threshold which we set, together with qualitative considerations, help us to determine the scope of our audit and the nature, timing and extend of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole. In addition, we use our quantitative assessment of materiality when assessing the impact of identifying misstatement arising during the period that could have an impact on the current period and or the prior period.

Overall materiality for 2024 was N20,000.00, which was based on applying professional judgment, considering several prudential based to cut cost and overall scale on transaction activities.

### **Audit Scope**

We conducted our audit work over the completed financial information for the period 1<sup>st</sup> of December, 2023 through 31<sup>st</sup> December, 2024, based on the agreed term for the company.

### **Management Overrides of control**

We considered the impact of the override of controls relating to contract, supplies, and use of assets vis-à-vis corporate governance approach.

We assessed the overall control environment of the Company.

- Understanding the overall governance and oversight process including the independence and objectivity of those charged with governance and the quality and timelessness of the information provided to them.
- Examining the scope and result of the work carried out by the entire accounts and finance department. We took account of this work when planning and performing our audit procedures.

We circularized the Management team for disclosure of related party transaction; we evaluate



responses and tested various samples and concluded that contract and supplies were done at the competitive pricing and we did not notices any material misapplication and misstatement risks in the area of focus. We were satisfied that the level of conservatism remains within an acceptable range.

### **Emphasis on Going Concern**

The company has concluded that it is appropriate to prepare the financial statement using the going concern basis of accounting. The going concern basis presume that the company, in its perpetual succession, has adequate resources to remain in operation and that the company intend it to do so, for at least one year from the date the financial statement were signed. As part of our audit, we have concluded that the company's use of the going concern basis is appropriate.

### **Other Information**

The directors are responsible for the other information. The other information comprises the Report of the Directors and Statement of Directors' Responsibilities as required by the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004. The other information does not include the financial statements and our auditor's report thereon.

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

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

### **Responsibilities of the Directors for the Financial Statements**

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, Financial Reporting Council of Nigeria Act No 6, 2011 and the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, and for such internal control as the Directors determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material



misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

### **Report on other Legal and Regulatory Requirements**

In accordance with the requirements of Schedule 6 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, 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 purpose of our audit.
- (2) In our opinion, proper books of account have been kept by the Company, so far as appears



- from our examination of those books; and
- (3) The Company's Statement of financial position and statement of profit or loss and other comprehensive income agree with the books of account.

**ANAEBONAM KENNETH** FCNA, ACTI, CrFA  
FRC/2013/ANAN/00000002609  
MANAGING PARTNER



For: ANAEBONAM KEN & CO.  
(Certified National Accountants)



Abuja, Nigeria


14th February, 2025.



**STATEMENT OF FINANCIAL POSITION**  
for the Thirteen Months As at 31st December, 2024

<b>Non-Current Assets</b>	<b>Notes</b>	<b>2024</b>
		<b>N</b>
Property, Plant & Equipment	2	18,773,930
Intangible Assets	3	3,337,979
<b>Current Assets</b>		
<b>PRE/INCORPORATION/RECAPITALISATION</b>		15,150,661
Inventories	4	298,000
Receivables	5	194,078,426
Cash & Cash Equivalent	6	650,821,028
		860,348,116
<b>Total Assets</b>		<b>882,460,025</b>
<b>Equity &amp; Liabilities</b>		
Current Liabilities	7	32,652,006
<b>Long Term Liabilities</b>		
<b>Equity &amp; Directors' Fund</b>		
Share Capital	8	559,180,011
Profit or Loss Account		20,329,361
Directors' Fund	9	150,000
Current Account with NCS		270,148,647
		849,808,019
<b>Total Equity &amp; Liabilities</b>		<b>882,460,025</b>
The Financial Statements were approved by the Board of Directors of Nigeria Customs Technical & Hangar Services Ltd on 14th February, and signed on its behalf by :		

  
**CAPT. K.W. MBAYA**  
Managing Director

  
**DAUDA ENIOLA KHADIJAH**  
Head, Accounts



**STATEMENT OF COMPREHENSIVE INCOME**  
for the Thirteen Months As at 31st December, 2024

	Notes	2024 N
<b>Revenue</b>	10	205,193,425
Cost of Sales	11	(12,488,075)
Gross Margin		192,705,350
<b>Finance Income</b>	12	
Exchange Rate Gain		8,025,206
<b>Other Income</b>	13	-
Gross Profit		200,730,556
<b>Sales &amp; Marketing Expenses</b>	14	-
<b>Other Operating Costs</b>		
Staff & Personnel costs	15	27,650,189
Administrative costs		79,950,918
Governing Board expenses		29,242,100
Repair & Maintenance		11,852,486
Finance Charges		440,682
Amortised Software		162,021
Depreciation (see Asset Schedule)		1,072,820.00
		150,371,215.10
Profit/(Loss) before Tax		50,359,341
Provision for Tax		(30,029,980)
Profit/(Loss) after Tax		20,329,361
Retained Earnings or Loss b/fwd		-
Retained Earnings or Loss c/fwd		20,329,361



