3i Infotech®
LIMITLESS EXCELLENCE
RC:1593396

3i INFOTECH NIGERIA LIMITED

ANNUAL REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Rasaki Muritala & Co.
(CHARTERED ACCOUNTANTS)
2, Afisman Drive,
Anifowose, Ikeja,
Lagos.
Email:info@rasakimuritala.com

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Country of Incorporation:	Nigeria	
Company Registration:	RC 1593396	

3i Infotech Nigeria Limited is a company incorporated in Nigeria as a Private Limited Company on the 19th June, 2019.

Registered Office Address:	6A, Kingsley Odo Close, Off Prince Bode Adebowale Crescent Lekki Phase 1, Lagos Nigeria	
Directors:	Mr. Olutunfese Olusoji	Executive Director
	Mr. Bedi Jatinder Singh	Non - Executive Director
	Mr. Singh Sandip Kumar Jai Prakash	Non - Executive Director
	Ms. De Tamalika	Non - Executive Director
	Mr. Kasichainula Suryanarayan	Non - Executive Director
Company Secretary:	Jackson, Etti & Edu 3-5, Sinari Daranijo Street, Off Ajose Adeogun Victoria Island Lagos Nigeria	
Company Legal Adviser:	Jackson, Etti & Edu 3-5, Sinari Daranijo Street, Off Ajose Adeogun Victoria Island Lagos Nigeria	
Independent Auditors:	Rasaki Muritala & Co. (Chartered Accountants) 2, Afisman Drive, Off Anifowose, Ikeja, Lagos, Nigeria. Website: www.rasakimuritala.com Email: info@rasakimuritala.com Tel: 0803-452-6690, 0811-163-1635	
Bankers:	Access Bank Nigeria Plc.	

DIRECTORS' REPORT

The Directors submit herewith the Audited Financial Statements of the Company for the year ended 31st March, 2020

LEGAL STATUS

3i Infotech Nigeria Limited is a company incorporated in Nigeria as a Private Limited Company on June 19, 2019.

PRINCIPAL ACTIVITIES

The principal activities of the company are Computer Programming, IT Consultancy and IT Enabled Services, Transactions Services and Related Activities.

FUTURE DEVELOPMENTS

The Company intends to carry on fulfilling the objectives stated in its Memorandum and Articles of Association.

RESULTS FOR THE YEAR

Below is the result of the operations for the year.

	31-Mar-20 ₦	31-Mar-19 ₦
Balance at the beginning of the year	-	
Profit/Loss for the year	(49,553,283)	-
Balance carried forward	**(49,553,283)**	-

DIVIDENDS

The directors do not recommend any dividend.

DIRECTORS

The name of the directors at the date of this report and of those who held office during the year are as follows:

Mr. Kasichainula Suryanayan
Mr. Singh Sandip Kumar Jai Prakash
Ms. De Tamalika
Mr. Bedi Jatinder Singh
Mr. Olutunfese Olusoji

3i INFOTECH NIGERIA LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2020

DIRECTORS RESPONSIBILITY

The Companies and Allied Matters Act, CAP C20, LFN 2004, requires the directors to prepare the financial statements, in respect of each financial year, that give a true and fair view of the state of affairs of the company as at the end of the year and of the profit or loss generated by the company in that year.

In preparing the Statement of Affairs and financial statements the directors are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent;
- Ensure that the applicable International Financial Reporting Standards have been followed, and in the case of any material departures, that these have been fully disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis, unless it is deemed inappropriate to assume that the company will continue in business in the foreseeable future.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy, at any point in time, the financial position of the company, and enables them to ensure that the financial statements comply with the Companies and Allied Matters Act, CAP C20 LFN,2004 and the relevant International Financial Reporting Standards as adopted by the Financial Reporting Council of Nigeria. The directors are also responsible for the safeguarding the assets of the company and for taking all and any reasonable steps for the prevention and detection of fraud and other irregularities.

CHARITABLE DONATIONS

The Company did not make any charitable donations till period ended.

RESEARCH AND DEVELOPMENT ACTIVITIES

The Company is not involved in any research and development activities but might likely do so when the company commences business.

