

## **Contents**

	Page
Notice of annual general meeting	1
Company profile	2
Financial highlights	3
Corporate information	4
Shareholder information	5
Chairman's report	6
Directors' report	8
Statement of Corporate Responsibility for the Financial Statements	14
Statement of directors' responsibilities in relation to financial statements	15
Report of the audit committee	16
Independent auditor's report	17
Statement of financial position	20
Statement of profit or loss and other comprehensive income	21
Statement of changes in equity	22
Statement of cash flows	23
Notes to the financial statements	24
Other national disclosure:	
Value added statement	61
Financial summary	62
Proxy form	



# Federal Palace

HOTEL AND CASINO

★★★★★



Your home away from home  
for every business trip.



Book your stay at **Sun International's Federal Palace Hotel & Casino** for opulence and luxury while you build your business empire.

Conveniently located in the heart of Victoria Island's commercial district.

6-8 Ahmadu Bello Way Victoria Island, Lagos, Nigeria  
+234- 1-277-9000 | [reservations@suninternational.com](mailto:reservations@suninternational.com)  
[www.suninternational.com](http://www.suninternational.com)

*Sun* International  
Creating lasting memories



## THE TOURIST COMPANY OF NIGERIA PLC

6 - 8 Ahmadu Bello Way Victoria Island Lagos Nigeria. Telephone +234 (1) 277 9000  
Websites: www.tcn.com.ng www.suninternational.com

### NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 58th Annual General Meeting of the Tourist Company of Nigeria Plc will be held at the Federal Palace Hotel & Casino, 6 - 8 Ahmadu Bello Way, Victoria Island, Lagos on Friday, July 28, 2023 at 12:00 noon to transact the following business:

#### AGENDA

##### ORDINARY BUSINESS

1. To lay before members for approval, the audited Annual Financial Statements for the year ended December 31, 2022 and to receive the report of the Directors, Audit Committee and Auditors thereon;
2. To retire and re-elect the following Directors:  
Mr Graham Wood, Mr Ramakhatela Mokhobo and Mr Ufuoma Ibru.
3. To authorize the Directors to fix the remuneration of the External Auditors.
4. To elect members of the Statutory Audit Committee.
5. To note the disclosure of the remuneration of Managers as set out in the Annual Financial Statements of the Company for the year ended 31 December 2022.

##### SPECIAL BUSINESS

1. To approve the remuneration of the Directors.
2. To ratify the appointment of Mr Toke Alex-Ibru by the Board to fill a casual vacancy following the retirement of Dr Alexander A. Thomopolos from the Board.
3. To approve and grant a general mandate to the Board of Directors to engage in transactions with related parties as subsequently would be required for the proper running and day to day operations of the Company.

##### VOTING BY INTERESTED PERSONS

In line with the provisions of Rule 20.8(h) Rules Governing Related Party Transaction of Nigerian Exchange Limited, interested persons have undertaken to ensure that their proxies, representatives, or associates shall abstain from voting on Special Business item 3 above

Notes:

##### I. PROXY

A member of the Company entitled to attend and vote at the Annual General Meeting who is unable to attend the Annual General Meeting and wishes to be represented at the said meeting is entitled to

appoint a proxy to attend, speak and vote in his/her stead. A proxy need not be a member of the Company.

A Proxy Form is enclosed herewith, and if it is to be valid for the purpose of the Annual General Meeting, it must be completed and duly stamped by the Commissioner of Stamp Duties and deposited at the registered office of the Registrars, Greenwich Registrars and Data Solutions, 274 Murtala Muhammed Way, Yaba, Lagos not less than 48 hours before the time of the Annual General Meeting. The form may also be sent via email proxy@gtlregistrars.com.

##### II. NOMINATIONS FOR THE AUDIT COMMITTEE

In accordance with Section 404(6) of the Companies and Allied Matters Act 2020, any member may nominate a shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting. Such nominations should be guided by the requirements of the Nigerian Code of Corporate Governance in Nigeria, 2018. Please note that the nominees need to be financially literate with proof of qualification.

##### III. RIGHT OF SHAREHOLDERS TO ASK QUESTIONS

Shareholders have a right to ask questions not only at the Annual General Meeting but also in writing prior to the said meeting and such questions must be submitted to the Company Secretary on or before Tuesday 18th of July 2023.

##### IV. CLOSURE OF REGISTER

The Register of Members and the Transfer Books of the Company will be closed from Friday 14th of July 2023 to Friday 21st of July 2023, both dates inclusive.

BY ORDER OF THE BOARD

*Punuka Nominees Limited*

**PUNUKA NOMINEES LIMITED**

FRC/2022/COY/160581

Company Secretary

Lagos

16th June 2023

## **Company Profile**

The Tourist Company of Nigeria (“the Company”) was incorporated on 10 April 1964 as The Tourist Company of Nigeria Limited, at that stage wholly-owned by the Federal Government of Nigeria, to acquire the Federal Palace Hotel (“the Palace Hotel”). The Palace Hotel, built at the dawn of Nigeria’s independence in 1960, was previously owned by Victoria Beach Hotel Limited, a member of the AG Leventis group. The Company was converted to a public liability company on 20 April 1994, when it also assumed its present name.

The Palace Hotel was designed and built to a very high standard: it was to be, and indeed it was, the premier international hotel in the country at the time. It is worth noting that the celebration of Nigeria’s independence from the United Kingdom took place in the Hotel’s Independence Hall in 1960.

The 15 floor Suites Hotel (also known as the Towers) was built to coincide with the Summit of the Heads of State of the African Union and the Festival of African Arts and Culture, held in Nigeria in 1977.

In 1992, Ikeja Hotel Plc, in association with another investor (collectively the “Ikeja Hotel Group”) acquired The Tourist Company of Nigeria Plc from the Federal Government. In 2009 and 2010, Sun International Limited acquired a substantial shareholding in the Company, thereby becoming an equal shareholder with the Ikeja Hotel Group of shareholders.

Following the acquisition of the Company from the Federal Government, a comprehensive and phased refurbishment of the Palace Hotel was undertaken and it was re-opened in July 2008. The Towers Hotel was closed for refurbishment in June 2009 and has yet to be re-opened. A modern casino was opened in December 2009, a new banqueting facility in January 2010, and the Pool Club in September 2010.

The Federal Palace Hotel & Casino complex currently incorporates a casino, two restaurants and bars, meeting rooms, a banqueting and conference centre, and extensive recreational facilities. It is set on a large property with picturesque gardens and a panoramic view of the Lagos harbour.

## Financial highlights

	<u>2022</u>	<u>2021</u>	<u>% Increase /</u> <u>(Decrease)</u>
	₦'000	₦'000	
<b>Major statement of financial position items</b>			
Non-current assets	51,437,359	30,505,739	69
Current assets	1,698,023	1,188,376	43
Capital and reserves/Net Asset	19,584,086	1,210,473	1,518
Non-current liabilities	31,253,238	28,749,199	9
Current liabilities	2,298,058	1,734,443	32
Net assets per share (kobo)	872	54	1,514

	<u>2022</u>	<u>2021</u>	<u>% Increase /</u> <u>(Decrease)</u>
	₦'000	₦'000	
<b>Major statement of profit or loss and other comprehensive income items</b>			
Revenue	3,976,503	3,081,638	29
Loss before taxation	(3,194,271)	(2,326,716)	37
Taxation	(16,296)	(4,683)	248
Total comprehensive income/(loss) for the year	18,373,613	(2,331,399)	888
Loss per share- basic (kobo)	(143)	(104)	37

### Stock Exchange Information

Stock exchange quotation			
In Naira per share	2.84	2.84	-
Number of shares issued ('000)	2,246,437	2,246,437	-
Market capitalisation (₦'000)	6,379,881	6,379,881	-

## Corporate information

### Board of directors

Chief Anthony Idigbe, SAN - Chairman  
Mr. Abatcha Bulama  
Mr. Toke Alex-Ibru (Appointed on 28 October 2022)  
Mr. Ufuoma Ibru  
Mr. Andrew G. Johnston \*  
Mr. D. Ramakhatela Mokhobo\*  
Mr. T. J. David Kliegl \*  
Mr Graham I. Wood \*

### Secretary

Punuka Nominees Limited  
International Law Centre  
Plot 45 Oyibo Adjarho Street  
Off Ayinde Akinmade Street  
Off Admiralty Way  
Lekki Peninsula Phase 1  
Lagos  
Tel: +234 (1) 2704789, 2704791

### Independent auditors

BDO Professional Services  
ADOL House  
15 CIPM Avenue  
Central Business District  
Alausa, Ikeja  
Lagos

### Registration number

RC 3781

### Tax Identification Number

00275919-0001

### Members of the audit committee

Representing the shareholders:  
Mr. Peter A Soares  
Mr Amusa-Oseni Adekunle  
Mr Salau M. Adebajo

Representing the board of directors:

Mr D. Ramakhatela Mokhobo\*  
Mr. Abatcha Bulama

\* *South African*

### Solicitors

GM Ibru & Co  
Circular Suite, 10th floor  
Federal Palace Hotel  
6-8 Ahmadu Bello Way  
Victoria Island

Dentons ACAS-Law  
9th Floor, St Nicholas House  
Catholic Mission Street  
Lagos

Aluko & Oyebode  
1, Murtala Muhammed Drive  
Ikoyi, Lagos

### Registrar

Greenwich Registrars & Data Solutions  
274 Murtala Muhammed Way  
Yaba

### Hotel and Casino Operators

Sun International (South Africa) Limited  
6 Sandown Valley Crescent  
Sandton  
Republic of South Africa

### Principal Bankers

Stanbic IBTC Bank Plc  
Plot 1712  
Idejo Street  
Victoria Island  
Lagos

United Bank for Africa Plc  
UBA house  
57 Marina  
Lagos Island  
Lagos

## Shareholder Information

### HISTORY OF SHARE CAPITAL CHANGES

Date	Authorised (Naira)		Issued and fully paid		Consideration
	Increase	Cumulative	Increase	Cumulative	
11 April 1964	200	200	200	200	Cash
8 July 1985	10,699,800	10,700,000	10,699,800	10,700,000	Cash
6 June 1991	16,920,000	27,620,000	16,920,000	27,620,000	Cash
14 November 1991	602,280	28,222,280	602,280	28,222,280	Cash
3 December 1993	471,777,720	500,000,000	452,703,720	480,926,000	Cash
31 May 2000	500,000,000	1,000,000,000	-	480,926,000	
18 June 2002	-	1,000,000,000	88,223,412	569,149,412	Cash
1 December 2008	1,000,000,000	2,000,000,000	-	569,149,412	
10 May 2010	-	2,000,000,000	554,071,324	1,123,220,736	Cash

### SHARE CAPITAL ANALYSIS AS AT 31 DECEMBER 2022

Range of shareholding	Number of shareholders	% of total shareholders	Total number of shares held	% shareholding
1 - 1,000	3,592	71.84	2,160,848	0.10
1,001 - 5,000	1,133	22.66	2,948,504	0.13
5,001 - 10,000	131	2.62	1,160,054	0.05
10,001 - 50,000	90	1.80	2,133,181	0.09
50,001 - 100,000	17	0.34	1,429,079	0.06
100,001 - 500,000	21	0.42	6,014,320	0.27
500,001 - 1,000,000	3	0.06	2,226,494	0.10
1,000,001 - and above	13	0.26	2,228,364,992	99.20
	<b>5,000</b>	<b>100.00</b>	<b>2,246,437,472</b>	<b>100.00</b>

## **Chairman's report**

*For the year ended 31 December 2022*

### **Operating environment**

We witnessed a continuous solid improvement in the gaming and hospitality industries in the second half of 2022. However, uncertainty remains about whether the Russia–Ukraine conflict will cause a deterioration in the trading environment through an amplified inflationary pressure fueled mainly by rising food, diesel, and gas prices and persistent supply disruptions. Although there currently is an overall steady improvement in the worldwide hospitality trading environment.

The National Bureau of Statistics (NBS) estimates Nigeria's economic growth at 3.52% in 2022 from the 3.98% increase recorded in 2021. Accordingly, in its National Gross Domestic Product report for Q4 2022, Nigeria's Gross Domestic Product (GDP) grew by 3.52% (year-on-year) in real terms in Q4 2022, showing a sustained positive growth for the Q4, albeit lower than the prior year growth of 3.9%.

Nigeria's Gross Domestic Product (GDP) grew by 3.52% (year-on-year) in real terms in the fourth quarter of 2022, following a growth of 2.25% in the third quarter of 2022 and 3.98% in the fourth quarter of 2021. The GDP performance in the fourth quarter of 2022 was driven mainly by the services sector, which recorded a growth of 5.69% and contributed 56.27% to the aggregate GDP. On the other hand, although the agriculture sector grew by 2.05% in the reference period, severe incidences of floods experienced across the country severely hampered performance, accounting for lesser growth than the fourth quarter of 2021, which was 3.58%. Moreover, the industrial sector experienced challenges, recording -0.94% growth and contributing less to the aggregate GDP than in the third quarter of 2022 and the fourth quarter of 2021. Overall, the annual GDP growth rate in 2022 stood at 3.10%, from the 3.40% reported in 2021. Thus, the performance of agriculture and industry reduced in 2022 relative to 2021, while the services sector improved in 2022.

Nigeria's headline inflation rate was 15.72% (year-on-year) points higher compared to the rate recorded in December 2021 (15.63%). This shows that the headline inflation rate increased in December 2022 compared to the same month in the preceding year (i.e. December 2021). As a result, the percentage change in the average CPI for the twelve months ending December 2022 over the average for the previous twelve months period was 18.85%, showing a 1.89% increase compared to the 16.95% recorded in December 2021.

### **Company Performance**

The Company's revenue for the year ended 31 December 2022 increased by 29% to ₦3.98 billion from 31 December 2021. The Company's operating loss before minimum taxation decreased by 37% in 2022 compared to 2021, compounded by improved margins. However, competition remained aggressive, and price increases were increasingly challenging to pass on to the customer. As a result, strict cost controls remain enforced in all operational departments.

The Company has two business segments, namely Hotel and Casino operations. The results of these segments are set out fully in the financial statements.

Casino revenue increased by 4%. Tables' games revenue increased by 48% compared with the previous year, with slots revenue decreasing by 5%. The anticipation is that casino revenue will continue to come under pressure from the economy, the growing trend in sports betting and the growth in the number of other casinos throughout Lagos, particularly those close to the Federal Palace Hotel.

Hospitality revenue increased by 55% from the previous year. The room occupancy in 2022 was better than in 2021 by 13%, compounding the average room rate growth. Food and beverage revenue reflected significant growth in all segments, including banqueting. The strategy of room rate adjustment, cost containment and competitively priced products and services continues to contribute to maintaining market relevance. Consequently, gross hospitality profit increased by 33%.

Indirect costs increased by 31% compared with the previous year. Energy costs increased by 41% due to increased diesel costs as the Company relies on its diesel power generation plant to compensate for the lack of supply from the EKEDC grid, albeit grid supply improved in the latter half of the year.



The Company recorded a total profit of ₦18.4 billion compared to a loss of ₦2.3 billion for 2021. The profit includes a revaluation surplus of ₦21.6 billion for Leasehold land and buildings with a book value of ₦28.8 billion revalued to ₦50.4 billion.

### **Forensic Audit**

The Securities and Exchange Commission (SEC) contracted Akintola Williams Deloitte to perform a forensic audit on the Company, focusing on the Sun International acquisition of TCN shares and the “Ikeja Hotel Group” TCN investment. Although there are challenges in closing out the forensic audit, we hope the audit results will positively affect the Company’s affairs and settle the shareholders’ dispute, which significantly affects the Company.

### **Delisting of the Company**

The Company notified the Nigerian Stock Exchange (NSE) on 1 July 2015 of its intention to delist the Company owing to its non-compliance with the free float requirements of the NSE. On 11 May 2017, the NSE communicated its decision to halt the Company’s delisting due to the Company’s affiliation with Ikeja Hotel Plc, which is currently undergoing governance issues. Upon completion of the forensic audit, the Board will revisit available options to achieve an outcome in the Company’s best interest.