**STATEMENT OF CASH FLOW**  
for the Thirteen Months As at 31st December, 2024

	<b>2024</b>
<b>Cashflow from Operating Activities</b>	<b>N</b>
Profit/Loss for the year	50,359,341
<b>Adjustments</b>	
Depreciation/Amortisation	1,234,841
Profit on Sale of Asset	-
Taxation	(30,029,980)
	21,564,202
<b>Changes in Working Capital</b>	
<b>Incorporation Expenses</b>	(15,150,661.25)
Inventories	(298,000)
Receivables	(194,078,426)
Payables	32,652,006
	(155,310,880)
<b>Cashflow from Investing Activities</b>	
Purchase of Fixed Assets	(19,846,750)
Purchase of software	(3,500,000.00)
<b>Cashflow from Financing Activities</b>	
Share Capital	559,180,011
Current Account with NCS	270,148,646.60
Directors Fund	150,000
<b>Increase/decrease in cash/cash equivalent</b>	<b>650,821,028</b>
<b>Cash/cash equivalent at the begining of the yr</b>	<b>0</b>
<b>Cash/cash equivalent at end of the year</b>	<b>650,821,028</b>



**STATEMENT OF CHANGES IN EQUITY**  
for the Thirteen Months As at 31st December, 2024

	<b>Share Capital</b>	<b>Share Premium</b>	<b>Other Reserves</b>	<b>Retained Earnings</b>	<b>Total</b>
	N	N	N	N	N
Balance					
Bal as at 1/11/2023	0	0	0	0	0
Issue of Shares	<b>559,180,011</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>559,180,011</b>
Profit for the period	0	0	0	20,329,361	20,329,361
Dividends	0	0	0	0	0
Bal as at 31/12/2024	<b>559,180,011</b>	<b>0</b>	<b>0</b>	<b>20,329,361</b>	<b>579,509,372</b>



**STATEMENT OF VALUE ADDED**  
for the Thirteen Months As at 31st December, 2024

	2024	
	N	%
Turnover	205,193,424.50	
Other Income:	8,025,206.33	
	<b>213,218,630.83</b>	100
<b>Less:Brought in Goods/Services</b>		
Administrative Expenses	79,950,918.08	37
Cost of Sales	12,488,075.00	5.9
Other goods & services	41,094,585.75	19
	<b>133,533,578.83</b>	
<b>VALUE ADDITION</b>	<b>79,685,052.00</b>	37
<b>Percentage of Added Vaue to Gross Inflow</b>		100
<b>APPLIED AS FOLLOWS:</b>		
To Pay Employees as:		
Salaries, Wages and Other Staff Charges	27,650,188.56	34.70
To Pay Providers of Banking Services	440,681.88	0.55
To Provide for Expansion(Amortised/Depreciation)	1,234,840.83	1.55
To Provide for Government obbligation( Taxation)	30,029,979.75	37.69
Retain Profit for future growth	20,329,360.98	25.51
	<b>79,685,052.00</b>	100.00



## NOTES TO THE FINANCIAL STATEMENT for the Thirteen Months As at 31st December, 2024

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 Introduction to summary of accounting policies

##### (a) Statement of Compliance

The financial statements of **NIGERIA CUSTOMS TECHNICAL AND HANGAR SERVICES LTD** have been prepared in accordance with, International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act 2011 as issued by the International Accounting Standards Board. These are the Company's first set of financial statements prepared under IFRS and comprising:

- Statement of Financial Position
- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Cash Flows
- Statement of Changes In Equity
- Notes to the Financial Statements

The financial statements were authorized for issue by the Board of Directors of **NIGERIA**

**CUSTOMS TECHNICAL AND HANGAR SERVICES LTD** on 14th February, 2025.

##### 1.1.1 Functional and presentation currency

Items are included in these financial statements using the currency that best reflects the primary economic environment in which the entity operates. These financial statements are presented in Nigeria Naira, which is the Company's functional currency. All financial information presented in Naira are in total except where otherwise indicated.

