WIPRO TECHNOLOGIES NIGERIA LIMITED

FINANCIAL STATEMENTS
31 MARCH 2018

Corporate information

Directors	Mr. Garry Collings Mr. Ankur Prakash
Registered Office	235 Ikorodu Road Ilupeju Lagos
Company Secretaries	Deloitte Corporate Services Limited 235 Ikorodu Road Ilupeju Lagos
Auditors	BDO Professional Services 15 CIPM Avenue Central Business District Alausa, Ikeja Lagos
Principal banker	Citibank Nigeria Limited

The directors present their report on the affairs of the company, together with the accounts and auditors' report for the year ended 31 March 2018.

1. **PRINCIPAL ACTIVITY AND BUSINESS REVIEW**

The principal activity of the Company is to engage in consultancy in matters related to information technology in retail space.

2. **RESULTS FOR THE YEAR**

Results for the year are as follows:

	2018	2017
	N	N
Revenue	1,408,354,460	1,677,899,548
Profit before taxation	218,772,426	285,818,030
Taxation	(237,245,642)	(132,254,374)
Information technology development levy	(2,187,724)	(2,829,882)
(Loss)/profit for the year after taxation	(20,660,940)	150,733,774

3. **DIRECTORS**

The Directors who served during the year were as follows:

Mr. Garry Collings

Mr. Ankur Prakash

4. **DIRECTORS AND THEIR INTERESTS**

In accordance with Section 277 of the Companies and Allied Matters Act CAP C20 LFN 2004, none of the Directors has notified the Company of any declarable interests in contracts with the Company.

The Directors do not have any interests required to be disclosed under Section 275 of the Companies and Allied Matters Act CAP C20 LFN 2004.

5. **SHAREHOLDING STRUCTURE**

The shareholding structure of the Company is as follows:

	Number of shares
Wipro Technologies South Africa (Proprietary) Ltd	99,000
Wipro Cyprus Private Ltd	1,000

In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Act, CAP C20 LFN 2004, the Company's Directors are responsible for the preparation of financial statements which give a true and fair view of the financial position of the Company as at the end of the financial year and of its profit or loss and cash flows for the year and comply with the provisions of the Act.

6. **EMPLOYMENT OF PHYSICALLY CHALLENGED PERSONS**

The Company has no physically challenged persons in its employment. However, applications for employment by physically challenged persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that training, career development and promotion of physically challenged persons should, as far as possible, be identical with

7. **HEALTH, SAFETY AND WELFARE AT WORK**

The Company places a high premium on the health, safety and welfare of its employees in their place of work. To this end, the Company has various forms of insurance policies, including Workmen's Compensation and Group Personal Accident Insurance, to adequately secure and protect its employees. In addition, medical facilities are provided to employees and their immediate families at the Company's expense.

8. **EMPLOYEE INVOLVEMENT AND TRAINING**

The Company places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees, and on the various factors affecting the performance of the Company. This is achieved through formal and informal meetings.

The Company has in-house training programmes, complemented when and where necessary with additional facilities from external institutions for the training of its employees.

9. **AUDITORS**

In accordance with Section 357(2) of the Companies and Allied Matters Act CAP C20 LFN 2004, BDO Professional Services having indicated their willingness, will continue in office as auditors.

BY ORDER OF THE BOARD

Company Secretary
Lagos, Nigeria

WIPRO TECHNOLOGIES NIGERIA LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2018

This statement which, should be read in conjunction with the Report of the Auditors, is made with a view to setting out for shareholders, the responsibility of the Directors of the Company with respect to the financial statements.

In accordance with the provisions of the Companies and Allied Matters Act, CAP C20, LFN 2004, the Directors are responsible for the preparation of annual financial statements which give a true and fair view of the financial position of the Company and of the profit or loss for the financial year.

The responsibilities include ensuring that:

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

b. the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which ensures that the financial statements comply with the requirements of the Companies and Allied Matters Act, CAP C20, LFN 2004.

c. The Company has used suitable accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed.

It is the responsibility of the directors to be satisfied that it is appropriate for the financial statements to be prepared on a going concern basis unless it is presumed that the Company will not continue in business.

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF WIPRO TECHNOLOGIES NIGERIA LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **Wipro Technologies Nigeria Limited** which comprise, the statement of financial position as at 31 March 2018, 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 March 2018 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, 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, CAP C20, LFN 2004.

Basis for Opinion

2. 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 on page 3 of this 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

Other Information

3. The Directors are responsible for the other information. The other information comprises the information included in the 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 thereon.

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

Responsibilities of Directors for the Financial Statements

4. 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, CAP C20, LFN 2004, 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.