INDEPENDENT AUDITORS

Messrs Rasaki Muritala, (Chartered Accountants), were appointed as the auditors of the company, in accordance with Section 357 (5) of the Companies and Allied Matters Act, CAP C20 LFN 2004.

AUDITORS

The Auditors, Messrs Rasaki Muritala & Co (Chartered Accountants), having satisfied the relevant corporate governance rules on their tenure in office, have indicated their willingness to continue in office as auditors; in accordance with section 357 (2) of the Companies and Allied Matters Act 1990 of Nigeria.

By order of the Board

JACKSON, ETTI & EDU
Company Secretary

Company Secretary
May 21, 2020

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF 3i INFOTECH NIGERIA LIMITED

Opinion

We have audited the statement of affairs & the financial statements of 3i Infotech Nigeria Limited which comprises, the statement of profit or loss and other comprehensive income, the statement of financial position as at 31ST March 2020, the statement of changes in equity, the statement of cash flows for the period then ended, the significant accounting policies, other explanatory notes, the statement of value added and the financial summary. These financial statements are set out on pages 8 to 11 and have been prepared using the significant accounting policies set out on pages 12 to 21.

In our opinion, the financial statements give a true and fair view of the state of affairs & financial position of the Company as at 31st March 2020 and of its financial performance and its cash flows for the year ended on that date, and comply with the applicable International Financial Reporting Standards as adopted by the Financial Reporting Council of Nigeria. The company is however yet to commence business.

Basis of our opinion

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Independence

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

Other information other than the financial statements and auditors' report

The directors' report and other information contained therein are the responsibility of directors. Our opinion does not cover these reports and accordingly we do not express any form of assurance conclusion thereon. It is our responsibility to read the other information and in doing so, consider whether the information is materially inconsistent with the financial statements or with the knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on our work we conclude that there is material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Rasaki Muritala & Co.
Chartered Accountants & Tax Practitioners

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REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF 3i INFOTECH NIGERIA LIMITED (continued)

Directors' responsibility and those charged with governance for the financial statements

The directors and those charged with governance are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards as adopted by the Financial Reporting Council of Nigeria and the investment and security Acts. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, management and 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 management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and Nigerian Standards on Auditing issued by the Institute of Chartered Accountants of Nigeria. The standards require that we comply with ethical requirements and plan and perform the audit so as to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

Compliance with the relevant legislation and regulations

In accordance with Section 360 (1) and (2) of the Companies and Allied Matters Act CAP C20 LFN 2004 we confirm that the financial statements are in agreement with the accounting records, which have been properly kept.

In accordance with Section 359(2) of the Companies and Allied Matters Act, CAP LFN 2004, we confirm that we received all of the information and explanation that were required for the purpose of the audit.

Rasaki Muritala, B.Sc., FCA, FCTI, CFA, FRC/2013/ICAN/00000001533
Managing Partner

For: Rasaki Muritala & Co.
(Chartered Accountants)
Lagos, Nigeria.
May 22 **,2020**

3i INFOTECH NIGERIA LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	Note	31-Mar-20 ₦	31-Mar-19 ₦
Continuing Operations			
Revenue	3	-	-
Cost of providing services	4	(15,464,730)	-
Gross Profit		**(15,464,730)**	-
Finance Cost	5	(208,162)	-
Other income	6	-	-
Net Revenue		**(15,672,892)**	-
Depreciation and Amortisation Expenses	7	(1,471,751)	
Personnel Expenses	8	(18,252,915)	
Other Operating Expenses	9	(14,155,725)	-
Profit Before Tax		**(49,553,283)**	-
Income tax expenses		-	-
Deferred tax expenses			
Profit / (Loss) for the Year		**(49,553,283)**	-
Other comprehensive income (net of tax)		-	-
Exchange differences on translating foreign		-	-
Net gain on available-for-sale financial assets		-	-
Net gain on hedging instruments entered into for cash flow hedges			-
Gain on revaluation properties		-	-
Share of other comprehensive income of associates		-	-
Fair value through other comprehensive income		-	-
Total Comprehensive Income for the Year		**(49,553,283)**	-
Earnings per share (kobo)		**(1,745)**	-