##### 1.1.2 Presentation

These financial statements have been prepared on a going concern basis of accounting. The statement of financial position is presented based on liquidity. The income statement is presented on the function of expense method, with sub classification by nature provided in the notes. In the statement of cash flows, the cash flows from operating activities are reported on the indirect method. The financial statements are presented in Nigerian Naira which is the functional currency of the Company.

##### 1.1.3 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 amounts of assets and liabilities, income 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 of accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.



#### **1.1.4 Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced with estimated customer returns, rebates and other similar allowances. Revenue is recognized when control of the goods or services has been transferred to customer and the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity. However, when an uncertainty arises about the collectability of an amount already included in revenue, the uncollectible amount, or the amount in respect of which recovery has ceased to be probable, is recognized as an expense (Bad Debt).

#### **1.1.5 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and in banks, deposit at call with banks and other short-term, highly liquid investments with original 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.

### **1.2.0 Property, Plant and Equipment**

#### **1.2.1 Recognition and measurement**

On Initial recognition, items of property, plant and equipment are recognised at cost, which includes the purchase price as 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.

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.

#### **1.2.2 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 expensed as incurred.

#### **1.2.3 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. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease



The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

Item of PPE	Depreciation rate
Office Equipment	20%
Computer Equipment	20%
Furniture and Fittings	20%
Motor Vehicles	25%
Plant and Machinery	20%
Technical Manuals	25%
Motor Cycle	25%
Software (Website)	33%

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 was impaired as at 31 December 2024 (2023:nil)

#### **1.2.4 Intangible assets**

##### **Separately acquired intangible assets**

On initial recognition, intangible assets acquired separately (e.g. software) are measured at cost. The cost of a separately acquired intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and any other directly attributable cost of preparing.

After initial recognition, intangible assets are carried at cost less any accumulated amortization and impairment losses. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

Intangible assets are amortized on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

#### **1.3.1 Inventories**

Inventories are stated at the lower of cost or net realizable value. Net realizable value is the amount that can be realized from the sale of the inventory in the normal course of business after allowing for the costs of realization.



In addition to the cost of materials and direct labour, an appropriate proportion of production overhead that have been incurred in bringing the inventories to their present location and condition is included in the inventory values. An allowance is recorded for excess inventory and obsolescence is based on the lower of cost or net realizable value.

Cost is determined using standard cost, which approximates actual cost, on a First-In- First-Out (FIFO) basis.

### **1.3.2 Employee benefits**

#### **1.3.3. 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 amounts 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 2014, the Company have instituted a defined contribution pension scheme for their permanent staff. Staff contributions to the scheme are funded through payroll deductions. Obligations for contributions to the defined contribution plan are recognised as employee benefit expense in profit or loss in the periods which related services are rendered by employees. The employees contribute 8% and the employer contributes 10% of Basic salary, Transport & Housing Allowances to the Fund on a monthly basis.

#### **1.3.4 Short-term benefits**

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

### **1.3.5 Provisions, contingent liabilities and contingent assets**

#### **1.3.6 Provisions**

Provisions are liabilities that are uncertain in amount and timing. A provision is recognised if, as a result 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 risks specific to the liability. The unwinding of the discount is recognized as finance cost.

#### **1.3.7 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 as a result of past event. It is not recognised 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 court



process in respect of which a liability is not likely to occur. Contingent liabilities are disclosed in the financial statement when they arise.

### 1.3.8 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 recognised but are disclosed in the financial statement when they arise.

## 1.4.0 Equity

### 1.4.1 Share Capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Ordinary shares are classified as equity when there is no obligation to transfer cash and other assets. Equity instruments are recognised at the amount of proceeds received net of incremental costs directly attributable to the transaction. To the extent those proceeds exceed the par value of the shares issued they are credited to a share premium account.

### 1.4.2 Dividends on ordinary shares

Dividends on ordinary shares are recognised as liabilities in the period when they are declared (i.e. the dividends are appropriately authorized and no longer at the discretion of the entity) and approved at the Shareholders' Annual General Meeting.

Dividends for the year that are declared after the date of the statement of financial position are disclosed in the subsequent events note.

Dividends proposed but not yet approved are disclosed in the financial statements in accordance with the requirements of the Company and Allied Matters Act.

### 1.4.3. Retained earnings

The retained earnings comprise of undistributed profit/(loss) from previous years and current year. Retained earnings are classified as part of equity in the statement of financial position.

### 1.4.4 Foreign exchange transactions

Transactions denominated in foreign currencies are translated and recorded in Naira at the actual exchange rates as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the rates of exchange prevailing at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognized in profit or loss, except for qualifying cash flow hedges, which are recognized in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.