### **2023 Future Outlook**

Numerous uncertainties include the Russia – Ukraine conflict, climate change-associated flooding, forensic audit, significant shareholder loans in the capital structure, inflationary pressures and monetary policy responses such as increased interest rates resulting in a deteriorating trading environment. However, we also appreciate the increase in travel and leisure and the changing taste of our customers for longer stay and lifestyle engagement outside their home. Accordingly, we continuously review and reposition our Company and provide new solutions that meet changing customer needs, structures and measures to ensure continued sustainable value creation for all our stakeholders.

We are committed to ensuring the Company’s profitability and applying solid strategies to compete on the price and quality of the hospitality services rendered to customers and maintain its property to the highest standard.

Notwithstanding the emergence of new casinos, the Company is hopeful that together with the regulatory body, the Lagos State Lotteries and Gaming Authority, the casino industry will see regulatory enforcement and compliance, leading the way for licensed operators to grow their businesses successfully.



**Chief Anthony Idigbe**  
**Chairman**

**FRC/2014/NBA/00000010414**

## Directors' report

*For the year ended 31 December 2022*

The board of directors is pleased to present its report to the members of the Company, together with the audited annual financial statements of the Company for the year ended 31 December 2022.

### Legal form & principal activities

The Company was incorporated in Nigeria as a private limited liability company on 10 April 1964 and was converted to a public limited liability company on 20 April 1994.

### Principal activities

The principal activities of the Company are the operation of gaming and hospitality businesses.

### Operating results for the year

The Company's results for the year are as follows:

	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
Revenue	3,976,503	3,081,638
Loss before taxation	(3,194,271)	(2,326,716)
Total comprehensive income/(loss) for the year	<u>18,373,613</u>	<u>(2,331,399)</u>

### Property, plant and equipment

New capital work in progress during the year amounted to ₦194 million (2021: ₦62 million). Completed capital work in progress transferred to property, plant and equipment during the year totalled ₦191 million (2021: ₦4 million). Details of movements in the property, plant and equipment are shown in Note 11(a) to the financial statements. The directors are of the view that the Company's property, plant and equipment are valued at amounts not lower than the recoverable amount.

### Dividend

The Company has not declared or paid any dividends for the period under review, and no dividend is proposed (2021: Nil).

### Retirement of directors by rotation

In accordance with the articles of association of the Company, Mr. Graham Wood, Mr. Ufuoma Ibru and Mr. Ramakhatela Mokhobo are to retire by rotation at the annual general meeting. The retiring directors are eligible for re-election and have accordingly offered themselves for re-election.

### Substantial shareholdings

As at 31 December 2022, the following shareholders held more than 5% of the issued share capital of the Company.

	<u>No. of shares</u>	<u>%</u>
Sun International Limited	1,108,138,647	49.3
Associated Ventures International Limited	419,408,169	18.7
Oma Investments Limited	405,614,547	18.1
Ikeja Hotels Plc	273,529,085	12.2

### Directors' interests in contracts

Directors are required to disclose any interests they may have in contracts to be entered into by the Company, prior to the consideration of those proposed contracts by the board. The directors have notified the Company, for the purpose of Section 303 of the Companies and Allied Matters Act (CAMA) 2020, of their interest in new contracts deliberated upon during the period under review.

Mr. D Ramakhatela Mokhobo, and Mr. Graham Wood are directors of Sun International (South Africa) Limited with which the Company signed an initial operating management agreement (OMA), effective 1 October 2017. This agreement was approved by the National Office for Technology, Acquisition and Promotion (NOTAP) for a period of 5 years. The expiration date was 30 September 2022. Consequently, the OMA has been renewed for another five years to 30 September 2027.

The Chairman of the Company is a partner in the law firm that acts as the company secretary to the Company.

Further information on directors' interests in contracts entered into in the current and prior years is provided in Note 24 to the annual financial statements.

### **Directors' interests in shares**

The direct and indirect interests of directors in the issued share capital of the Company, as recorded in the register of members at year end, are as follows:

	31 December 2022		31 December 2021	
	Number of shares held		Number of shares held	
	Direct	Indirect	Direct	Indirect
Chief Anthony Idigbe	-	-	-	-
Mr. D Ramakhatela Mokhobo	-	-	-	-
Mr. Abatcha Bulama	-	-	-	-
Mr. Toke Alex-Ibru	-	-	-	-
Mr. Ufuoma Ibru	-	-	-	-
Mr. T. J. David Kliegl	-	-	-	-
Mr. Andrew G Johnston	-	-	-	-
Mr. Graham Wood	-	-	-	-

### **Corporate governance**

The Company continues to subscribe to the highest principles of good corporate governance. An outline of the Company's current corporate governance structure and practices is provided below:

#### **– Board of directors**

The directors are responsible for the corporate governance of the Company.

The directors have a responsibility to ensure that proper accounting records are kept, and that the financial status of the Company is at all times disclosed with reasonable accuracy. The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act, (CAMA) 2020 and the Financial Reporting Council of Nigeria Act, 2011. In this regard, the responsibility of the directors includes: designing, implementing and maintaining internal controls 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.

The directors are also responsible for protecting the Company's assets and taking reasonable steps for preventing and detecting fraud and other malpractices with regard to the Company's affairs.

The affairs of the Company are structured for management by a board of eight directors. As at the date of this report the board consisted of eight directors. The board meets regularly to decide on policy matters and direct the affairs of the Company. During these meetings, the directors also review the Company's performance, operations and finances, and set standards for the ethical conduct of the Company's business.

– **Process of appointment of board members**

The Company's nomination and governance committee ("committee") has the responsibility, per the Company's board charter, the committee's mandate and terms of reference and best corporate governance practices, to nominate members for appointment to the board. The Committee regularly reviews the structure, size, composition and commitment of the board members having regard to, among others, the Company's memorandum and articles of association, plus shareholders agreement and makes recommendations on any proposed changes to the board. The committee identifies suitable candidates to fill any vacancy that may arise on the board. The committee recommends these individuals to the board for board approval. Thereafter, the board recommends these individuals to shareholders for election or re-election, as the case may be, at each Annual General Meeting (AGM).

The directors who served during the financial year and to the date of this report were:

Chief Anthony Idigbe, SAN - Chairman

Mr. Abatcha Bulama

Mr. Ufuoma Ibru

Mr. Toke Alex-Ibru

Mr. D. Ramakhatela Mokhobo \*

Mr. T. J. David Kliegl \*

Mr. Andrew G. Johnston \*

Mr. Graham I. Wood \*

\* *South African*

The board met six times during the financial year (on March 17, 2022, April 29, 2022, July 28, 2022, September 8, 2022, October 28, 2022 and November 21, 2022). In accordance with Section 284(2) of the Companies and Allied Matters Act, 2020, the record of directors' attendance at board meetings held during the financial year under review is set out below:

<b>Name</b>	<b>17.03.2022</b>	<b>29.04.2022</b>	<b>28.07.2022</b>	<b>09.8.2022</b>	<b>28.10.2022</b>	<b>21.11.2022</b>
Chief Anthony Idigbe, SAN	✓	✓	✓	✓	✓	✓
Mr. Abatcha Bulama	✓	✓	✓	✓	✓	✓
Mr. Ufuoma Ibru	✓	✓	✓	✓	✓	✓
Mr. Toke Alex-Ibru	NYA	NYA	NYA	NYA	NYA	✓
Mr. D Ramakhatela Mokhobo	✓	✓	✓	✓	✓	✓
Mr. T. J. David Kliegl	✓	✓	✓	✓	✓	✓
Mr. Andrew G. Johnston	✓	✓	✓	✓	✓	✓
Mr. Graham I. Wood	✓	✓	✓	✓	✓	✓

✓ - Present | ✗ - Absent | R - Resigned | NYA - Not Yet Appointed

– **Audit committee**

In accordance with Section 404(2) of the Companies and Allied Matters Act (CAMA) 2020, the Company has an audit committee comprising two directors and three representatives of the shareholders. The audit committee carries out its functions as set out in section 404(7) of the Companies and Allied Matters Act (CAMA) 2020 and according to its approved terms of reference. The members of the audit committee during the financial period under review were comprised as follows:

• *Representing the shareholders:*

Mr. Peter A. Soares (Chairman)

Mr. Amusa O. Aaron

Mr. Salau M Adebajo

• *Representing the board of directors:*

Mr. D. Ramakhatela Mokhobo

Mr. Abatcha Bulama

The audit committee met 4 times during the financial period under review. The number of meetings attended by each member is indicated below:

Name	16.03.2022	27.04.2022	27.07.2022	25.10.2022
Mr. Peter A. Soares (Chairman)	✓	✓	✓	✓
Mr. Mr Amusa-Oseni A. Adekunle	✓	✓	✓	✓
Mr. Salau M Adebajo	✗	✓	✓	✓
Mr. D Ramakhatela Mokhobo	✓	✓	✓	✓
Mr. Abatcha Bulama	✓	✓	✓	✓

✓ - Present | ✗ - Absent | R - Resigned | NYA - Not Yet Appointed

- **Other committees**

In addition to the audit committee, the board has a finance and risk committee and a nomination and governance committee. The composition of the committees and the number of meetings attended by each member is as follows:

**Finance and risk committee:**

Committee member	16.03.2022	26.10.2022
Mr. Abatcha Bulama (Chairman)	✓	✓
Mr. Ufuoma Ibru	✓	✓
Mr. D. Ramakhatela Mokhobo	✓	✓
Mr. T. J. David Kliegl	✓	✓
Mr. Graham Wood	✓	✓
Mr. Andrew G. Johnston	✓	✓

**Nomination and governance committee:**

Committee member	15.03.2022	02.12.2020
Mr. Andrew G. Johnston (Chairman)	✓	✓
Mr. Abatcha Bulama	✓	✓
Mr. Ufuoma Ibru	✓	✓
Mr. D. Ramakhatela Mokhobo	✓	✓

✓ - Present | ✗ - Absent | R - Resigned | NYA - Not Yet Appointed Internal audit

**Internal Audit**

The internal audit function is performed by the firm of Grant Thornton. A systematic, disciplined and risk-based approach is adopted to evaluate and improve the effectiveness of internal controls and governance processes in the areas that are audited (generally twice per annum).

**Risk management**

The Company's executive management has established a finance and risk committee, which is overseen by the board of directors of the Company. The finance and risk committee assesses the risks to the Company on an annual basis and reviews the effectiveness of any mitigating actions and controls for risks identified, on a quarterly basis. This is reported to meetings of the audit committee and the board of directors.

**Delegation of authority**

The Company has an approved delegation of authority framework for matters that can be delegated to Sun International (South Africa) Limited and the Company's executive management, and those matters reserved for the board.

### **Company Voluntary Arrangement to restructure shareholder and related party loans**

The board of directors approved the proposal for a Company Voluntary Arrangement (“CVA”) between Sun International Limited, Ikeja Hotels Plc (shareholders and creditors of the Company) and Omamo Investment Corporation Limited (a creditor of the Company) on 28 July 2021, in respect of the waiver of interest which would have accrued on the shareholders and related party loan from 1 March 2020 until otherwise agreed to by the shareholders and / or creditors, in accordance with the CVA procedure prescribed under Chapter 17 of the Companies and Allied Matters Act (CAMA), 2020. In accordance with the CVA procedures, the proposal was considered at separate court-ordered meetings of the shareholders and creditors on 8 December 2021. The shareholders and creditors present at the meetings voted unanimously in favour of the resolution authorizing the implementation of the CVA process. Therefore, in terms of section 438(2)(a) of the CAMA 2020, the CVA has taken effect on the terms of the proposal and the shareholder and related party loans are modified because it has been approved at both court-ordered meetings. Consequently, the Company has not recognised interest expense on shareholders and related party loans for the period of 1 March 2020 to 31 December 2022.

### **Going concern assessment**

The directors have made an assessment of the Company’s ability to continue to trade despite the accumulated loss position, and borrowings exceeding available cash resources. The repayment of the borrowings is governed by the Second Shareholders Agreement, which specifies repayments of the borrowings would only be triggered by the Company achieving specific profitability targets, and provided adequate funding is available. The profitability targets are unlikely to be achieved for the foreseeable future, hence the shareholders’ loan will not be due for repayment in line with the shareholders’ agreement. Despite the economic indicators and the material uncertainty which prevails around the current challenging operating environment, the directors have assessed the cash flow projections for the year ahead and, subject to trading conditions normalizing and the Naira not being devalued further against the US Dollar, believe that the Company will have sufficient financial resources to continue to operate for the following twelve month period. The directors will continue to closely monitor the liquidity position of the Company and keep shareholders apprised thereof.

### **NSE policy requirements**

The Company has developed a Security Trading Policy guiding its related parties (directors, employees and insiders) in compliance with section 14 of the NSE Amended Rules. The directors have complied with the Company’s Securities Trading Policy regarding securities transactions. The Company has in place a Complaints Management Policy Framework in compliance with the Securities & Exchange Commission (SEC) rules, which is located on the Company’s website at [www.tcn.com.ng](http://www.tcn.com.ng).

### **Management, technical and service agreements**

The Company has an operating management agreement with Sun International (South Africa) Limited for the management of the Federal Palace Hotel & Casino with effect from 1 October 2022. The new agreement is pending approval by the National Office for Technical Acquisition and Promotion (NOTAP) for a period of five years expiring 30 September 2027.

### **Delisting from the Nigerian Stock Exchange**

On 1 July 2015, the Nigerian Exchange Group (NGX), formerly known as the Nigerian Stock Exchange (NSE) notified the Company of its intention to delist TCN due to the free float deficiency. A board resolution was passed on 13 July 2015 authorising the delisting, and communicated in a letter to the NSE on 20 July 2015. The Company sent a reminder to the NSE on 27 April 2016. The NGX responded on 31 May 2017 that the delisting process had been placed on hold until the governance problems at Ikeja Hotel Plc have been resolved. The board will consider its options when the Ikeja Hotel Plc’s governance issues have been resolved, but will co-operate fully with the NGX on the way forward.

### **Employment and employees**

#### **(a) *Employment of physically challenged persons***

There were 2 physically challenged employees as at 31 December 2022 (2021: 4). The Company has an employment policy that precludes discrimination against the physically challenged. For employees of the Company who become physically challenged, arrangements are available to retrain them for alternative work within the Company.

(b) *Health and safety*

All staff are members of an approved medical aid scheme. A daily meal is provided to staff while on duty. The Company is also very conscious of the safety requirements both of its guests and employees, and stringent precautions are taken to ensure this. It has a Health and Safety Committee (comprising management and staff), whose members receive regular training in the areas of health and safety.

(c) *Employees' involvement and training*

Employees are regularly provided with information on matters concerning the Company and their welfare. Management holds regular formal and informal meetings with the staff, aimed at ensuring positive labour relations throughout the year. Two Unions, namely Hotel and Personal Services Senior Staff Association (HAPSSSA) and National Union of Hotels and Personal Services Workers (NUHPSW), were formally recognised by Zschlater Nigeria Limited, the substantive employer of the employees on 1 February 2015. Zschlater Nigeria Limited is the company providing staff to TCN. Employees are given regular on the job and classroom training, to equip them with the requisite skills and knowledge required for the efficient performance of their duties.

**Shareholder dispute**

In terms of a settlement agreement brokered by the Securities Exchange Commission (SEC) in 2017, the reconstituted board of the Company remains representative of its major shareholders, namely Sun International Limited, Associated Ventures International Limited, Ikeja Hotel Plc and Oma Investments Limited.

The settlement agreement included, inter alia, the commissioning by the SEC of a forensic audit conducted by Deloitte into Ikeja Hotel Plc and its subsidiaries and investee companies. The forensic audit was completed in January 2018. Subsequent to the completion of the forensic audit, the SEC requested certain further clarifications in 2019 and again in 2020, which were duly provided by, among others, the Company. The Company and its shareholders now await the SEC to issue its final report incorporating its findings and recommendations (if any). An express, alternatively, an implied term of the settlement agreement, was that on the conclusion of the forensic audit and following the SEC's final determination regarding the matter, the various actions and applications previously instituted by certain of the shareholders against the other shareholder/s and/or the Company, following the acquisition by Sun International Limited of an equity interest in the Company, would be withdrawn.