3i INFOTECH NIGERIA LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2020

	Note	31-Mar-20 ₦	31-Mar-19 ₦
ASSETS			
Non current assets			
Property, plant and equipment	10	5,072,286	-
Other Financial Assets	11	576,042	-
Other Non-current Assets	12	669,900	-
Deferred tax Asset		-	-
Total non current assets		**6,318,228**	**-**
Current assets			
Cash and bank balances	13	263,023,753	-
Trade Receivables	14	34,340,429	-
Other Current Assets	15	1,335,402	-
Total current assets		**298,699,585**	**-**
TOTAL ASSETS		**305,017,813**	**-**
EQUITY & LIABILITIES			
Share capital	16	2,840,000	-
Retained Earnings		(49,553,283)	-
Deposit for shares		-	-
Total equity		**(46,713,283)**	**-**
NON CURRENT LIABILITIES			
Deferred tax Liabilities		-	-
Borrowings	17	5,154,724	-
Provisions	18a	471,257	
Total non current liabilities		5,625,981	-
Current liabilities			
Trade and other payables	19	334,052,724	-
Other liabilities	20	11,646,961	-
Provisions	18b	405,430	-
Current tax payable		-	-
Total current liabilities		**346,105,115**	**-**
Total liabilities		**351,731,095**	**-**
TOTAL EQUITY AND LIABILITIES		**305,017,813**	**-**

Singh Sandip Kumar Jai Prakash
Director

Olutunfese Olusoji
Director

3i INFOTECH NIGERIA LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Share capital ₦	Share premium	Fair value reserve	Retained earnings ₦	Total equity ₦
As at April 1, 2019		**2,840,000**				**2,840,000**
Increase in shares						-
Profit/(Loss) for the year		-	-	-		-
Other Comprehensive income		-	-	-	-	-
As at March 31, 2020		**2,840,000**	-	-	-	**2,840,000**
As at April 1, 2019		**2,840,000**			-	**2,840,000**
Increase in shares						
Profit / (Loss) for the year		-	-	-	(49,553,283)	**(49,553,283)**
Other Comprehensive income		-	-	-	-	-
Balance as at March 31, 2020		**2,840,000**	-	-	**(49,553,283)**	**(46,713,283)**

3i INFOTECH NIGERIA LIMITED
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2020

	Note	31-Mar-20 ₦	31-Mar-19 ₦
Cash flow from operating activities			
Profit / (Loss) before tax		(49,553,283)	-
Adjustments for:			-
Depreciation		1,471,751	-
Change in Operating Assets & Liabilities			
(Increase)/decrease in trade receivables		(34,340,429)	-
Increase/(decrease) in trade payables		334,052,724	-
(Increase)/decrease in other financial assets		(576,042)	-
(Increase)/decrease in other non-current assets		(669,900)	-
Increase/(decrease) in provisions		(1,335,402)	-
Increase/(decrease)in employee benefit obligations		876,687	
Increase/(decrease) in current liabilities		11,646,961	-
Net cash flow used in operations		**261,573,066**	-
Investing activities			
Purchase of property, plant and equipment		(6,544,037)	-
Proceed on disposal of property, plant and equipment		-	-
Purchase of intangible assets		-	-
Proceed on disposal of Intangibles		-	-
Dividend received		-	-
Net cash generated from investing activities		(6,544,037)	-
Financing activities			
Purchase of Shares		2,840,000	-
Transaction cost of share		-	-
Investment in fixed deposit		-	-
Lease Financing		5,154,724	
Net cash used in financing activities		7,994,724	-
Increase in cash and cash equivalents		263,023,753	-
Cash and cash equivalents at beginning of period		-	-
Cash and cash equivalents at end of period		263,023,753	-

3i INFOTECH NIGERIA LIMITED

NOTES TO FINANCIAL STATEMENTS

1 Corporate Information

3i Infotech Nigeria Limited is a Company committed to Empowering Business Transformation. A comprehensive set of IP based software solutions, coupled with a wide range of IT services, uniquely positions the Company to address the dynamic requirements of a variety of industry verticals, predominantly Banking, Insurance, Capital Markets, Asset & Wealth Management (BFSI). The Company also provides solutions for other verticals such as Government, Manufacturing, Retail, Distribution, Telecom and Healthcare.