#### 1.4.5 Income tax

Income tax expense represents the sum of current tax expense and deferred tax expense. Current tax and deferred tax are recognized in profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

#### 1.4.6 Current income tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates statutorily enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The Company is subject to the following types of current income tax;

**Company Income Tax-** This relates to tax on revenue and profit generated by the Company during the year, to be taxed under the Companies Income Tax Act Cap C21, LFN 2004 as amended to date,

**Tertiary Education Tax-** Tertiary education tax is based on the assessable income of the Company and is governed by the Tertiary Education Trust Fund (Establishment) Act LFN 2011.

**Value Added Tax-** Value Added tax is tax on consumption (benefit) which is chargeable on the Turnover(output vat) less vat on procurement(input vat) Act VAT 1993.

The Company presents earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

#### 1.4.7 Related parties

Parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the other party in making financial and operating decisions. Key Management Personnel are also regarded as related parties. Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including all Executive and Non-Executive Directors. Related party transactions are those where a transfer of resources or obligations between related parties occur, regardless of whether or not a price is charged.

#### 1.4.8 Earnings per share

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

#### 1.4.9 Segment reporting

An operating segment is a distinguishable component of the Company that earns revenue and incurs expenditure from providing related products or services (business segment), or providing products or services within a particular economic environment (geographical segment), and which is subject to risks and returns that are different from those of other segments.



**NOTES TO THE FINANCIAL STATEMENT**  
for the Thirteen Months As at 31<sup>st</sup> December, 2024

2 Property, Plant & Equipment								
Assets	Plant & Machinery	Motor Vehicle	Motorcycle	Furniture & Fittings	Office Equipment	Computer Equipment	Technical manual	TOTAL
	N	N	N	N	N	N	N	N
As at 1-11-23								
Additions	-	-	-	2,297,050	1,695,700	6,854,000	9,000,000	19,846,750
Disposals	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-
	-	-	-	2,297,050	1,695,700	6,854,000	9,000,000	19,846,750
Accumulated Depreciation								
As at 1-11-23								
Charge for the year				227,760	147,760	509,800	187,500	1,072,820
Impairment	-	-	-	-	-	-	-	-
Release on Disposal	-	-	-	-	-	-	-	-
	-	-	-	227,760	147,760	509,800	187,500	1,072,820
Carrying Values								
12/31/2024	-	-	-	2,069,290	1,547,940	6,344,200	8,812,500	18,773,930

**2B PROPERTIES OF NIGERIA CUSTOMS SERVICE(NCS) IN POSSESSION WITH THE COMPANY(HANGAR)**

AIR CRAFT	SOFT FURNITURE	FURNITURE & FITTINGS	COMPUTERS & EQUIPMENT	TECH/MECH/ELEC EQUIPMENT	OFFICE MACHINE & EQUIPMENT	MOTOR VEHICLES	<b>TOTAL</b>	
N	N	N	N	N	N	N	N	
11,400,000,000.00	595,000.00	19,093,000.00	1,022,000.00	195,891,100.00	17,447,500.00	72,000,000.00	11,706,048,600.00	

The above property did not form part of the Financial Statement since the Nigeria Customs still hold the property on behalf of the federal government of Nigeria.



**NOTES TO THE FINANCIAL STATEMENT**  
for the Thirteen Months As at 31st December, 2024

					<b>2024</b>
					<b>N</b>
<b>3 Intangible Assets</b>					
Website Designe/Software					
B/fwd					-
Addition in the year					<b>3,500,000.00</b>
Accummulated Amortisation					<b>(162,021.00)</b>
					<b>3,337,979.00</b>
<b>4 Inventories</b>					
General Store Matarials					298,000
others					
					<b>298,000</b>
<b>5 Receivables</b>					
Trade Receivables					35,957,007
Staff Advance					
Prepayments					158,121,418
					<b>194,078,426</b>
<b>6 Cash/Cash Equivalent</b>					
Cash In Hand(Dolar/Naira)					4,449,966
Zenith Bank Plc- Nara Account 1					82,440,444
Zenith Bank Plc- Nara Account 2					75,501,359
Zenith Bank Plc - Dolar Account					231,377,203
Central Bank of Nigeria					257,052,056
					<b>650,821,028</b>
<b>7 Current Liabilities</b>					
Trade & Other Payables					322,026
Accrued audit fee					2,300,000
Accrued Income Tax					30,029,980
					<b>32,652,006</b>