**Donations**

The Company did not make any donations or gifts in the year (2021: Nil). In compliance with Section 43(2) of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2022, the Company did not make any donation or gift to any political party, political association or for any political purpose during the 2022 financial year (2021: Nil).

**Independent Auditor**

Messrs. BDO Professional Services, having satisfied the relevant corporate governance rules on their tenure in office, have indicated their willingness to continue in office as independent auditors to the Company. In accordance with Section 401(2) of the Companies and Allied Matters Act (CAMA) 2020, therefore, the auditors will be re-appointed at the next annual general meeting of the Company without any resolution being passed.

By Order of the Board



**OLORUNTOBI ADEYEMI**

FRC/2022/COY/160581

For Pureka Nominees Limited

Company Secretary

16 March 2023

## **Statement of Corporate Responsibility for the Financial Statements**

*For the year ended 31 December 2022*

Further to the provisions of the section 405 of the Companies and Allied Matters Acts, 2020 (CAMA), we the General Manager and the Chief Accountant, hereby certify the financial statements of The Tourist Company of Nigeria Plc (“The Company”) for the year ended 31 December 2022 as follows:

- (a) That we have reviewed the audited financial statements of the Company for the year ended 31 December 2022.
- (b) That the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.
- (c) That the audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for, the year ended 31 December 2022.
- (d) That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company is made known to the Auditors by other officers of the company, during the year ended 31 December 2022.
- (e) That we have evaluated the effectiveness of the Company’s internal controls within 90 days prior to the date of audited financial statements, and certify that the Company’s internal controls are effective as of that date.
- (f) That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.
- (g) That we have disclosed the following information to the Company’s Auditors and Audit committee:
  - (i) *there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Company’s ability to record, process, summarise and report financial data, and have identified for the Company’s auditors any material weaknesses in internal controls, and*
  - (ii) *there is no fraud that involves management or other employees who have a significant role in the Company’s internal control.*

Signed



Mr. T. J. David Kliegl (General Manager)  
FRC/2013/NIM/0000004949



Ms. Morenikeji Onaderu (Chief Accountant)  
FRC/2022/PRO/ICAN/001/538526



## **Statement of directors' responsibilities in relation to financial statements**

*for the year ended 31 December 2022*

The directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011.

The directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act (CAMA), 2020 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.

As indicated in Note 31, a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a concern in the foreseeable future. The directors have made an assessment of the Company's ability to continue to trade despite ongoing losses and borrowings exceeding available cash resources. The repayment of the borrowings is governed by the Second Shareholders Agreement, which specifies repayments of the borrowings would only be triggered by the Company achieving specific profitability targets, and provided adequate funding is available. The profitability targets is unlikely to be achieved for the foreseeable future. Hence the shareholders' loans will not be due for repayment in line with the shareholders' agreement. Despite the economic indicators, and the material uncertainty which prevails around the current challenging operating environment, the directors have assessed the cash flows projection for the year ahead, and subject to trading conditions normalizing and the Naira not being devalued further against the US Dollar, believe that the Company will have sufficient financial resources to continue to operate for the following twelve month period. The directors will continue to closely monitor the liquidity position of the Company and keep shareholders apprised thereof.

Accordingly, based on the Directors' assessment of the Company's ability to continue as a going concern, the Directors' have no reason to believe the Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



---

Chief Anthony Idigbe (Chairman)  
*FRC/2014/NBA/00000010414*  
16 March 2023



---

Mr. Abatcha Bulama (Director)  
*FRC/2014/ICAN/00000006535*  
16 March 2023

## **Report of the audit committee**

*For the year ended 31 December 2022*

In compliance with Section 404 (7) of the Companies and Allied Matters Act (CAMA), 2020 we have reviewed the Auditors' Report for the year ended 31 December 2022. We hereby report that:

1. The accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices.
2. The scope and planning of the external audit for the year ended 31 December 2022 were, in our opinion, adequate.
3. The Company maintained effective systems of accounting and internal controls during the year.
4. The external auditors' findings and recommendations on management matters were satisfactorily dealt with by management.
5. With the exception of retail premises occupied by Lady Maiden Ibru which are the subject of administrative action as part of the forensic audit, and rent outstanding on the penthouse which the Company has demanded payment from the Estate of the Late Dr Alex Ibru, the methods adopted in determining the pricing of related party transactions are appropriate and reasonable, and not prejudicial to the interests of the Company and its minority securities holders.

The Independent Auditor confirmed management's full cooperation in the course of the performance of their duties and that they were not limited in any way by the Company and its management.



Mr. Peter A Soares (Chairman)  
*FRC/2014/ICAN/00000004356*  
Chairman, Audit Committee  
16 March 2023

Members of the Committee:

Representing the shareholders:

Mr. Peter A Soares (Chairman)

Mr Amusa-Oseni Adekunle

Mr Salau M. Adebajo

Representing the board of directors:

Mr. D Ramakhatela Mokhobo (South African)

Mr. Abatcha Bulama



Tel: +234 1 4483050-9  
+234 (0) 903 644 0755  
bdonig@bdo-ng.com  
www.bdo-ng.com

ADOL House: 15 CIPM Avenue  
Central Business District,  
Alausa, Ikeja  
P. O. Box 4929, GPO, Marina  
Lagos, Nigeria

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE TOURIST COMPANY OF NIGERIA PLC REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### ***Opinion***

We have audited the financial statements of The Tourist Company of Nigeria Plc which comprise, the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended; and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria, Act No 6, 2011 and the Companies and Allied Matters Act, 2020.

### ***Basis for Opinion***

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the International Ethics Standards Board Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Emphasis of matter-Forensic Investigation***

We draw your attention to note 30 in the financial statements which indicates that the final report of the forensic investigation which was initiated by the Securities and Exchange Commission (SEC) is yet to be made available to the Board of Directors of the Company. Therefore, the ultimate outcome of the investigation cannot presently be determined, accordingly, no provision for any effects on the Company has been made in the financial statements. Our opinion is not modified in respect of this matter.

### ***Material Uncertainty Related to Going Concern***

We draw your attention to note 31 in the financial statements which indicates that the Company incurred a loss before taxation of N3.17billion during the year ended 31 December 2022 (2021: N2.32 billion) and as at that date, the Company's current liabilities exceeded its current assets by N600 million (2021: N546 million). The Company also has accumulated losses of N27.5 billion as at 31 December 2022 (2021: N24.3 billion). These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### ***Key Audit Matters***

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. these matters.



***Revenue recognition-casino operations***  
***Risk***

On a monthly basis, the slots/table revenue is transferred via journal to the general ledger by Casino Accountant, hence a risk that not all slots/table revenue is transferred from DR Gaming Technology (DRGT) system to the General Ledger.

***Our response***

Our audit procedures in response to the risk included, amongst others:

- For both (slots and table):  
Reconciled the total slots/table revenue as per the general ledger to the total slots/table revenue per the Financial Detailed report.
- For journal vouchers posted from DRGT to General Ledger:  
Ascertained that segregation of duties existed  
Ascertained that slots/table revenue is completely transferred from the DRGT system into the General Ledger  
Agreed the monthly statistical reports from DRGT and traced to the General Ledger

***Other Information***

The Directors are responsible for the other information. The other information comprises the information included in the Chairman's statement and Directors' report, but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express 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 during 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 this 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 issued by the International Accounting Standards Board, and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria Act, No 6, 2011 and the Companies and Allied Matters Act, 2020 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.

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.

Those charged with governance are responsible for overseeing the Company's financial reporting process



### **Auditors' 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 a 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 International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgment 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 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 auditors' 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 auditors' 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 and any significant deficiencies in internal control that we identify during our audit.

### **Report on other legal and regulatory requirements**

The Companies and Allied Matters Act, 2020 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- i). 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
- ii). in our opinion, proper books of account have been kept by the Company, and
- iii). the Company's statement of financial position, and its statement of profit or loss and other comprehensive income are in agreement with the books of account.

Olusegun Agbana-Anibaba, FCA  
FRC/2013/ICAN/0000003667  
For: BDO Professional Services  
Chartered Accountants  
Lagos, Nigeria  
6 July 2023



## Statement of financial position


As at 31 December

	Notes	2022 ₦'000	2021 ₦'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	11(a)	51,399,498	30,407,530
Intangible assets	12	847	1,614
Tax assets	13	37,014	96,595
<b>Total non-current assets</b>		<b>51,437,359</b>	<b>30,505,739</b>
<b>Current Assets</b>			
Inventories	14	233,800	143,136
Trade and other receivables	15(a)	213,762	125,469
Prepayments	16	85,045	82,833
Cash and cash equivalents	21	1,165,416	836,938
<b>Total current assets</b>		<b>1,698,023</b>	<b>1,188,376</b>
<b>Total assets</b>		<b>53,135,382</b>	<b>31,694,115</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	17(a)	1,123,220	1,123,220
Share premium	17(b)	4,132,763	4,132,763
Revaluation reserve	17(c)	41,841,790	20,257,610
Accumulated loss	17(d)	(27,513,687)	(24,303,120)
<b>Total equity</b>		<b>19,584,086</b>	<b>1,210,473</b>
<b>Non-current liabilities</b>			
Loans and borrowings	18(a)	31,253,238	28,749,199
<b>Total non-current liabilities</b>		<b>31,253,238</b>	<b>28,749,199</b>
<b>Current liabilities</b>			
Trade and other payables	20(a)	2,276,625	1,721,375
Loans and borrowing	18(a)	5,137	8,385
Current tax liabilities	9(b)	16,296	4,683
<b>Total current liabilities</b>		<b>2,298,058</b>	<b>1,734,443</b>
<b>Total liabilities</b>		<b>33,551,296</b>	<b>30,483,642</b>
<b>Total equity and liabilities</b>		<b>53,135,382</b>	<b>31,694,115</b>

Approved by the Board of Directors on 16 March 2023 and signed on its behalf by:


  
\_\_\_\_\_ )

Chief Anthony Idigbe (Chairman)  
FRC/2014/NBA/00000010414

  
\_\_\_\_\_ )

Mr. Abatcha Bulama (Director)  
FRC/2014/ICAN/00000006535

Additionally certified by;

  
\_\_\_\_\_ )

Mr. David Kliegl (General Manager)  
FRC/2013/NIM/00000004949

  
\_\_\_\_\_ )

Ms. Morenikeji Onaderu (Chief Accountant)  
FRC/2022/PRO/ICAN/001/538526

The accompanying notes to the financial statements form an integral part of these financial statements.

## Statement of profit or loss and other comprehensive income

For the year ended 31 December

	Notes	2022 ₦'000	2021 ₦'000
<b>Revenue</b>			
Gaming		1,630,024	1,567,578
Hospitality		2,346,479	1,514,060
		<u>3,976,503</u>	<u>3,081,638</u>
<b>Expenditure</b>			
Amortisation of intangible asset	12	(767)	(1,423)
Consumables and services	8(b)	(785,948)	(577,007)
Depreciation of property, plant and equipment	11(a)	(786,106)	(755,456)
Employee costs	6(a)	(1,032,666)	(1,015,888)
Management and support fees	23(b)	(140,477)	(105,478)
Promotional and marketing costs	8(d)	(38,796)	(27,855)
Property and administrative costs	8(c)	(1,821,145)	(1,364,832)
Impairment loss / reversal on financial assets	26(b)	(46,196)	57,305
		<u>(4,652,101)</u>	<u>(3,790,634)</u>
<b>Operating loss</b>		<b>(675,598)</b>	<b>(708,995)</b>
Finance income	7(a)	2,740	5,519
Finance costs	7(b)	(2,501,517)	(1,615,522)
<b>Net finance cost</b>		<b>(2,498,777)</b>	<b>(1,610,003)</b>
<b>Loss before minimum taxation</b>		<b>(3,174,375)</b>	<b>(2,318,998)</b>
Minimum tax	9(d)	(19,896)	(7,718)
<b>Loss before taxation</b>	8	<b>(3,194,271)</b>	<b>(2,326,716)</b>
Taxation	9(a)	(16,296)	(4,683)
<b>Loss for the year</b>		<b>(3,210,567)</b>	<b>(2,331,399)</b>
<i>Other comprehensive income/(loss) for the year:</i>			
<b>Items that will not be reclassified to profit or loss</b>			
Revaluation of property, plant and equipment	11(e)	21,584,180	-
<b>Total other comprehensive income/(loss)</b>		<u>21,584,180</u>	<u>-</u>
<b>Total comprehensive income/(loss) for the year</b>		<b><u>18,373,613</u></b>	<b><u>(2,331,399)</u></b>
<b>Loss per share (Kobo)</b>			
Basic and diluted loss per share	10	(143)	(104)

The accompanying notes to the financial statements form an integral part of these financial statements.

## Statement of changes in equity

Attributable to equity holders of the Company

	Share capital	Share premium	Revaluation reserve	Accumulated loss	Total equity
	₦'000	₦'000	₦'000	₦'000	₦'000
<b>Balance at 1 January 2021</b>	1,123,220	4,132,763	20,257,610	(21,971,721)	3,541,872
Loss for the year	-	-	-	(2,331,399)	(2,331,399)
Other comprehensive loss	-	-	-	-	-
Total comprehensive loss	-	-	-	<b>(2,331,399)</b>	<b>(2,331,399)</b>
<b>Balance at 31 December 2021</b>	<b>1,123,220</b>	<b>4,132,763</b>	<b>20,257,610</b>	<b>(24,303,120)</b>	<b>1,210,473</b>
<b>Balance at 1 January 2022</b>	1,123,220	4,132,763	20,257,610	(24,303,120)	1,210,473
Loss for the year	-	-	-	(3,210,567)	(3,210,567)
Other comprehensive income	-	-	21,584,180	-	21,584,180
Total comprehensive income/(loss)	-	-	<b>21,584,180</b>	<b>(3,210,567)</b>	<b>18,373,613</b>
<b>Balance at 31 December 2022</b>	<b>1,123,220</b>	<b>4,132,763</b>	<b>41,841,790</b>	<b>(27,513,687)</b>	<b>19,584,086</b>

The accompanying notes to the financial statements form an integral part of these financial statements.



## Statement of cash flows

For the year ended 31 December

	Notes	2022 ₦'000	2021 ₦'000
<b>Cash flows from operating activities:</b>			
Loss for the year		(3,210,567)	(2,331,399)
Adjustments for:			
Depreciation	11(e)	786,106	755,456
Amortisation	12	767	1,423
Operating equipment usage	11(e)	18,745	12,490
Net finance cost	7(c)	2,498,777	1,610,003
Tax expense	9(a)	16,296	4,683
Impairment loss/ (reversal) on financial assets	26(b)	46,196	(57,305)
Write off of property, plant and equipment	11(e)	8,228	13,741
Adjustments of property, plant and equipment	11(e)	803	-
Discount on lease (lease concession)	18(b)	(2,516)	(3,144)
Impairment of tax assets	13(a)	52,735	-
Minimum taxation	13(a)	19,896	7,830
		<b>235,466</b>	<b>13,777</b>
Changes in:			
Inventories		(90,664)	(29,303)
Trade and other receivables	15(b)	(134,489)	38,273
Tax assets	13(a)	(13,050)	(1,877)
Prepayments		(2,212)	(32,923)
Trade and other payables	20	709,591	370,762
<b>Cash generated from operating activities</b>		<b>704,642</b>	<b>358,709</b>
Value Added Tax (VAT) paid		(156,917)	(103,741)
Tax Paid		(4,683)	-
<b>Net cash used in operating activities</b>		<b>543,042</b>	<b>254,968</b>
<b>Cash flow from investing activities</b>			
Interest income	7(a)	2,740	5,519
Acquisition of property, plant and equipment	11(f)	(221,670)	(140,883)
Acquisition of intangible assets	12	-	(1,074)
<b>Net cash used in investing activities</b>		<b>(218,930)</b>	<b>(136,438)</b>
<b>Cashflows from financing activities</b>			
Payment on lease liability	18(b)	(5,869)	(8,719)
		<b>(5,869)</b>	<b>(8,719)</b>
<b>Net Increase in cash and cash equivalents</b>		<b>318,243</b>	<b>109,811</b>
<b>Cash and cash equivalents, beginning of year</b>		836,938	706,541
<b>Effect of movements in exchange rate on cash held</b>		10,235	20,586
<b>Cash and cash equivalents, end of year</b>		<b>1,165,416</b>	<b>836,938</b>

The accompanying notes to the financial statements form an integral part of these financial statements.