The Company is incorporated and domiciled in Nigeria. The address of its registered office is at 6A, Kingsley Odo Close, Off Prince Bode Adebowale Crescent, Lekki Phase 1, Lekki, Lagos.

The financial statements for the year ended March 31,2020 were approved by the Board of Directors and authorised for issue on May 21,2020.These financial statements have been prepared for enabling ultimate holding company in preparation of consolidated financial statements.

2 Significant Accounting Policies

a) Statement of compliance

The financial statements are prepared under the historical cost concept and in compliance with Statement of Accounting Standard (SAS) issued by the Financial Reporting Council of Nigeria. The preparation of the financial statements in conformity with generally accepted accounting principles require the use of estimates and assumption that affect the reported amounts of assets and liabilities and disclosures at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

b) Basis of preparation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c) Use of estimates and judgments

The preparation of these financial statements in conformity with the recognition and measurement principles of IFRS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

(i) Impairment of investments

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(ii) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(iii) **Provisions and Contingent liabilities**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance sheet date. These are reviewed at each Balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset in neither recognised nor disclosed in the financial statements.

d) **Revenue Recognition**

The Company earns primarily from providing services of IT solutions and Transaction services.

SALE OF GOODS

• Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

• Revenue related to fixed price maintenance and support services contracts where the Company is standing

• Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation

• Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.

• The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from Sharing of Infrastructure Facilities:

- Revenue from sharing of infrastructure facilities is recognised based on usage of facilities.

e) **Interest Income**

Interest income is recognised using the effective interest method.

f) Leases

(i) **Finance lease**

Assets taken on lease by the Company in its capacity as a lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease at the lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

(ii) **Operating lease**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

g) **Cost recognition**

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in employee benefit expenses, cost of third party products and services, finance costs ,depreciation and amortisation and other expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Cost of third party products and services mainly include purchase of software licenses and products ,fees to external consultants ,cost of running its facilities, cost of equipment and other operating expenses. Finance cost includes interest and other borrowing cost. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, printing and stationery ,communication, repairs and maintenance etc.

h) Foreign currency

The functional currency of the Company is Nigerian Naira (₦).

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined

i) Income taxes

Current income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Advance taxes and provisions for current income taxes are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets , which is likely to give future economic benefits in the form of availability of set off against future economic tax liability. Accordingly, deferred tax asset in the Balance sheet arise when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The Company recognises interest levied and penalties related to income tax assessments in finance costs.

j) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) **Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(ii) **Financial assets**

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- **Debt instruments at amortised cost**

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

  a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

  b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- **Debt instrument at fair value through other comprehensive income (FVTOCI)**

  A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

  (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

  (b) The asset's contractual cash flows represent SPPI.

  Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- **Debt instrument at fair value through profit and loss (FVTPL)**

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

  In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

- Equity investments

All equity investments are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IFRS applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Interest in subsidiaries, associates and joint ventures are accounted at cost.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(iii) **Financial liabilities**

Initial recognition and measurement

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

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

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

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial Liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

  Gains or losses on liabilities held for trading are recognised in the profit or loss.

- **Loans and borrowings**

  After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- **Financial guarantee contracts**

  Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IFRS and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iv) **Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(v) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k) **Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives adopted by Company

Category of Assets	*Useful lives adopted by Company*	*Useful Lives prescribed under Schedule II of the Act*
Computers	*3 years*	*3-6 years*
Leasehold Improvements	*10 years*	*10 years*
Office Equipment	*5 years*	*5 years*
Furniture and Fixtures	*10 years*	*10 years*
Vehicles	*8 years*	*10 years*

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert , in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. 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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

l) **Impairment**

Financial assets (other than at fair value)

The fair value of a financial instrument at initial recognition is normally the transaction price (ie the fair value of the consideration given or received, see also paragraph B5.1.2A and IFRS 13). However, if part of the consideration given or received is for something other than the financial instrument, an entity shall measure the fair value of the financial instrument. For example, the fair value of a long-term loan or receivable that carries no interest can be measured as the present value of all future cash receipts discounted using the prevailing market rate(s) of interest for a similar instrument (similar as to currency, term, type of interest rate and other factors) with a similar credit rating. Any additional amount lent is an expense or a reduction of income unless it qualifies for recognition as some other type of asset.