**NOTES TO THE FINANCIAL STATEMENT**  
for the Thirteen Months As at 31<sup>st</sup> December, 2024

	2024
	N
<b>8 Equity</b>	
Authorized, Share Capital	
Ordinary Share of ₦1.00 each	<b>1,000,000,000</b>
Issued, and Called (Paid) up	
Ordinary Share of ₦1.00 each	<b>559,180,011</b>
<b>9 M.Directors Current Account</b>	
Balance B/Fwd	-
Additions	979,420.00
Withdrawal	(829,420.00)
	<b>150,000.00</b>
<b>10 Revenue</b>	
Revenue-General	47,158,000
Service/fee Income	157,889,537.00
Sale of Product Income	145,888
	<b>205,193,425</b>
<b>11 Cost of Sales</b>	
Oxygen	10,394,075
Discount allow	2,094,000
	<b>12,488,075</b>
<b>12 Finance Income</b>	
Net foreign exchange rate gain/(loss)	<b>8,025,206</b>
<b>13 Other Income</b>	-
<b>14 Sales And Marketing Expenses</b>	-



**NOTES TO THE FINANCIAL STATEMENT**  
for the Thirteen Months As at 31st December, 2024

	<b>2024</b>
<b>15 Staff &amp; Personnel Costs</b>	<b>N</b>
Salary, wages & Allowances	16,223,767
Statutory/Mgt. Contributory Pens.,NSITF,ITF etc	1,429,840
Staff Recruitment Expenses	498,525
Medical/Welfare Expenses	7,594,157
Staff Onboarding/Uniform	952,025
Staff Training & Development	951,875
	<b>27,650,189</b>
<b>16 Administrative Costs</b>	
Transport, Travels and Accommodation	21,479,860
Electricity Consumption	-
Printing & Stationery	4,157,050
Postages & Courier	246,527
Directors Expenses	361,387
Office Expenses	1,400,200
ICT, Telephone & Internet	84,600
Utilities	146,613
Audit fees	3,300,000
Consultancy/ Profesional fees	9,900,000
Security Expenses	30,000
Advert and Publicity	1,800,000
Statutory expenses(CAC)	131,279
Insuranc (Aircraft)	29,221,855
Subscription & Dues	2,023,103
Certification/Accreditation	1,710,000
Diesel, Oils, Lubricants	2,181,000
Motor/V Running Cost(NCS-Fuelling)	1,777,444
	<b>79,950,918</b>



**NOTES TO THE FINANCIAL STATEMENT**  
for the Thirteen Months As at 31st December, 2024

	2024
	N
<b>17 Governing Board Expenses</b>	
Board members sitting allowance	19,092,800
Board meeting expenses(Ref/Meal)	549,300
Directors Retreat	9,600,000
	<b>29,242,100.00</b>
<b>18 Current Acct. With Nigeria Customs Service</b>	
Balance B/fwd	0
Incorporation expenses	150,000.00
Rental,Leases and Parking space fees	269,998,646.60
	<b>270,148,646.60</b>
<b>19 Repair &amp; maintenance</b>	
Repairs & Maintenance- Office Building	1,081,585.75
Repairs & Maintenance- Motor Vehicle	355,200.00
Repairs & Maintenance- Office Furniture	-
Repairs & Maintenance- Office Equipment	549,000.00
Repairs & Maintenance- Office Computers	85,500.00
Repairs & Maintenance- Plant & Machinery	2,045,000.00
Repairs & Maintenance- Aircraft	7,317,500.00
Repairs & Maintenance- Others	418,700.00
	<b>11,852,485.75</b>
<b>20 Depreciations</b>	
Furniture & Fittings	227,760.00
Office Equipment	147,760.00
Computer Equipment & Accessories	509,800.00
Technical Manual	187,500.00
	<b>1,072,820.00</b>



**NOTES TO THE FINANCIAL STATEMENT**  
for the Thirteen Months As at 31st December, 2024

				<b>2024</b>
				<b>N</b>
<b>21 Trade Receivables</b>				
CFS LOGISTICS SERVICES LTD				20,957,007.91
NG EAGLE				15,000,000.00
				<b>35,957,007.91</b>
<b>22 PREPAYMENTS</b>				
Insurance				146,109,270
Subscription				12,012,148
				<b>158,121,418</b>
<b>23 TRANSPORT , TRAVELS AND ACCOMMODATION</b>				
Local transport & travels				7,002,100.00
International Transport & travels				4,477,760.00
Hotel Accommodation				10,000,000.00
				<b>21,479,860.00</b>
<b>24 TAXATION</b>				
Balance B/fwd				-
Provision for the year				30,029,979.75
Payment during the year				-
Transferred to Financial Position				<b>30,029,979.75</b>