## Notes to the financial statements

	Page		Page
1	25	17	44
2	25	18	45
3	26	19	47
4	35	20	47
5	35	21	48
6	35	22	48
7	37	23	49
8	37	24	50
9	39	25	52
10	40	26	53
11	41	27	57
12	43	28	57
13	43	29	57
14	43	30	58
15	44	31	58
16	44		

## **Notes to the financial statements**

*For the year ended 31 December 2022*

### **1. Reporting entity**

The Tourist Company of Nigeria Plc is a company listed on the Nigerian Stock Exchange. The address of the Company's registered office is 6-8 Ahmadu Bello Way, Victoria Island, Lagos. The Company converted from a private company to its current form on 20 April 1994. The Company operates a gaming and hospitality business in Victoria Island, Lagos.

### **2. Basis of accounting**

#### **(a) Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council Act, 2011. The financial statements were authorised for issue by the board of directors on 16 March 2023.

#### **(b) Basis of measurement**

The financial statements have been prepared under the historical cost convention except for financial assets and liabilities initially measured at fair value and subsequently at amortised cost and leasehold land and building measured at revalued amount less accumulated depreciation.

#### **(c) Critical accounting estimates and judgements**

The preparation of the financial statements in conformity with IFRS Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

- Note 11 - Asset useful lives and residual values

Property, plant and equipment are depreciated over their useful lives, taking into account residual values where appropriate. The actual useful lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset useful lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the assets and projected disposal values.

- Note 19 - Deferred tax

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

- Note 27 - Contingencies (including taxation)

Management made certain key assumptions about the likelihood and magnitude of outflow of economic resources.

- Note 31 - Going concern

Management has made estimates on future economic and business realities as it relates to forecasts and budgets used in the assessment of the Company's ability to continue as a going concern and the appropriateness of the going concern assumption in the preparation of the financial statements for the year ended 31 December 2022.

#### **(d) Functional and presentation currency**

The financial statements are presented in Nigerian Naira, which is the Company's functional currency. All financial information presented in Naira has been rounded to the nearest thousand except where otherwise indicated.

### 3. Significant accounting policies

Set out below is an index of the significant accounting policies, the details of which are available on the pages that follow.

	Page		Page
a) Foreign currency transactions	26	l) Employee benefits	32
b) Property, plant and equipment	26	m) Provisions	32
c) Intangible assets	27	n) Contingent liabilities	32
d) Inventories	27	o) Statement of cash flows	32
e) Cash and cash equivalents	28	p) Revenue	32
f) Financial instruments	28	q) Finance income and finance costs	32
g) Impairment	29	r) Loss per share	33
h) Capital and other reserves	30	s) Segment reporting	33
i) Income tax	30	t) Related parties	33
j) Minimum tax	30	u) Accounting policy developments	33
k) Leased assets	31	v) Changes in significant accounting policies	35

#### (a) Foreign currency transactions

Transactions denominated in foreign currencies are translated at the rate of exchange ruling on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Foreign exchange gains or losses arising on translation are recognised in profit or loss and are presented within net finance costs/income.

#### (b) Property, plant and equipment

##### *I. Recognition and measurement*

Items of property, plant and equipment are stated at cost/revalued amount less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Property, plant and equipment not yet available for use are disclosed as capital-work-in-progress.

Purchased software that is integral to the functionality of related equipment is capitalised as part of the equipment.

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.

When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

##### *II. Depreciation*

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values over their useful lives, using the straight-line method. 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 term, in which case the assets are depreciated over the useful life. The principal useful lives over which the assets are depreciated are as follows:

##### Buildings and infrastructure

- Casino and hotel premises	–	36 - 40 years
- Infrastructure	–	10 - 40 years

##### Plant and machinery

- Pumps, pipes, tanks and compressors	–	10 years
- Generating set equipment	–	2 years
- Generators	–	10 years

Hotel and office equipment	–	10 years
Motor vehicles	–	9 years
Furniture and fittings	–	10 years
Casino equipment	–	10 years

The Company does not depreciate its leasehold land

Assets held under lease in line with IFRS 16 are depreciated over the term of the relevant lease.

Depreciation (usage) of operating equipment (which includes casino chips, kitchen utensils, crockery, cutlery and linen) is recognised as an expense. The period of usage depends on the nature of the operating equipment and varies between one and three years.

The assets' residual values and useful lives are reviewed annually, and adjusted if appropriate, at reporting date.

Capital work-in-progress is not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

### III Subsequent costs

Costs arising subsequent to the acquisition of an asset 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 the replaced part is then de-recognised. All other repairs and maintenance costs are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

### IV Borrowing costs

Borrowing costs and certain direct costs relating to major capital projects are capitalised during the period of development or construction.

### V Derecognition

The carrying amount of an item or PPE shall be derecognised on disposal or when no future economic benefit is expected from its use or disposal.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the statement of profit or loss and other comprehensive income.

## (c) Intangible assets

### Recognition, measurement and amortisation

Expenditure on computer software is capitalised and amortised using the straight line method over 4 years. Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

### Subsequent costs

Costs arising subsequent to the acquisition of an asset 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 the replaced part is then de-recognised. All other repairs and maintenance costs are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

### Derecognition

The carrying amount of an item is derecognised on disposal or when no future economic benefit are expected from its use or disposal.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the statement of profit or loss and other comprehensive income.

## (d) Inventories

Inventories comprises of merchandise held for sale and consumables, and are measured at the lower of cost and net realisable value on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less any costs necessary to make the sale. The cost of inventories includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

**(e) Cash and cash equivalents**

Cash and cash equivalents are classified as financial assets measured at amortised cost. Cash and cash equivalents comprise cash on hand and deposits held on call with banks with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purposes of cash flow statement.

**(f) Financial instruments**

Financial instruments carried at reporting date include trade receivables, cash and cash equivalents, borrowings, and trade payables.

Financial instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, financial instruments are measured as described below.

*I Recognition and derecognition*

All financial assets and liabilities are initially recognised at fair value, which is usually the transaction price including, where appropriate, transaction costs, with the exception of trade receivables without a significant financing component, which are measured at their transaction price, determined in accordance with the Company's accounting policies for revenue. Subsequently, measurement depends on the financial assets/liabilities classification as follows:

– *Financial assets measured at fair value through profit or loss (FVPL)*

Non-equity financial assets are classified at fair value through profit or loss if they arise from contracts which do not give rise to cash flows which are solely principal and interest, or otherwise where they are held in a business model which mainly realises them through sale. Such assets are re-measured to fair value at the end of each reporting period. Gains and losses arising from re-measurement are taken to profit or loss, as are transaction costs.

– *Financial assets measured at FVOCI*

Non-equity financial assets are classified at fair value through other comprehensive income where they arise from contracts which give rise to cash flows which are solely principal and interest and which are held in a business model which realises some through sale and some by holding them to maturity. They are recognised initially at fair value plus any directly attributable transaction costs, or in the case of trade receivables, at the transaction price.

At the end of each reporting period they are re-measured to fair value, with the cumulative gain or loss compared to their amortised cost being recognised in other comprehensive income and in the fair value reserve, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gain and losses. When these assets are derecognised, the cumulative gain or loss is reclassified from equity to profit or loss.

– *Financial assets measured at amortised cost*

Financial assets are held at amortised cost when they arise from contracts which give rise to contractual cash flows which are solely principal and interest and are held in a business model which mainly holds the assets to collect contractual cash flows.

These assets are measured at amortised cost using the effective interest method and are also subject to impairment losses. Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated on the amortised cost (i.e., gross carrying amount less loss allowance). Interest income is included in finance income.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

– *Financial liabilities*

All financial liabilities are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method. Short term trade and other payables with no stated rates of interest are measured at original invoice amounts where the effect of discounting is not significant.

*II Offsetting*

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

**(g) Impairment**

*I Financial assets (Non-derivative financial assets)*

The Company recognises loss allowance for expected credit loss (ECLs) on financial assets measured at amortised cost. Loss allowance is measured at an amount equal to lifetime ECLs, with the exception of the following which are measured at 12 month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs using a simplified impairment methodology adjusted for current conditions and forward looking information.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over when the Company is exposed to credit risk.

*Credit impaired financial assets*

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of amounts due on terms that the Company would not consider otherwise;

*Write-off*

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For its customers, the Company individually makes an assessment with respect to the timing and amount of the write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

*II Non-financial assets*

Intangible assets that have an indefinite useful life are not subject to depreciation or amortisation and are tested annually for impairment. Other assets with finite useful life that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate.

Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

The Company has presented impairment of financial assets as a separate line item in the statement of profit or loss and OCI in accordance with the requirements of IAS 1 as a consequence of applying IFRS 9.

**(h) Capital and other reserves**

*Share capital and share premium*

The Company has only one class of shares, ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded as share premium. All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

*Retained earnings*

Retained earnings represents the Company's accumulated earnings since its inception, less any distributions to shareholders, and net of any prior period adjustments. A negative amount of retained earnings is reported as deficit or accumulated deficit.

*Revaluation reserves*

The revaluation reserve relates to the revaluation surplus arising from the revaluation of the leasehold land and building included in the Company's property, plant and equipment. It is the policy of the Company to transfer the revaluation surplus arising from the revaluation of land and building to retained earnings upon disposal of the related assets.

**(i) Income tax**

Income tax for the year comprises current and deferred tax. Taxation is recognised in the statement of profit or loss and other comprehensive income, except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

*Current Tax*

Current tax is the expected tax payable on the taxable income or loss for the year, using tax rates enacted or substantively 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, Laws of the Federation of Nigeria 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 Laws of the Federation of Nigeria 2011.

*Deferred Tax*

Deferred tax is provided in full, using the liability method and using tax rates enacted or substantively enacted at the reporting date, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.

Deferred tax assets relating to the carry forward of unused tax losses, tax credits and deductible temporary differences are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets the tax assets arising from withholding tax (WHT) credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no longer probable that future economic benefit would be realised.

**(j) Minimum Tax**

The Company is subject to the Finance Act, 2021 which amends the Company Income Tax Act (CITA). Total amount of tax payable under the Finance Act is determined based on the higher of two components; Company Income Tax (based on taxable income (or loss) for the year); and Minimum Tax (determined based on of 0.5% of qualifying Company's turnover less franked investment income). Taxes based on taxable profit for the period are treated as income tax in line with IAS 12; whereas Minimum Tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss. The liability is recognised under trade and other payables in the statement of financial position.



Where the Minimum Tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognised in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as Minimum Tax.

**(k) Leased assets**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company uses the definition of a lease in IFRS 16.

*i. As a lessee*

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

**Short term leases and leases of low -value asset**

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**(l) Employee benefits**

*Short-term employee benefits*

“Short-term employee benefit obligations are measured on an un-discounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

*Defined contribution plans*

The Company operates a contributory scheme in line with the Pension Reform Act, 2014. The Company and the employees respectively contribute 10% and 8% of the employees’ current salaries and designated allowances into a separate entity.

The Company’s contributions are charged to profit or loss in the period to which the contributions relate. The Company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee services in the current and prior periods.

**(m) Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

**(n) 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 a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed and not recognised as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

**(o) Statement of cash flows**

The statement of cash flows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cash flows such as translation differences, fair value changes and other non-cash items, have been eliminated for the purpose of preparing the statement. Interest paid is also included in financing activities while finance income is included in investing activities.

**(p) Revenue**

Revenue is recognised at the transaction price, when control of a good or service is transferred to a customer in the ordinary course of the Company’s activities.

Revenue includes net gaming win, hotel, entertainment and restaurant revenues, other service fees, rental income and the invoiced value of goods and services sold less returns and allowances. Taxes levied on casino winnings are included in revenue and treated as overhead expenses, as these are borne by the Company and not by its customers.

Value added tax (VAT) on all other revenue transactions is considered to be a tax collected by the Company as an agent on behalf of the revenue authorities and is excluded from revenue. Customer loyalty points are provided against revenue when points are earned.

**(q) Finance income and finance costs**

Interest income and interest expense on all interest bearing financial instruments are recognised using the effective interest method. The effective interest rate is the rate that exactly discounts the expected future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Net finance costs include interest expense on borrowings as well as interest income on bank balances. Net finance costs also include other finance income and expense items, such as exchange differences arising on borrowings and the settlement of foreign currency creditors. Foreign currency gains and losses are reported on a net basis.

**(r) Loss per share**

The Company presents basic and diluted loss per share (LPS) data for its ordinary shares. Basic LPS 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, adjusted for own shares held. Diluted LPS is determined by adjusting the loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

**(s) Segment reporting**

Segment results that are reported to the Company's Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, shared services and tax assets and liabilities.

**(t) Related parties**

Related parties includes the ultimate holding company and other major shareholders, directors, their close family members and any employee who is able to exert a significant influence on operating policies of the Company, are also considered to be related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling activities of the entity directly or indirectly.

**(u) Accounting policy developments**

Accounting policy developments include new standards issued, amendments to standards and interpretations issued on current standards.

## Notes to the financial statements

For the year ended 31 December 2022

### (i) New standards, interpretations and amendments

#### New standards, interpretations and amendments adopted from 1 January 2022

New standards effective for adoption in the annual financial statements for the year ended 31 December 2022 but had no significant effect or impact on the Company are:

Standard/Interpretation		Date issued by IASB	Effective date
IAS 37	Onerous Contracts – Cost of Fulfilling a Contract	14 May 2020	1 January 2022
Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41	Annual Improvements to IFRS Standards 2018–2020	14 May 2020	1 January 2022
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use	14 May 2020	1 January 2022
IFRS 3	Reference to the Conceptual Framework	14 May 2020	1 January 2022

### (i) New standards, amendments and interpretations issued but not yet effective

The following are the new standards and interpretations that have been issued, but are not mandatory for the financial year ended 31 December 2022. They have not been adopted in preparing the financial statements for the year 31 December 2022.

Standard/Interpretation		Date issued by IASB	Effective date
IAS 1	Classification of liabilities as current or non-current	23 January 2020	1 January 2023
IAS 1	Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	12 February 2021	1 January 2023
IAS 8	Definition of Accounting Estimates (Amendments to IAS 8)	12 February 2021	1 January 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a single Transaction (Amendments to IAS 12)	7 May 2021	1 January 2023
IAS 1	Non-current Liabilities with covenants	31 October 2022	1 January 2024
IAS 16	Lease Liability in a sale and Leaseback (Amendments to IFRS 16)	22 September 2022	1 January 2024
IFRS 17 Insurance Contracts	IFRS 17 was issued in May 2017 and applies to annual reporting periods beginning on or after 1 January 2021. IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the Standard. The objective of IFRS17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.	1 June 2020	1 January 2023

\*All standards and interpretations will be adopted at their effective date (except for those standards and interpretations that are not applicable to the Entity).

**(v) Changes in significant accounting policies**

The Company has consistently applied the accounting policies as set out in Note 3 to all periods presented in these financial statements. The Company has adopted the above new amendments to IFRS Standards and Interpretations but these standards do not have a material effect on the Company's financial statements.

**4. Determination of fair values**

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

**(a) Trade and other receivables**

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes. For short term receivables, no disclosure of fair value is presented when the carrying amount is a reasonable approximation of fair value.

**(b) Borrowings**

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes. For short term receivables, no disclosure of fair value is presented when the carrying amount is a reasonable approximation of fair value.