(ii) **Non-financial assets**

Tangible and intangible assets

Property, plant and equipment and intangible assets within finite life are evaluated for recoverability whenever

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying

m) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per agreed terms with vendors. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

n) **Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

o) **Provisions**

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provisions

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

p) **Contingent liabilities recognised in a business combination**

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

q) **Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

r) **Earnings per share**

(i) **Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) **Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity

- the weighted average number of additional equity shares that would have been outstanding assuming the

s) **Current/non current classification**

The Company presents assets and liabilities in the Statement of financial position based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

t) **Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Hardware and Supplies

Carried at lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion

(i) **Raw materials**

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and

(ii) **Finished goods and work in progress**

Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the

(iii) **Traded goods**

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and

(vi) **Stores and spares**

Carried at lower of cost and net realisable value.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion

u) **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest naira as per the requirement of the companies Act, unless otherwise stated.

		31-Mar-20 ₦	31-Mar-19 ₦
3	**Revenue**		
	IT Solutions	-	-
	Transaction service	-	-
	Corporate charges	-	-
	Re-imbursement of costs by subsidiary companies	-	-
		-	-
4	**Cost of providing services**		
	Cost of third party products / outsourced services	15,464,730	-
		15,464,730	-
5	**Finance cost**		
	Bank Charges	8,715	-
	Interest expense on lease	199,448	-
		208,162	-
6	**Other Income**		
	Interest Income	-	-
	Rent Received	-	-
		-	-
7	**Depreciation and Amortisation Expenses**		
	Depreciation on tangible assets	1,471,751	-
		1,471,751	-
8	**Personnel Expenses**		
	Salaries, wages and bonus	17,761,998	-
	Contribution to provident and other funds	206,388	-
	Gratuity Expense	284,529	-
		18,252,915	-
9	**Other Operating Expenses**		
	Repairs & Maintenance	205,000	-
	Insurance	17,166	-
	Legal & Professional Fee	9,121,519	-
	Telephone and internet expenses	296,825	-
	Travelling & conveyance expenses	4,515,214	-
		14,155,725	-

10 Property, Plant and Equipment

GROSS CARRYING VALUE	Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Computer Hardwares	Capital Work in Progress	Total
As at April 1, 2019	-	-	-	-	-	-	-	-	-
Additions	-	-	6,544,037	-	-	-	-	-	6,544,037
Disposals	-	-	-	-	-	-	-	-	-
Discontinued operations (Note 16)	-	-	-	-	-	-	-	-	-
Acquisition through business combinations	-	-	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-	-	-
As at Mar 31, 2020	-	-	6,544,037	-	-	-	-	-	**6,544,037**
ACCUMULATED DEPRECIATION/IMPAIRMENT									
As at April 1, 2019	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	-	1,471,751	-	-	-	-	-	1,471,751
Impairment Loss for the year	-	-	-	-	-	-	-	-	-
Discontinued operations (Note 16)	-	-	-	-	-	-	-	-	-
Acquisition through business combinations	-	-	-	-	-	-	-	-	-
Deductions\Adjustments during the period	-	-	-	-	-	-	-	-	-
As at Mar 31, 2020	-	-	1,471,751	-	-	-	-	-	**1,471,751**
Net Carrying value as at March 31, 2020	-	-	**5,072,286**	-	-	-	-	-	**5,072,286**
Net Carrying value as at March 31, 2019	-	-	**6,544,037**	-	-	-	-	-	**6,544,037**

11 OTHER FINANCIAL ASSETS (Carried at Amortised Cost)

	₦	₦
Bank Deposits with more than 12 months maturity	-	-
Security Deposits	576,042	-
	576,042	-

12 OTHER NON-CURRENT ASSETS

Prepayments	669,900	-
	669,900	-

13 CASH AD CASH EQUIVALENTS

Current Accounts with Banks	263,023,753	-
	263,023,753	-

	31-Mar-20 ₦	31-Mar-19 ₦
14 Trade Receivables		
Trade Receivables due to related party	34,340,429	-
	34,340,429	**-**

The amount does not represent sales by the company but rather it is the amount collectible by the company on behalf of a related company domiciled outside the country.