**(c) Property, plant and equipment**

The fair value of leasehold land and building which are determined based on the observable market price for similar property in the same location with consideration for cost required to ensure the sale at the date of the revaluation. The leasehold land and building are revalued every three (3) years or as driven by changes in economic variables that influence property prices.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

*\*Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.

*\*Level 2:* input other than quoted prices included in Level 1 that are observable for the asset or liability, either directly ( i.e. as prices) or indirectly (i.e. as derived from prices).

*\*Level 3:* Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 26 - Financial risk management and fair values.

**5 Revenue**

Revenue includes net gaming win, hotel, entertainment and restaurant revenues, other service fees, rental income and the invoiced value of goods and services sold less returns and allowances.

**6 Employee costs**

(a) Employee costs for the year comprises:

	<b>2022</b>	<b>2021</b>
	<u>₦'000</u>	<u>₦'000</u>
Salaries, wages, bonuses and other benefits	741,079	761,103
Defined contribution pension fund costs	40,788	40,681
Other personnel costs	250,799	214,104
	<u><b>1,032,666</b></u>	<u><b>1,015,888</b></u>

- (b) Employees of the Company, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension costs and certain benefits) in the following ranges:

		<b>2022</b>	<b>2021</b>
		Number	Number
₦	₦		
0	- 200,000	-	-
200,001	- 400,000	-	1
400,001	- 600,000	42	41
600,001	- 800,000	85	119
800,001	- 1,000,000	44	12
1,000,001	- 2,000,000	81	99
2,000,001	- Above	38	27
		<b>290</b>	<b>299</b>

The number of full-time persons employed per function as at year end was as follows:

	<b>2022</b>	<b>2021</b>
	Number	Number
Gaming	52	60
Hospitality	170	165
Administration and support services	68	74
	<b>290</b>	<b>299</b>

- (c) Pension payable

The balance of the pension payable account represents the amount due to the Pension Fund Administrator which is yet to be remitted at the year end. The movement on this account during the year was as follows:

	<b>2022</b>	<b>2021</b>
	₦'000	₦'000
Balance at beginning of the year	514	1,222
Charge for the year	65,715	36,591
Payments during the year	(62,720)	(37,299)
Balance at end of the year	<b>3,509</b>	<b>514</b>

The Company's majority shareholder, Sun International Limited, operates a defined contribution provident fund. Currently, the provident fund is available to the Company's expatriate employees, whilst the Company's Nigerian employees belong to Nigerian employee nominated defined contribution funds. Contributions are made by both the Company and its employees to these funds.

- (d) Directors' remuneration

Remuneration, excluding certain benefits of directors of the Company, who discharged their duties mainly in Nigeria, is as follows:

	<b>2022</b>	<b>2021</b>
	₦'000	₦'000
Executive director	100,108	79,584
Non-executive directors	2,320	1,515
	<b>102,428</b>	<b>81,099</b>

The directors' remuneration shown above includes:

	<b>2022</b>	<b>2021</b>
	₦'000	₦'000
Chairman's fees	352	220
Highest paid director	<b>100,108</b>	<b>79,584</b>

Other directors received emoluments in the following ranges;

		<b>2022</b>	<b>2021</b>
₦	₦	Number	Number
0	-	100,000	2
100,001	-	Above	6
		<u>8</u>	<u>8</u>

## 7. Finance income and costs

(a) Finance income comprises:

	<b>2022</b>	<b>2021</b>
	₦'000	₦'000
Interest income on bank balances	(2,740)	(5,519)
	<u>(2,740)</u>	<u>(5,519)</u>

(b) Finance costs comprise:

	<b>2022</b>	<b>2021</b>
	₦'000	₦'000
Interest expense on loan	-	-
Interest expense on lease (Note 18(b))	2,004	3,304
Loss on foreign currency loan balance (Note 18(e))	2,507,172	1,611,802
(Gain)/Loss on other foreign currency transactions	(7,659)	416
	<u><b>2,501,517</b></u>	<u><b>1,615,522</b></u>

(c) Net finance costs:

Finance income	(2,740)	(5,519)
Finance costs	2,501,517	1,615,522
	<u><b>2,498,777</b></u>	<u><b>1,610,003</b></u>

## 8. Loss before taxation

(a) Loss before taxation is stated after charging the following:

	<b>2022</b>	<b>2021</b>
	₦'000	₦'000
Depreciation of property, plant and equipment (Note 11(a))	786,106	755,456
Amortisation of intangible assets (Note 12)	767	1,423
Lease rentals**	4,415	3,528
Audit fees	12,000	15,910
Audit expenses	-	150
Write off of property, plant and equipment	8,228	13,741
Minimum tax	19,896	7,718
Education Tax	16,296	4,683
Employee costs (Note 6(a))	1,032,666	1,015,888
Loss on foreign currency loan balance	2,507,172	1,611,802
(Gain)/loss on other foreign currency transactions	(7,659)	416
Management and support fees (Notes 23(b))	<u>140,477</u>	<u>105,478</u>

\*\* Lease rental recognised during the year include the variable component of the lease on printers that the Company has elected to expense and the lease rentals on table game which is short term of less than 12 months. The Company has elected not to recognise the right of use on the table rentals.

(b) Consumables and services comprise the following:

	<b>2022</b>	<b>2021</b>
	₦'000	₦'000
Cost of sales - food & beverage	281,342	173,887
Cost of sales - other	11,158	11,765
Amortisation of casino licence fees	63,926	60,331
Other operating expenditure	70,587	49,485
Card commission	12,363	15,915
Printing and stationery	9,743	5,567
Gaming - taxes	201,662	172,795
Entertainment	18,784	18,136
Repairs and maintenance	41,381	20,579
General expenses	59,372	37,305
Other casino related expenses	15,630	11,242
	<b>785,948</b>	<b>577,007</b>

(c) Property and administrative costs comprise the following:

	<b>2022</b>	<b>2021</b>
	₦'000	₦'000
Power, fuel and other utilities	980,973	695,611
Card commission	21,741	12,532
Repairs and maintenance	337,238	177,572
Information technology and related expenses	133,783	99,490
Outsourced contracts	28,337	57,440
Professional fees	99,378	88,533
Audit fees	12,000	15,910
Lease rentals	4,415	3,528
Write off of property, plant and equipment	8,228	13,741
Insurance	93,451	90,442
Licenses and permits	37,210	41,539
Stationery	13,565	6,782
Other general expenses	50,826	61,712
	<b>1,821,145</b>	<b>1,364,832</b>

(d) Promotional and marketing costs comprise the following:

	<b>2022</b>	<b>2021</b>
	₦'000	₦'000
Gaming promotion and marketing	16,338	12,237
Resort marketing, promotion and advertisement	14,404	9,313
Complimentary services	6,621	4,671
Other promotional expenses	1,433	1,634
	<b>38,796</b>	<b>27,855</b>



## 9. Taxation

### (a) The tax charge for the year comprises:

(i) Amounts recognised in profit or loss

	2022	2021
	₦'000	₦'000
<b>Current tax expense</b>		
Income tax	-	-
Tertiary education tax expense	16,296	4,683
<b>Charge for the year</b>	<b>16,296</b>	<b>4,683</b>
Deferred tax credit	-	-
<b>Total income tax credit recognised in profit or loss</b>	<b>16,296</b>	<b>4,683</b>

### (b) Movement in current tax liability

	2022	2021
	₦'000	₦'000
Balance at 1 January	4,683	-
Charge for the year (Note 9(a))	16,296	4,683
Minimum tax (Note 9(d))	19,896	7,830
Set off of current tax asset (Note 13)	(19,896)	(7,830)
Cash payment during the year	(4,683)	-
Balance at 31 December	<b>16,296</b>	<b>4,683</b>

### (c) Reconciliation of effective tax rate

	2022	2022	2021	2021
		₦'000		₦'000
Loss from continuing operations		(3,210,567)		(2,331,399)
Minimum tax		19,896		7,718
Loss before minimum tax		(3,190,671)		(2,323,681)
Taxation		16,296		(4,683)
Loss before tax		<b>(3,174,375)</b>		<b>(2,318,998)</b>
Income tax using the company's tax rate	30%	(952,313)	30%	(695,699)
<i>Adjusted for:</i>				
Tertiary education tax	2.5%	(79,359)	3%	(57,975)
Non deductible expenses	-27%	852,414	-3%	68,629
Tax losses for which no deferred tax asset is recognised	-6%	195,554	-30%	689,728
	<b>-0.5%</b>	<b>16,296</b>	<b>0%</b>	<b>4,683</b>

### (d) Minimum Tax

Minimum tax in current year has been computed based on 0.5% of revenue in line with the Finance Act, 2021 and this amounts to ₦19.9 million. Minimum tax in prior year was computed based on the Finance Act, 2020 and this amounted to ₦7.7million.

**10. Basic/diluted loss per share**

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

The Company did not have any instruments with a dilutive effect during the year, thus, basic and diluted loss per share are equal.

	<b>2022</b>	<b>2021</b>
	<b>₦'000</b>	<b>₦'000</b>
Net loss attributable to ordinary shareholders for basic and diluted EPS (NGN)	(3,210,567)	(2,331,399)
Weighted average number of ordinary shares for EPS	2,246,437	2,246,437
Basic Loss Per Share (kobo)	(143)	(104)
Diluted Basic Loss Per Share (kobo)	(143)	(104)

- (i) There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and date of completion of these financial statements

## II. Property, plant and equipment (PPE)

(a) The movement on these accounts was as follows:

	Leasehold Land		Buildings		Infrastructure		Plant & Machinery		Casino Equipment		Hotel & Office Equipment		Motor Vehicles		Furniture & Fittings		Operating Equipment		Capital Work in Progress		Total		
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Balance at 1 January 2021	14,698,000	16,473,691	445,104	739,967	486,778	829,385	59,631	539,594	206,277	4,111	34,482,538												
Additions	-	-	-	47,494	-	20,959	-	-	-	-	62,362	10,068	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	258	3,660	-	194	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating equipment usage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs	-	(10,003)	(698)	(5,817)	(9,209)	(31,454)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(12,490)
<b>Balance at 31 Dec 2021</b>	<b>14,698,000</b>	<b>16,463,688</b>	<b>444,664</b>	<b>785,304</b>	<b>477,569</b>	<b>819,084</b>	<b>59,631</b>	<b>539,594</b>	<b>203,855</b>	<b>62,361</b>	<b>34,553,750</b>	<b>203,855</b>	<b>194,113</b>	<b>(190,798)</b>	<b>203,855</b>	<b>62,361</b>	<b>34,482,538</b>	<b>140,883</b>	<b>0</b>	<b>(57,181)</b>	<b>34,553,750</b>	<b>62,361</b>	<b>34,553,750</b>
Balance at 1 January 2022	14,698,000	16,463,688	444,664	785,304	477,569	819,084	59,631	539,594	203,855	62,361	34,553,750	203,855	194,113	(190,798)	203,855	62,361	34,553,750	140,883	0	(57,181)	62,361	34,553,750	
Additions	-	-	-	-	4,266	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	139,494	-	48,073	516	2,715	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating equipment usage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs	-	(149)	(938)	(181,163)	-	(42,414)	(290)	(967)	-	-	(18,745)	-	-	-	-	-	-	-	-	-	-	-	(18,745)
Elimination/write off on revaluation	-	(3,898)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(225,921)
Revaluation surplus	12,838,266	8,749,812	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,898)
<b>Balance at 31 Dec 2022</b>	<b>27,536,266</b>	<b>25,209,453</b>	<b>443,726</b>	<b>743,635</b>	<b>481,835</b>	<b>824,743</b>	<b>59,857</b>	<b>541,342</b>	<b>208,401</b>	<b>65,676</b>	<b>56,114,934</b>	<b>208,401</b>	<b>194,113</b>	<b>(190,798)</b>	<b>208,401</b>	<b>65,676</b>	<b>56,114,934</b>	<b>140,883</b>	<b>0</b>	<b>(57,181)</b>	<b>65,676</b>	<b>56,114,934</b>	
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 1 January 2021	-	1,221,267	147,403	432,503	387,123	657,718	56,465	531,725	-	-	3,434,204	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	583,877	15,815	82,308	22,054	47,254	1,457	2,691	-	-	755,456	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs	-	(7,329)	(44)	(2,519)	(3,105)	(30,443)	-	-	-	-	(43,440)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at 31 Dec 2021</b>	<b>-</b>	<b>1,797,815</b>	<b>163,174</b>	<b>512,292</b>	<b>406,072</b>	<b>674,529</b>	<b>57,922</b>	<b>534,416</b>	<b>-</b>	<b>-</b>	<b>4,146,220</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Balance at 1 January 2022	-	1,797,815	163,174	512,292	406,072	674,529	57,922	534,416	-	-	4,146,220	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	585,785	15,655	114,339	19,392	48,518	200	2,217	-	-	786,106	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	803	-	-	-	-	-	803	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs	-	(154)	(109)	(177,625)	-	(38,652)	(274)	(879)	-	-	(217,693)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at 31 Dec 2022</b>	<b>-</b>	<b>2,383,446</b>	<b>178,720</b>	<b>449,006</b>	<b>426,267</b>	<b>684,395</b>	<b>57,848</b>	<b>535,754</b>	<b>-</b>	<b>-</b>	<b>4,715,436</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Carrying amounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 1 January 2021	14,698,000	15,252,424	297,701	307,464	99,655	171,667	3,166	7,869	206,277	4,111	31,048,334	206,277	194,113	(190,798)	206,277	62,361	34,482,538	140,883	0	(57,181)	62,361	34,482,538	
At 31 December 2021	14,698,000	14,665,873	281,490	273,012	71,497	144,555	1,709	5,178	203,855	62,361	30,407,530	203,855	194,113	(190,798)	203,855	62,361	34,482,538	140,883	0	(57,181)	62,361	34,482,538	
At 31 December 2022	27,536,266	22,826,007	265,006	294,629	55,568	140,348	2,009	5,588	208,401	65,676	51,399,498	208,401	194,113	(190,798)	208,401	65,676	56,114,934	140,883	0	(57,181)	65,676	51,399,498	

**(b) Revaluation of Property, plant and equipment**

The Company carried out a revaluation of its leasehold land and building asset category of property, plant and equipment. The Company engaged an independent valuer Jide Taiwo & Co. (FRC/2012/0000000000254) for this purpose. As at the date of the valuation, 31 December 2022, the carrying amount of the land and building amounted to ₦28.7 billion and the revalued amount amounted to ₦50.3 billion. Consequently, a revaluation surplus of ₦21.6 billion was recognised. This was recognised in other comprehensive income and is not available for distribution to the shareholders of the Company. Had the Company not revalued its properties, the carrying amount of the leasehold land and building would have been ₦14.6 billion and ₦15.9 billion respectively at the end of 2022. During the year, a portion of the building was scrapped. This resulted in a charge to the income statement of ₦0.3 million (2021: ₦10 million).

(c) There was no property, plant and equipment that was pledged as security for borrowings as at year end (31 December 2021: Nil).

(d) Information on capital expenditure commitment is presented in Note 22 of the financial statements.

**(e) Summary of PPE movement schedule**

	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
Balance at the beginning of the year	30,407,530	31,048,334
Depreciation	(786,106)	(755,456)
Additions (Note 11(a))	221,670	140,883
Write-offs/Disposal	(8,228)	(13,741)
Operating equipment usage (Note 11(a))	(18,745)	(12,490)
Changes in revaluation surplus (Note 17(c))	21,584,180	-
Adjustments	(803)	-
<b>Balance at the end of the year</b>	<b><u>51,399,498</u></b>	<b><u>30,407,530</u></b>

**(f) PPE additions in statement of cash flows**

	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
Additions (Note 11(a))	221,670	140,883
<b>PPE additions in statement of cash flows</b>	<b><u>221,670</u></b>	<b><u>140,883</u></b>

**(g) Capital work in progress**

Additions to capital work in progress during the year is analysed as follows:

	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
Buildings	-	21,775
Infrastructure	24,497	258
Plant and machinery	39,884	15,868
Casino equipment	220	-
Hotel and office equipment	1,075	24,460
Property, plant and equipment	65,676	62,361
Intangible assets (Note 12)	-	1,074
	<b><u>65,676</u></b>	<b><u>63,435</u></b>

## 12. Intangible assets

Intangible assets represent the purchase costs and installation of software licences. The movement in the intangible asset account during the year was as follows:

	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
<b>Cost</b>		
Balance at the beginning of the year	23,740	22,666
Additions	-	1,074
Balance at the end of the year	<u>23,740</u>	<u>23,740</u>
<b>Amortisation</b>		
Balance at the beginning of the year	22,126	20,703
Amortisation	767	1,423
Balance at the end of the year	<u>22,893</u>	<u>22,126</u>
<b>Carrying amounts</b>		
Balance at the beginning of the year	1,614	1,963
Balance at the end of the year	<u>847</u>	<u>1,614</u>

## 13. Tax assets

Tax assets comprise withholding tax credit notes available for utilisation against income tax payable.