15 Advances other than Capital advances		
Advances to Staff	1,091,421	-
Other Advances	-	-
Others		-
Prepaid expenses	-	-
Balances with Statutory, Government Authorities	243,981	-
	1,335,402	**-**

16 Equity		
Authorised Share Capital of N1 each per share as at 31 March 2020	**10,000,000**	**10,000,000**
Issued and paid Share Capital of N1 each as at 31 March 2020	2,840,000	-

17 Non Current Liabilities		
Term Loans		
From Banks	-	-
From Others	5,154,724	-
	5,154,724	**-**

18 Provisions		
a **Non Current**		
Provision for employee benefits	-	-
Gratuity	153,370	-
Leave encashment	317,887	-
	471,257	**-**
b **Current**		
Gratuity	131,159	-
Leave encashment	274,271	-
	405,430	**-**

	31-Mar-20 ₦	31-Mar-19 ₦
19 Trade Payables		
Trade Payables to Related Parties	320,074,940	-
Trade Payables to Others	13,977,784	-
	334,052,724	**-**
20 Other Liabilities		
Statutory Liabilities	11,646,961	-
	11,646,961	**-**

3i INFOTECH NIGERIA LIMITED
VALUE ADDED STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020

	31-Mar-20 ₦	%	31-Mar-19 ₦	%
Revenue	-		-	
Bought in material and services:				
Local	(30,111,371)	100	-	-
Value added	**(30,111,371)**	**100**	-	-
Applied as follows:				
To pay employees;				
Staff costs	17,761,998	(59)	-	-
To pay providers of capital:				
Finance costs	208,162.36	(1)	-	-
To pay government				
Taxation	-	-	-	-
Retained for future replacement of assets and expansion of business:				
Depreciation & Amortisation	1,471,751	(5)	-	-
Deferred taxation	-	-	-	-
Retained earnings / (Loss)	(49,553,283)	165	-	-
	(30,111,371)	**100**	-	-

"Value added" represents the additional wealth which the Company have been able to create by its own and its employees' efforts. The statement shows the allocation of that wealth between the employees, providers of capital, government and that retained for the future creation of more wealth.

3i INFOTECH NIGERIA LIMITED
FIVE-YEAR FINANCIAL SUMMARY
FOR THE YEARS ENDED 31 MARCH 2020

	2020 ₦	2019 ₦	2018 ₦	2017 ₦
ASSETS EMPLOYED				
Non current assets	6,318,228	-	-	-
Current assets	298,699,585	-	-	-
Non current liabilities	(5,625,981)	-	-	-
Current liabilities	(346,105,115)	-	-	-
Net assets	**(46,713,283)**	**-**	**-**	**-**
CAPITAL EMPLOYED				
Share capital	2,840,000	2,840,000	-	-
Retained earnings	(49,553,283)	-	-	-
Deposit for shares		-	-	-
Total equity	**(46,713,283)**	**2,840,000**	**-**	**-**
TURNOVER AND PROFIT				
Revenue	-	-	-	-
Profit before income tax	(49,553,283)	-	-	-
Income tax expenses	-	-	-	-
Profit /(Loss) for the year	(49,553,283)	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	-	-
Dividend	-	-	-	-
PER SHARE DATA				
Earnings per share (Kobo)	(1,745)	-	-	-
Net assets per share (Naira)	(16)	1	-	-
Dividend per share (Kobo)	-	-	-	-
Dividend cover (times)	-	-	-	-

Earnings per share (EPS) is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

Net assets per share is calculated by dividing net assets of the company by the weighted average number of ordinary shares. outstanding at the end of the reporting period.

Dividend per share are based on dividend declared and the number of issued and fully paid ordinary share capital at the end of each financial year.