	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
Balance at the beginning of the year	96,595	102,548
Additions	13,050	1,877
Set off of tax liability (Note 9(b))	(19,896)	(7,830)
Less: impairment	(52,735)	-
Balance at the end of the year	<u>37,014</u>	<u>96,595</u>

(a) Tax assets in statement of cash flows	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
Tax assets movement	59,581)	5,953
Set off of tax liability (Note 9(b))	(19,896)	(7,830)
Less: impairment	(52,735)	-
	<u>(13,050)</u>	<u>(1,877)</u>

## 14. Inventories

	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
Consumables	237,907	146,029
Inventory written down	(4,107)	(2,893)
	<u>233,800</u>	<u>143,136</u>

The value of food and beverage consumables included in consumables and services as cost of sales amounted to ₦281 million (2021: ₦174 million).

## 15. Trade and other receivables

	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
(a) <i>Financial instruments</i>		
Trade receivables	216,498	188,668
Less: impairment (Note 26(b))	(108,096)	(99,195)
Net trade receivables	<u>108,402</u>	<u>89,473</u>
Credit card receivables	18,663	4,705
<i>Non-financial instruments</i>		
Advance payment to suppliers	23,565	9,691
Other receivables	<u>63,132</u>	<u>21,600</u>
	<b><u>213,762</u></b>	<b><u>125,469</u></b>

Included in the carrying amount of trade receivables are amounts due from related parties (Note 24(b)(iii)).

The carrying values of trade and other receivables approximate their fair value as at the reporting date.

The Company's exposure to credit and market risks, and impairment losses relate to trade and other receivables are disclosed in Note 26.

(b) Trade and other receivables in statement of cash flows	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
Trade and other receivables movement	(88,293)	(19,032)
Impairment (loss)/ reversal on financial assets (Note 26(b))	(46,196)	57,305
	<b><u>(134,489)</u></b>	<b><u>38,273</u></b>

## 16. Prepayments

	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
Licenses prepayments	50,643	58,983
General prepayments - subscription and maintenance fees	27,430	17,421
Service contracts prepayments	6,972	6,429
	<b><u>85,045</u></b>	<b><u>82,833</u></b>

## 17. Share capital and premium

(a) Issued and fully paid ordinary shares of 50K each

	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
Balance at the beginning of the year	<u>1,123,220</u>	<u>1,123,220</u>
Balance at the end of the year	<b><u>1,123,220</u></b>	<b><u>1,123,220</u></b>

There are 2,246,437,472 ordinary shares of 50 Kobo each at 31 December 2022 (2021: 2,246,437,472).

All issued shares are fully paid.

Holders of these shares are entitled to dividends from time to time and are entitled to one vote per share at the general meetings of the Company.

(b) Share premium

The share premium on the 2,246,437,472 ordinary shares of 50 Kobo each is as follows:

<u>2022</u>	<u>2021</u>
₦'000	₦'000
<u>4,132,763</u>	<u>4,132,763</u>

(c) Revaluation reserve

The revaluation reserve relates to the revaluation surplus arising from the revaluation of the leasehold land and building included in the Company's property, plant and equipment, which is as follows:

<u>2022</u>	<u>2021</u>
₦'000	₦'000
Revaluation reserve	
<u>41,841,790</u>	<u>20,257,610</u>

<u>2022</u>	<u>2021</u>
₦'000	₦'000
The movement in revaluation reserve is as follows:	
Balance at the beginning of the year	20,257,610
Revaluation of land and buildings during the year (Note 11(f))	<u>21,584,180</u>
Balance at the end of the year	<u>41,841,790</u>

(d) Accumulated loss

Balance at the beginning of the year	(24,303,120)	(21,971,721)
Results for the year	<u>(3,210,567)</u>	<u>(2,331,399)</u>
Balance at the end of the year	<u>(27,513,687)</u>	<u>(24,303,120)</u>

**18. Loans and borrowings**

(a) Shareholder and related party loan (Note 18(d)(c))

<u>2022</u>	<u>2021</u>
₦'000	₦'000
Shareholder and related party loan (Note 18(d)(c))	31,253,238
Lease liabilities (Note 18(b))	<u>5,137</u>
<b>31,258,375</b>	<b>28,757,584</b>

**Split into:**

**Non-current liabilities**

Shareholder and related party loan	31,253,238	28,746,066
Lease liabilities	-	<u>3,133</u>
<b>31,253,238</b>	<b>31,253,238</b>	<b>28,749,199</b>

**Current liability**

Lease liabilities	<u>5,137</u>	<u>8,385</u>
<b>5,137</b>	<b>5,137</b>	<b>8,385</b>

- (b) Lease liabilities relates to the present value of the future fixed lease payments on the Company's leased printers. The movement in the lease liabilities in the year was as follows:

	<u>2022</u>	<u>2021</u>
	N'000	N'000
Balance at the beginning of the year	11,518	20,077
Interest on lease liability (Note 7(b))	2,004	3,304
Payment in the year	(5,869)	(8,719)
Discount on lease (lease concession)	(2,516)	(3,144)
Balance at the end of the year	<u>5,137</u>	<u>11,518</u>

- (c) Shareholder and related party loans

	<u>2022</u>	<u>2022</u>	<u>2021</u>	<u>2021</u>
	US\$'000	N'000	US\$'000	N'000
<b>Non-current, unsecured</b>				
<b>Shareholders:</b>				
<b><i>Ikeja Hotel Plc</i></b>				
At beginning of the year	22,188	9,409,927	22,188	8,882,309
Interest capitalised	-	-	-	-
Exchange difference	-	820,714	-	527,618
Related tax on interest	-	-	-	-
At end of the year	<u>22,188</u>	<u>10,230,641</u>	<u>22,188</u>	<u>9,409,927</u>
<b><i>Sun International Limited</i></b>				
At beginning of the year	23,817	10,100,742	23,817	9,534,390
Interest capitalised	-	-	-	-
Exchange difference	-	880,966	-	566,352
Related tax on interest	-	-	-	-
At end of the year	<u>23,817</u>	<u>10,981,708</u>	<u>23,817</u>	<u>10,100,742</u>
<b>Total shareholders</b>	<u>46,005</u>	<u>21,212,349</u>	<u>46,005</u>	<u>19,510,669</u>
<b>Other:</b>				
<b><i>Omamo Investment Corporation</i></b>				
At beginning of the year	21,776	9,235,397	21,776	8,717,565
Interest capitalised	-	-	-	-
Exchange difference	-	805,492	-	517,832
Related tax on interest	-	-	-	-
At end of year	<u>21,776</u>	<u>10,040,889</u>	<u>21,776</u>	<u>9,235,397</u>
	<u>67,781</u>	<u>31,253,238</u>	<u>67,781</u>	<u>28,746,066</u>

**Terms of the above loans:**

- (i) They are unsecured.
- (ii) Repayment is subject to the board of director's discretion, taking into account the availability of funds and the Company's working capital requirements provided specific profitability and EBITDA targets have been met.
- (iii) The loans are denominated in US Dollars.
- (iv) Interest is capitalised at 5% per annum. However, the interest was waived from 1 March 2020 until otherwise agreed by the shareholders (Note 18 (d)).

**(d) Modification of shareholder and related party loans**

The board of directors approved the proposal for a Company Voluntary Arrangement ("CVA") between Sun International Limited, Ikeja Hotels Plc (shareholders and creditors of the Company) and Omamo Investment Corporation Limited (a creditor of the Company) on 28 July 2021, in respect of the waiver of interest which would have accrued on the shareholders and related party loans from 1 March 2020 until otherwise agreed to by the shareholders and/or creditors. The CVA procedure is prescribed under Chapter 17 of the Companies and Allied Matters Act (CAMA), 2020.

In accordance with the CVA procedures, the proposal was considered at separate court-ordered meetings of the shareholders and creditors on 8 December 2021. The shareholders and creditors present at the meetings voted unanimously in favour of the resolution authorizing the implementation of the CVA process. Therefore, in terms of section 438(2)(a) of the CAMA 2020, the CVA has taken effect on the terms of the proposal and the shareholders and related party loans are modified accordingly.

Consequently, the Company has not recognised interest expense on shareholders and related party loans for the period of 1 March 2020 to 31 December 2022.



In terms of its articles of association, the directors, on behalf of the Company are empowered to borrow or obtain loans in the ordinary course of business and in the overall best interest of the Company subject to the approval of shareholders for a foreign loan.

The loan from Omamo Investment Corporation is currently the subject to a legal dispute (Note 29).

**(d) Summary of movement in Shareholder and related party loan**

	<b>2022</b>	<b>2021</b>
	<b>₦'000</b>	<b>₦'000</b>
Balance at the beginning of the year	28,746,066	27,134,264
Interest expense	-	-
Related tax on interest	-	-
Effect of changes in exchange rate (Note 7(b))	2,507,172	1,611,802
Balance at the end of the year	<b>31,253,238</b>	<b>28,746,066</b>

**19 Deferred tax**

*Unrecognised deferred tax assets*

The Company has a net deferred tax asset amounting to ₦337 million as at 31 December 2022 (2021: ₦3.3 billion), arising mainly from unutilised tax losses of ₦3.1 billion (2021: ₦3.7 billion) and unutilized deductible temporary differences of ₦6.6 billion (2021: ₦4.4 billion) that may be available for offset against future taxable income. The Company did not recognise the deferred tax asset due to uncertainties relating to the amount and timing of future taxable income.

**20. Trade and other payables**

	<b>2022</b>	<b>2021</b>
	<b>₦'000</b>	<b>₦'000</b>
(a) Trade and other payables		
<i>Financial instruments</i>		
Trade payables	109,730	85,360
Other payables	153,790	81,740
Amount due to related parties (Note 24(b)(i)&(ii))	275,837	74,071
Accrued expenses	212,048	228,776
Casino loyalty programme liability	35,033	27,157
	786,438	497,104
<i>Non-financial instruments</i>		
Employee related accruals	169,804	146,759
Pension payable (Note 6(c))	3,509	514
Deposits received	32,762	20,344
Other payables *	1,284,112	1,056,654
	<b>2,276,625</b>	<b>1,721,375</b>

\*\* Other payables comprise non income tax liabilities such as withholding tax, consumption tax and VAT as well as provisions for open tax audits.

(b) Trade and other payables in statement of cash flows	<b>2022</b>	<b>2021</b>
	N'000	N'000
Trade and other payables movement	555,250	288,023
Value Added Tax (VAT) paid	156,917	103,741
Unrealised exchange differences (Note 7(b))	7,659	(416)
Effect of movements in exchange rate on cash held	(10,235)	(20,586)
Trade and other payables in statement of cash flows	<b>709,591</b>	<b>370,762</b>

## 21. Cash and cash equivalents

Cash and cash equivalents consist of:	<b>2022</b>	<b>2021</b>
	N'000	N'000
Cash at bank	1,136,767	787,962
Cash on hand	28,649	48,976
Cash and cash equivalents in the statement of cash flows	<b>1,165,416</b>	<b>836,938</b>

The Company's exposure to credit risk and market risk related to cash and cash equivalents are disclosed in Note 26.

## 22. Capital expenditure commitments

	<b>2022</b>	<b>2021</b>
	N'000	N'000
<b>Capital commitments</b>		
Contracted	4,104	6,417
Authorised by the board of directors but not contracted	2,541,513	2,312,236
	<b>2,545,617</b>	<b>2,318,653</b>
To be spent in the forthcoming financial year	371,962	279,255
To be spent thereafter	2,173,655	2,039,398
	<b>2,545,617</b>	<b>2,318,653</b>

Future capital expenditure will be funded by both internally generated cash flows and short term financing from the Company's bankers.

## 23. Management and support fees

### (a) Operating services agreement

The Company has an agreement with Sun International (South Africa) Limited (an associate of Sun International Limited) until 30 September 2027 to manage the Company's business. The agreement is pending approval by the National Office for Technology Acquisition and Promotion (NOTAP). In terms of this agreement, the Company is obligated to pay the following annual fees to Sun International (South Africa) Limited:

#### Structure of management fees

##### (i) Basic fee

A basic fee equal to 3% per annum of the net sales of the Company. This is exclusive of any taxes and is denominated and payable in Naira.

##### (ii) Incentive fee

An incentive fee of 8% per annum of the gross operating profit of the Company. This fee is exclusive of any taxes and is denominated and payable in Naira.

The management fees include Value Added Tax

The Company previously had an agreement with Sun International (South Africa) Limited (an associate of Sun International Limited) until 30 September 2022 to manage the Company's business. The agreement with certificate number CR006767 was approved by the NOTAP on 17 December 2018 and expired on 30 September 2022. The terms of the agreement were a basic fee equal to 3% per annum of the gross revenue of the Company and an incentive fee of 8% per annum of the adjusted net profit of the Company. Both fees are exclusive of any taxes and are denominated and payable in Naira.

### (b) Management and support fees

(based on the structure above)

	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
<i>Sun International (South Africa) Limited</i>		
Basic fees	128,240	99,383
Incentive fees	12,237	6,095
	<u><u>140,477</u></u>	<u><u>105,478</u></u>

## 24. Related parties

### (a) Material major shareholder

The Company is an associate company of Sun International Limited incorporated in South Africa. Sun International Limited held 49.3% of the issued and fully paid share capital of the Company as at 31 December 2022 (2021: 49.3%).

### (b) Related party transactions

The transaction values and balances with related parties below exclude borrowings, the values of which are disclosed in Note 18(c).

	Value of goods and services supplied (to)/ from the company		Amount due (to)/from the company	
	2022	2021	2022	2021
	₦'000	₦'000	₦'000	₦'000
(i) Accounts payable				
<i>Sun International (South Africa) Limited</i>	(209,059)	(172,106)	(265,627)	(64,100)
Is a subsidiary of Sun International Limited, which is a shareholder in the Company. It has an operating service agreement with the Company.				
(ii) Other related party transactions include:				
<i>AVI Services Limited</i>	(90,516)	(89,378)	-	-
Mr. Ufuoma Ibru is director at the company. AVI Services Ltd provides staff transport service to the Company. it				
<i>GM Ibru &amp; Co</i>	(10,782)	(9,180)	(2,112)	(1,873)
Is a firm of attorneys controlled by Goodie M. Ibru, OON, the former Chairman of the Company. It provides legal services to the Company and rents offices from the Company. Mr Ufuoma Ibru, a director of the Company, is also a partner with GM Ibru & Co.				
<i>Punuka Nominees Limited</i>				
Is controlled by a director and the Chairman of the Company. It provides company secretarial services to the Company.	(12,228)	(16,013)	(8,022)	(8,022)
<i>Guardian Press Limited</i>	-	-	(26)	(26)
The Guardian Press Limited is controlled by Lady Maiden Ibru. The Company purchases newspapers from The Guardian Press Limited. Mr Toke Ibru is a director of the Company and also a director at Guardian Press Limited.				

*Guy Saries Limited* - - (50) (50)

This Company is controlled by Goodie M. Ibru, the former Chairman of the Company. It provides media agency to facilitate regulatory announcements on behalf of the Company.

(322,585) (286,677) (275,837) (74,071)

(iii) Accounts receivable

*Ikeja Hotel Plc* \* (4,247) - - 4,247

*Estate of Late Dr Alex Ibru* - - - -

A former director and indirect shareholder in the Company. The estate rents the hotel penthouse premises from the Company. The Company has demanded payment of rental owing by the Estate.

*Lady Maiden Ibru* - - - -

Lady Ibru is the wife of the late Dr Alex Ibru, a former director with an indirect shareholding in the Company. Lady Ibru occupies retail premises from the Company. The matter of rent outstanding on the retail premises is subject to administrative action as part of the forensic audit.

(4,247) - - 4,247

\* The receivable from Ikeja Hotels from hospitality has been recorded as trade receivables.

(c) *Transactions with key management personnel*

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any director (whether executive or otherwise) of that Company. Refer to Note 6(d) for amounts paid to directors of the Company during the year.

*Key management personnel compensation*

Key management personnel compensation comprised:

	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
Short-term employee benefits	225,644	194,081
Post-employment benefit	15,524	17,464
	<u>241,168</u>	<u>211,545</u>

## 25. Segment information

The Company has two reportable segments, as described below.

### Gaming:

This includes the provision of tables and slots gaming facilities.

### Hospitality:

This consists of the sale of hotel room accommodation, sale of food and beverages in the Company's restaurants and bars, as well as venue hire, pool club subscriptions and entrance fees, parking and laundry charges, and other miscellaneous revenue.

Unallocated Costs represent support services to the above segments, and include finance and administration, human resources, information technology, security and other property related services.

Information regarding the results of each reportable segment is provided below. Performance is measured based on segment profit before tax, as included in the Company's internal management reports that are reviewed by the Company's General Manager.

	Gaming		Hospitality		Unallocated		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
<b>Revenue</b>								
Total revenue for reportable segments	1,630,024	1,567,578	2,465,638	1,631,932	-	-	4,095,662	3,199,510
Elimination of inter-segment revenue *	-	-	(119,159)	(117,872)	-	-	(119,159)	(117,872)
Reportable segment revenue	<b>1,630,024</b>	<b>1,567,578</b>	<b>2,346,479</b>	<b>1,514,060</b>	-	-	<b>3,976,503</b>	<b>3,081,638</b>
<b>Profit/(Loss) before minimum tax</b>								
Reportable segment revenue	1,630,024	1,567,578	2,346,479	1,514,060	-	-	3,976,503	3,081,638
Expenses	(650,046)	(612,852)	(783,512)	(608,285)	(2,550,829)	(1,930,490)	(3,984,387)	(3,151,627)
Elimination of inter-segment expenses	119,159	117,872	-	-	-	-	119,159	117,872
Depreciation and amortisation	-	-	-	-	(786,873)	(756,878)	(786,873)	(756,878)
Net finance costs	-	-	-	-	(2,498,777)	(1,610,003)	(2,498,777)	(1,610,003)
Profit/(loss) before minimum tax	<b>1,099,137</b>	<b>1,072,598</b>	<b>1,562,967</b>	<b>905,775</b>	<b>(5,836,479)</b>	<b>(4,297,371)</b>	<b>(3,174,375)</b>	<b>(2,318,998)</b>
<b>Reportable segment assets</b>								
					53,135,382	31,694,115	53,135,382	31,694,115
<b>Reportable segment liabilities</b>								
					33,551,296	30,483,642	33,551,296	30,483,642
<b>Major customer</b>								

Revenue from one customer does not represent up to or exceed 10% of the Company's total revenue. Therefore, information on major customers is not presented.

\* Inter-segment revenue represents complimentary room sales and food and beverage revenue which is included in hospitality revenues.

## 26. Financial risk management and fair values

The Company has exposure to the following risks from its use of financial instruments:

- Liquidity risk
- Credit risk
- Market risk
- Capital management risk

### Risk management framework

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has established the Finance & Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company's Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes the reviews of risk management controls and procedures, the results of which are reported to both senior management and the Audit Committee.

#### (a) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company at all times maintains adequate committed credit facilities in order to meet all its commitments as and when they fall due. Repayment of borrowings is structured so as to match the expected cash flows from operations to which they relate.

The following are the maturity analysis of contractual undiscounted financial liabilities (including principal and interest payments)::

	Carrying Amount	Contractual cashflows	On demand or not exceeding 6 months	More than 6 months but not exceeding 1 year	More than 1 year but not exceeding 2 years	More than 2 years but not exceeding 5 years	More than 5 years
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
<b>31 December 2022</b>							
<i>Financial liabilities</i>							
Borrowings	31,253,238	31,253,238	-	-	-	-	31,253,238
Trade payables	109,730	109,730	109,730	-	-	-	-
Other payables	153,790	153,790	153,790	-	-	-	-
Amounts due to related parties	275,837	275,837	275,837	-	-	-	-
Accrued expenses	212,048	212,048	212,048	-	-	-	-
Casino loyalty programme	35,033	35,033	35,033	-	-	-	-
	<b>32,039,676</b>	<b>32,039,676</b>	<b>786,438</b>	-	-	-	<b>31,253,238</b>
<b>31 December 2021</b>							
<i>Financial liabilities</i>							
Borrowings	28,746,066	28,746,066	-	-	-	-	28,746,066
Trade payables	85,360	85,360	85,360	-	-	-	-
Other payables	81,740	81,740	81,740	-	-	-	-
Amounts due to related parties	74,071	74,071	74,071	-	-	-	-
Accrued expenses	228,776	228,776	228,776	-	-	-	-
Casino loyalty programme	27,157	27,157	27,157	-	-	-	-
	<b>29,243,170</b>	<b>29,243,170</b>	<b>497,104</b>	-	-	-	<b>28,746,066</b>

**(b) Credit risk**

Credit risk arises from trade and other receivables (excluding prepayments and VAT), and cash and cash equivalents. The granting of credit is controlled by specific application and account limits. Cash deposits are only placed with high quality financial institutions.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset determined to be exposed to credit risk.

Exposure to credit risk

The maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	31 December 2022	31 December 2021
	₦'000	₦'000
Trade receivables (Note 15)	108,402	89,473
Credit card receivables (Note 15)	18,663	4,705
Cash and cash equivalents (Note 21)	1,136,767	787,962
	<b>1,263,832</b>	<b>882,140</b>

**Trade receivables**

The Company has no significant concentrations of credit risk with respect to trade receivables, due to a widely dispersed customer base.

**Expected credit loss assessment for trade receivables.**

The Company allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default. An expected credit loss (ECL) rate is calculated for each segment based on delinquency status and actual credit loss experience over the past years, taking into consideration current conditions and the Company's view of economic conditions over the expected lives of the receivables.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2022:

	Weighted average loss rate	Credit impaired	Gross carrying amount	Loss allowance
			2022	2022
			N '000	N '000
Current	3%	No	54,368	(1,498)
31 – 60 days	8%	No	46,108	(3,593)
61 – 90 days	11%	No	10,283	(1,143)
91 – 120 days	38%	No	6,255	(2,378)
More than 120 days	100%	Yes	99,484	(99,484)
			<b>216,498</b>	<b>(108,096)</b>

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2021:

	Weighted average loss rate	Credit impaired	Gross carrying amount	Loss allowance
			2021	2021
			₦ '000	₦ '000
Current	1%	No	74,980	(1,050)
31 – 60 days	15%	No	18,226	(2,683)
61 – 90 days	100%	Yes	110	(110)
91 – 120 days	100%	Yes	469	(469)
More than 120 days	100%	Yes	94,883	(94,883)
			<b>188,668</b>	<b>(99,195)</b>



The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	<u>2022</u>	<u>2021</u>
	₦'000	₦'000
Balance at beginning of the year	99,195	175,878
Write off of previously impaired receivables	(37,295)	(19,378)
Impairment (loss)/reversal recognised	46,196	(57,305)
Balance at end of the year	<u><b>108,096</b></u>	<u><b>99,195</b></u>

The Company believes that the impaired amounts are still collectable in full based on historical payment behaviour.

#### ***Credit card receivable***

The Company had credit card receivables of ₦18.7 million (2021: ₦4.7 million) as at 31 December 2022, which represents its maximum credit exposure on these assets.

#### ***Cash and bank balances***

The Company held cash and cash equivalents of ₦1.137 billion (2021: ₦782 million) as at 31 December 2022, which represents its maximum credit exposure on these assets. The cash and cash equivalents are held by reputable financial institutions in Nigeria with a history of strong financial performance.

#### **(c) *Market risk***

Market risk is the risk that changes in market prices, such as foreign exchange rate and interest rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

##### ***I. Foreign currency risk***

Included in the statement of financial position are the following amounts denominated in currencies other than the functional currency of the Company (Naira). The currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates.

The Company monitors the movement in currency rates on a going concern basis to mitigate the risk that the movements in the exchange rates may adversely affect the Company's income or value of their holdings of financial instruments.

##### ***Exposure to currency risk***

The summary quantitative data about the Company's exposure to currency risk as reported to the Management of the Company based on its risk management policy was as follows:

	<b>31 December 2022</b>			
	<u>USD</u>	<u>GBP</u>	<u>EUR</u>	<u>ZAR</u>
	'000	'000	'000	'000
Cash and cash equivalents	87	16	8	3
Trade and other receivables	-	-	-	-
Trade payables and accruals	(67,781)	-	-	(3,575)
<b>Net statement of financial position exposure</b>	<u><b>(67,694)</b></u>	<u><b>16</b></u>	<u><b>8</b></u>	<u><b>(3,572)</b></u>
	<b>31 December 2021</b>			
	<u>USD</u>	<u>GBP</u>	<u>EUR</u>	<u>ZAR</u>
	'000	'000	'000	'000
Cash and cash equivalents	62	16	8	3
Trade and other receivables	22	-	-	-
Trade payables and accruals	(67,781)	-	-	(2,413)
<b>Net statement of financial position exposure</b>	<u><b>(67,697)</b></u>	<u><b>16</b></u>	<u><b>8</b></u>	<u><b>(2,410)</b></u>

The following significant exchange rates applied during the year:

	2022		2021	
	Spot	Average	Spot	Average
US Dollar (\$) 1	461.10	448.55	424.11	409.50
Euro (€) 1	492.32	478.92	480.09	481.81
Pound Sterling (£) 1	555.21	540.10	571.40	553.55
South African Rand (R) 1	27.22	26.48	26.57	27.00

*Foreign currency sensitivity*

A 10% weakening in the Naira against the above foreign currency assets and liabilities at 31 December 2022 would decrease equity and increase the loss before tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis was performed on the same basis as at 31 December 2021:

	2022	2021
	₦'000	₦'000
Decrease in equity	3,129,808	2,876,192
Increase in loss before tax	3,129,808	2,876,192

A 10% strengthening in the Naira against the above foreign currency assets and liabilities at 31 December 2022 would have an equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

*II. Interest rate risk*

The Company does not have financial instruments with variable interest rates.

*III. Other price risk*

The Company's exposure to other price risks is limited as the Company does not have any investments which are subject to changes in equity prices.

**(d) Capital management risk**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide benefits for its stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust this capital structure, the Company may issue new shares, adjust the amount of dividends paid to shareholders, return capital to shareholders or buy back existing shares.

The board of directors monitors the level of capital, which the Company defines as total share capital and share premium.

There were no changes to the Company's approach to capital management during the year.

The Company is not subject to externally imposed capital requirements.

*Gearing*

The gearing ratios were as follows:

	2022	2021
	₦'000	₦'000
Total borrowings (Note 18)	31,253,238	28,746,066
Less cash and cash equivalents (Note 21)	(1,165,416)	(836,938)
Net debt	30,087,822	27,909,128
Total equity	19,584,086	1,210,473
Total capital	<b>49,671,908</b>	<b>29,119,601</b>
Net debt to equity ratio	154%	2306%

**(e) Fair values**

*(i) Accounting classification and fair values*

Trade and other receivables, cash and cash equivalents, loans and borrowings, trade and other payables are the Company's financial instruments.

*(ii) Measurement of fair values: Valuation techniques and significant unobservable inputs*

The fair value of the Company's financial assets and liabilities are categorised as Level 3 at 31 December 2022 with the exception of its revalued property, plant and equipment, which are categorised as Level 2. This is because the future cash flows of the financial instruments are based on contractual amounts as there are no recent observable arm's length transactions in the market while the revalued property, plant and equipment are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

The fair values of financial assets and liabilities are not significantly different from the carrying amounts shown in the statement of financial position due to the immaterial impact of discounting. The fair values were determined on the same basis in prior year and there have been no transfers between levels during the financial reporting period.

**27. Contingencies**

The Company is subject to various pending litigations and claims arising in the normal course of business as well as arising from open tax reviews. The contingent liabilities in respect of these pending litigation and claims amounted to ₦2.3 billion as at 31 December 2022 (2021: ₦2.2 billion). In addition, the Company is currently undergoing tax regulatory reviews by the Federal Inland Revenue Service (FIRS) with respect to the financial statements of the financial years 2009 to 2013. As at the date of this report, the amount of the obligation with respect to the regulatory review has not been disclosed because the amount cannot be measured with sufficient reliability. In the opinion of the directors, no material loss is expected to arise from these claims and audits. Therefore, no provision for any loss arising has been made in the financial statements.

**28. Events after reporting date**

There were no other events after the reporting date that could have had a material effect on the financial statements of the Company that have not been provided for or disclosed in these financial statements.

**29. Shareholder dispute litigation**

The Company has been involved in on-going shareholder and related party disputes as follows:

- (a)** On 23 September 2011, Omamo Investment Corporation ("Omamo"), instituted a winding up petition against the Company, on grounds that it believed that the Company was insolvent and that the Company had refused to repay its loan when Omamo demanded repayment. This petition was dismissed by the Federal High Court. As at 31 December 2022, the total loan balance payable to Omamo was ₦10 billion (31 December 2021: ₦9.2 billion). Based on the formal agreements duly executed by all the loan creditors (refer note 18), the loans are repayable at the discretion of the board of directors, taking into account availability of funds and working capital requirements of the Company provided specific EBITDA targets have been met. Accordingly, none of the loans were due for repayment as at 31 December 2022.
- (b)** On 21 May 2012, Omamo Investment Corporation served a notice of demand on the Company, seeking repayment of its loan. In response thereto on 8 June 2012, the Company applied to the Federal High Court seeking an enforcement order of the terms of its agreement with Omamo as well as a shareholder in the Company and related party to Omamo namely Oma Investments Limited ("Oma"). With respect to the latter action, the court delivered judgement on 3 October 2013, in which it declined to grant the Company's application for an enforcement order. The Company's Solicitors are currently engaged in the appeal against this decision. The Appeal Court granted an amended notice to appeal, and the appeal was adjourned to 20 November 2017, 16 April 2018, 25 March 2019 and subsequently adjourned further to 3 November 2020 for hearing of pending applications. The case was not heard on 3 November 2020. The matter came up again on 23 March 2022 for hearing of pending applications. The matter was adjourned to 20 October 2022 and subsequently to 25 October 2023 due to inability of the court to form a quorum.

- (c) On 30 October 2012, Omamo and Oma filed a subsequent action against the Company, challenging (inter alia) further aspects of the agreements to which they are signatories. On 12 November 2013, the matter came up for hearing at the trial court where a motion for an injunction restraining Oma from making a further demand for repayment was declined. The Company's solicitors have proceeded to file a similar motion with the Court of Appeal. Until the motion of appeal is heard, Oma is effectively restrained from taking further action. As at the date of these financial statements, the court had not yet decided on this action.
- (d) On 30 October 2012, in a separate suit, Oma Investment Ltd petitioned the Federal High Court challenging the legality of the hotel management agreement currently in place for the management of The Tourist Company of Nigeria Plc (TCN). TCN has raised a preliminary objection. On 30 January 2014, the Court dismissed the preliminary objection. Subsequently, TCN's solicitors have filed a motion for stay of proceedings transmitted to the Court of Appeal. On 3 July 2014 the Federal High Court adjourned the matter sine die (indefinitely) until the matter before the Court of Appeal has been determined. The Court of Appeal adjourned the matter to 22 September 2016. At the next adjourned date, 16 February 2017, the matter was adjourned to 2 July 2019 for hearing of the Appeal. The court did not sit on the scheduled date. The matter came up on 1 February 2021 for hearing of the appeal. The matter was adjourned to 7 October 2021, 23 March 2022, 20 October 2022 and 25 October 2023 due to inability of the court to form a quorum.

The Directors expect the above matters to be settled without a material loss to the Company.

### **30. Forensic investigation**

In a bid to settle the ongoing shareholders' dispute, settlement agreement was reached among the Nigerian shareholders. As part of the settlement agreement, the Securities and Exchange Commission (SEC) engaged the firm of Deloitte and Touche to perform a forensic investigation on the Company with a specific focus on the Sun International acquisition of TCN shares as well as "Ikeja Hotel Group" investment in TCN. Deloitte & Touche has completed the forensic investigation and the report has since been submitted to the SEC, which is currently reviewing the report. The Board is awaiting the final report findings from the SEC.

At the time of issue of these financial statements, the date when the findings of the SEC will be made known is uncertain.

### **31. Going concern**

The Company incurred a loss before taxation for the year ended 31 December 2022 amounting to ₦3.17 billion (2021: ₦2.32 billion) and as of that date, the Company's current liabilities exceeded its current asset by ₦600 million (2021: ₦546 million). The Company also has accumulated losses of ₦27.5 billion (2021: ₦24.3 billion).

As indicated in Note 29, the Company is involved in multiple lawsuits with one of its shareholders, Oma Investment Ltd and its related party, Omamo Investment Corporation. The uncertainty inherent in the outcome of these lawsuits could have a significant impact on the future operations and management of the Company including its ability to settle its obligations in the normal course of business.

In addition, the majority shareholder of the Company, Sun International Limited (SIL) has expressed its intention to ultimately divest from the Company and exit Nigeria. Although, the full implications of the planned divestment by Sun International Limited on the business are yet to be fully determined, it may impact on the sustained operations of the business. Meanwhile, the Company continues to trade as normal as at year end.

The uncertain outcome of the pending litigation, the intention of the majority shareholder to divest and the continued economic impact of the general business environment on the financial performance of the Company which has affected the Company's cash reserves indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern in the foreseeable future.

The directors have assessed the Company's ability to continue to trade despite the accumulated loss position, and borrowings exceeding available cash resources. The repayment of the borrowings is governed by the Second Shareholders Agreement, which specifies repayments of the borrowings would only be triggered by the Company achieving specific profitability targets, and provided adequate funding is available. The profitability targets are unlikely to be achieved for the foreseeable future, hence the shareholders loan will not be due for repayment in line with the shareholders' agreement. Despite the economic indicators and the material uncertainty which prevails around the current challenging operating environment, the directors have assessed the cash flows projections for the year ahead and believe that the Company will have sufficient financial resources to continue to operate for the following twelve- month period.

In addition, the Company's operating management agreement with Sun International (South Africa) Limited (SISA), an associate of Sun International Limited has been renewed and is valid for a period effective from 1 October 2022 to 30 September 2027 pending NOTAP approval. The Directors expect that SISA will continue to fulfil its obligations as contained in the operating management agreement during the validity period. The operating management agreement has been submitted to NOTAP.

Based on the foregoing, the Directors have a reasonable expectation that the Company will continue to trade into the year ahead and therefore these financial statements have been prepared on the basis of accounting policies applicable to a going concern.

## **OTHER NATIONAL DISCLOSURES**

## Other national disclosures

### Value added statement

For the year ended

	<u>2022</u>		<u>2021</u>	
	<u>₦'000</u>	%	<u>₦'000</u>	%
Revenue	3,976,503		3,081,638	
Bought-in materials and services:				
Amount paid to suppliers	(2,692,085)		(1,912,389)	
Management and support fees	(140,477)		(105,478)	
	<u>(2,832,562)</u>		<u>(2,017,867)</u>	
Finance income	2,740		5,519	
<b>Value (eroded) / added</b>	<u>1,146,681</u>	<u>100</u>	<u>1,069,290</u>	<u>100</u>
<b>Distribution of Value Added:</b>				
<b>To Government:</b>				
Taxation	16,296	1	4,683	-
Minimum tax	19,896	2	7,718	1
<b>To Employees:</b>				
Salaries, wages and fringe benefits	1,032,666	90	1,015,888	95
<b>To Providers of Finance:</b>				
Finance costs	2,501,517	218	1,615,522	151
<b>Retained in the Business:</b>				
For replacement of property, plant and equipment	786,106	69	755,455	71
For replacement of intangible assets	767	-	1,423	0
To deplete reserves	(3,210,567)	(280)	(2,331,399)	(218)
<b>Valued added</b>	<u>1,146,681</u>	<u>100</u>	<u>1,069,290</u>	<u>100</u>

*Value added represents the additional wealth which the Company has been able to create by its own employees' efforts. This statement shows the allocation of that wealth between government, employees, providers of capital and that retained in the business.*

## Other national disclosures

### Financial summary

#### Statement of financial position

	31 December 2022	31 December 2021	31 December 2020	31 December 2019	31 December 2018 Restated
	₦'000	₦'000	₦'000	₦'000	₦'000
<b>Assets</b>					
Non-current assets	51,437,359	30,505,740	31,135,343	31,515,071	32,073,414
Current assets	1,698,023	1,188,375	994,222	1,832,712	2,017,425
<b>Total Assets</b>	<u>53,135,382</u>	<u>31,694,115</u>	<u>32,129,565</u>	<u>33,347,783</u>	<u>34,090,839</u>
<b>Equity and liabilities</b>					
Capital and reserves	19,584,086	1,210,473	3,541,872	11,195,857	12,405,956
Non-current liabilities	31,253,238	28,749,199	27,142,478	20,630,109	19,986,664
Current liabilities	2,298,058	1,734,443	1,445,215	1,521,817	1,698,219
<b>Total equity and liabilities</b>	<u>53,135,382</u>	<u>31,694,115</u>	<u>32,129,565</u>	<u>33,347,783</u>	<u>34,090,839</u>

#### Statement of comprehensive income

	31 December 2022	31 December 2021	31 December 2020	31 December 2019	31 December 2018 Restated
Revenue	<u>3,976,503</u>	<u>3,081,638</u>	<u>1,306,255</u>	<u>3,666,082</u>	<u>3,606,606</u>
Loss before taxation	(3,194,271)	(2,326,716)	(7,888,451)	(1,493,056)	(1,379,384)
Taxation	(16,296)	(4,683)	-	283,523	4,006,807
(Loss)/profit after tax	<u>(3,210,567)</u>	<u>(2,331,399)</u>	<u>(7,888,451)</u>	<u>(1,209,533)</u>	<u>2,627,423)</u>
<b>Per share data</b>					
(Loss)/earnings per ordinary share (Kobo)	(143)	(104)	(351)	(54)	117
Net assets per ordinary share (Kobo)	872	54	158	498	552



## NOTE

# Proxy Form

<p>The 58<sup>th</sup> Annual General Meeting to be held at the Federal Palace Hotel &amp; Casino, 6-8 Ahmadu Bello Way, Victoria Island, Lagos on 28<sup>th</sup> July 2023 at 12:00pm</p> <p>I/We .....</p> <p>Being a shareholder of The Tourist Company of Nigeria Plc, hereby appoint:</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>Or failing him/her, the Chairman of the meeting as my/our proxy at the Annual General Meeting to be held on 28<sup>th</sup> July 2023, at 12:00pm and any adjournment therefore</p> <p>Dated this.....day of.....2023</p>	<b>NUMBER OF SHARES</b>			
	<b>RESOLUTION</b>	<b>FOR</b>	<b>AGAINST</b>	
	<b>ORDINARY BUSINESS</b>			
	To lay before members for approval, the audited Annual Financial Statements for the year ended 31st December 2022, to disclose and to receive the report of the Directors, Audit Committee and Auditors thereon;			
	To retire and re-elect the following Directors: <ul style="list-style-type: none"> <li>▪ Mr Graham Wood</li> <li>▪ Mr Ramakhatela Mokhobo</li> <li>▪ Mr Ufuoma Ibru</li> </ul>			
	To authorize the Directors to fix the remuneration of the External Auditors			
	To elect Members of the Statutory Audit Committee.			
	To note the disclosure of the remuneration of Managers as set out in the Annual Financial Statements for the year ended 31 December 2022			
	<b>SPECIAL BUSINESS</b>			
	To approve the remuneration of the Directors			
	To ratify the appointment of Mr Toke Alex-Ibru by the Board to fill a casual vacancy following the retirement of Dr Alexander A. Thomopolos from the Board			
	To approve and grant a general mandate to the Board of Directors to engage in transactions with related parties as subsequently would be required for the proper running and day to day operations of the Company.			
	Please mark the appropriate box with an 'x' to indicate how you wish your votes to be cast on the resolutions set above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.			

**Signature of Shareholder**

**Name of Shareholder**



**Before posting this form, please tear off this part and retain it for admission into the meeting**  
**The form may also be sent via email to proxy@gtlregistrars.com**

**ADMISSION CARD**

Please admit.....to the 58<sup>th</sup> Annual General Meeting of Tourist Company of Nigeria Plc, which will take place at the Federal Palace Hotel & Casino, 6-8 Ahmadu Bello Way, Victoria Island, Lagos Friday, the 28<sup>th</sup> of July 2023 at 12:00 am

Name of Shareholder (in BLOCK LETTERS)

(Surname)

(First name)

(Address)

(Signature of person attending)

Affix  
Current  
Passport  
Photograph

# E-DIVIDEND MANDATE ACTIVATION FORM

Date

DD	MM	YY

### Instructions

Please complete **all sections** of this form to make it eligible for processing and return to the address below:

**The Registrar**  
**Greenwich Registrars & Data Solutions Limited**  
**274 Murtala Muhammed Way, Yaba, Lagos**

### Bank Mandate Information

I/We hereby request that henceforth, all the Dividend Payment(s) due to me/us from my/our holdings in all the companies ticked at the right hand column be credited directly to my/our bank detailed below:

Bank Verification Number	
Bank Name	
Bank Account Number	
TIN	
Account Opening Date	
	DD MM YY

### Shareholders Account Information

Surname/Company Name	First Name	Other Name(s)
<b>Address</b>		
<b>City</b>	<b>State</b>	<b>Country</b>
<b>Previous Address (if any)</b>		
<b>CSCS Clearing House Number</b>	<b>Email Address</b>	
<b>Mobile Number (1)</b>	<b>Mobile Number (2)</b>	
<b>Shareholder's Signature</b>	<b>2<sup>nd</sup> Signatory</b> (Joint/Company Accounts)	
<b>Company Seal</b> (if applicable)	<p>By signing above, the Grantee(s) consents that the Company may process the Grantee's personal data, including name, BVN, address, telephone number and any other relevant information/documentation provided during the course of this transaction.</p> <p>Also, the Data may also be disclosed to a third party for the purpose of processing the transaction.</p>	

**THIS SERVICE COSTS ₦150.00 PER APPROVED MANDATE, PER COMPANY**

**THIS SERVICE COSTS ₦150.00 PER APPROVED MANDATE, PER COMPANY**

### Only Clearing Banks Are Acceptable

Tick	Company Name	Shareholders Account No.
<input type="checkbox"/>	11 PLC	
<input type="checkbox"/>	ZLP Management Company Limited Series 1	
<input type="checkbox"/>	Abplast Products PLC	
<input type="checkbox"/>	Allianz Nigeria Plc (erstwhile Union Assurance Company Limited; Ensure Insurance)	
<input type="checkbox"/>	Aluminum Extrusion PLC	
<input type="checkbox"/>	Axxela Bond	
<input type="checkbox"/>	Cashew Nuts Processing Industries PLC	
<input type="checkbox"/>	Chellarams PLC	
<input type="checkbox"/>	Christlieb PLC	
<input type="checkbox"/>	DANA Group of Companies PLC Series 1 & 2	
<input type="checkbox"/>	DN Tyre & Rubber PLC	
<input type="checkbox"/>	Ekiti State Bond Tranche 2	
<input type="checkbox"/>	Ekiti State Government Bond	
<input type="checkbox"/>	EKOCORP PLC	
<input type="checkbox"/>	Eterna PLC	
<input type="checkbox"/>	FAN MILK PLC	
<input type="checkbox"/>	General Telecoms PLC	
<input type="checkbox"/>	GlaxoSmithKline Nigeria PLC	
<input type="checkbox"/>	Global Biofuel Nigeria LTD	
<input type="checkbox"/>	Great Nigeria Insurance PLC	
<input type="checkbox"/>	Greenwich Alpha ETF	
<input type="checkbox"/>	Greenwich Money Market Fund	
<input type="checkbox"/>	Ikeja Hotels PLC	
<input type="checkbox"/>	Impresit Bakolori PLC	
<input type="checkbox"/>	Industrial & General Insurance PLC	
<input type="checkbox"/>	IPWA PLC	
<input type="checkbox"/>	John Holts PLC	
<input type="checkbox"/>	Julius Berger Nigeria PLC	
<input type="checkbox"/>	Kajola Integrated & Investment Company PLC	
<input type="checkbox"/>	Lennard Nigeria PLC	
<input type="checkbox"/>	Local Contractors Receivables Bond Tranche 1, 2 & 3	
<input type="checkbox"/>	Meyer PLC	
<input type="checkbox"/>	Municipality Waste Management Contractors Limited Series I,II & III	
<input type="checkbox"/>	Nestle Nigeria PLC	
<input type="checkbox"/>	Nigeria Cement Company PLC	
<input type="checkbox"/>	Nigeria Entertainment Fund	
<input type="checkbox"/>	Nigeria Reinsurance	
<input type="checkbox"/>	Nigerian Enamelware PLC	
<input type="checkbox"/>	Nigerian Lamp & Industries	
<input type="checkbox"/>	Nigerian Wire & Cable PLC	
<input type="checkbox"/>	Nova Bond Series I	
<input type="checkbox"/>	Okitipupa Oil Palm PLC	
<input type="checkbox"/>	Oluwa Glass Company	
<input type="checkbox"/>	Primero BRT Securitization SPV	
<input type="checkbox"/>	Studio Press Nigeria PLC	
<input type="checkbox"/>	Sush SPV Bond II	
<input type="checkbox"/>	The Tourist Company of Nigeria PLC	
<input type="checkbox"/>	Tripple Gee & Company PLC	
<input type="checkbox"/>	Unilever Nigeria PLC	
<input type="checkbox"/>	Union Homes REITS	
<input type="checkbox"/>	Union Homes Savings & Loans PLC	
<input type="checkbox"/>	University Press PLC	
<input type="checkbox"/>	Wema Bank PLC	
<input type="checkbox"/>	Wema Funding SPV Plc Bond Series I & II	

In consideration of your instruction to Greenwich Registrars & Data Solutions Limited (GRDS) via this Form, to pay all your dividends into the Bank Account provided in this Form, you hereby agree by signing this Form, to indemnify GRDS and person(s) acting on GRDS instructions against all liabilities, costs, expenses, damages and losses suffered or incurred by GRDS in connection with any threatened, pending or completed or future action, suit or proceeding, claim, whether civil, criminal, arbitrational, administrative or investigative (including an action by or in the right of any related or third party or lawful assigns) to which GRDS is, was or at any time becomes a party, or is threatened to be made a party, by reason of the fact that GRDS paid your dividends into the Bank Account provided in this Form.

Cut here ✂



*Sun*  
**Federal Palace**  
HOTEL AND CASINO  
★★★★★

**THE FEDERAL PALACE CASINO IS THE MOST SOPHISTICATED  
CASINO IN NIGERIA, OFFERING SLOTS AND TABLE GAMES.**

**KYC registration required.**

For more information please call +234 1 277 9000  
or email [reservations@suninternational.com](mailto:reservations@suninternational.com) [www.suninternational.com](http://www.suninternational.com)

*Sun* International