Auditors' responsibilities for the Audit of the Financial Statements

5. 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. A further description of our responsibilities for the audit of the financial statements is contained on page 3 of these financial statements. This description forms part of our audit report.

Report on other legal and regulatory requirements

6. The Companies and Allied Matters Act, CAP C20, LFN 2004 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.

Sd/-

For: BDO Professional Services
Chartered Accountants

Lagos, Nigeria
22 June 2018

Details of Auditors' responsibilities for the audit of the 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 Management.

- Conclude on the appropriateness of Management's 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 those charged with governance 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.

WIPRO TECHNOLOGIES NIGERIA LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018	2017
		N	N
Revenue	7	1,408,354,460	1,677,899,548
Cost of sales	8	(914,483,827)	(1,059,689,382)
Gross profit		493,870,633	618,210,166
Other operating income	9	46,464,164	58,764,134
Administrative expenses	10	(348,006,485)	(411,294,365)
Profit from operations		192,328,312	265,679,935
Finance income	11	28,118,585	24,002,968
Finance expenses	11	(1,674,471)	(3,864,873)
Net finance income		26,444,114	20,138,095
Profit before taxation	12	218,772,426	285,818,030
Information technology development levy	13(h)	(2,187,724)	(2,829,882)
		216,584,702	282,988,148
Tax expense	13(a)	(237,245,642)	(132,254,374)
(Loss)/profit for the year		(20,660,940)	150,733,774
Other comprehensive income:			
Items that will not be reclassified to profit or loss		-	-
Items that will or may be reclassified to profit or loss		-	-
Other comprehensive income		-	-
Total comprehensive (loss)/income		(20,660,940)	150,733,774

The accompanying notes and significant accounting policies on pages 8 to 26 and other national disclosures on pages 27 and 28 form an integral part of these financial statements.

Auditors' report, pages 1 to 3

WIPRO TECHNOLOGIES NIGERIA LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

		2018	2017
Assets	**Notes**	**N**	**N**
Non-current			
Property, plant and equipment	14	199,102	319,202
Deferred tax assets	13(g)	25,166,950	60,993,543
		25,366,052	61,312,745
Current			
Trade and other receivables	15	1,408,767,325	993,117,175
Cash and cash equivalents	16	798,829,923	951,871,900
Total current assets		2,207,597,248	1,944,989,075
Current liabilities			
Trade and other payables	17	1,636,929,197	1,234,684,641
Income tax payable	13(f)	354,387,260	509,466,523
Total current liabilities		1,991,316,457	1,744,151,164
Net current assets		216,280,791	200,837,911
Non-current liabilities			
Accrued leave expenses	17(d)	1,180,366	1,023,239
Total net assets		240,466,477	261,127,417
Equity			
Share capital	18	16,300,000	16,300,000
Revenue reserve	19	224,166,477	244,827,417
Total Equity		240,466,477	261,127,417

The financial statements and notes on pages 4 to 28 were approved by the Board of Directors on 21 June 2018 and signed on its behalf by:

(i)	**Mr. Gary Collings**	Sd/-	)
			)
			) **Directors**
(ii)	**Mr. Ankur Prakash**	Sd/-	)

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Auditors' report, pages 1 to 3

WIPRO TECHNOLOGIES NIGERIA LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018

	Share capital	Revenue reserve	Total equity
	N	N	N
Balance at 1 April 2016	16,300,000	94,093,643	110,393,643
Comprehensive income for the year:			
Profit for the year	-	150,733,774	150,733,774
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	150,733,774	150,733,774
Transactions with owners recorded directly in equity	-	-	-
Balance at 31 March 2017	16,300,000	244,827,417	261,127,417
	N	N	N
Balance at 1 April 2017	16,300,000	244,827,417	261,127,417
Comprehensive income for the year:			
Loss for the year	-	(20,660,940)	(20,660,940)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(20,660,940)	(20,660,940)
Transactions with owners, recorded directly in equity			
Dividends to equity holders	-	-	-
Balance at 31 March 2018	16,300,000	224,166,477	240,466,477

The accompanying notes and significant accounting policies on pages 8 to 26 and other national disclosures on pages 27 and 28 form an integral part of these financial statements.

Auditors' report, pages 1 to 3

WIPRO TECHNOLOGIES NIGERIA LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 N	2017 N
Cash flows from operating activities			
(Loss)/profit for the year		(20,660,940)	150,733,774
Adjustments for:			
Finance income	11	(28,118,585)	(24,002,968)
Finance expenses	11	1,674,471	3,864,873
Income tax expense	13(a)	237,245,642	132,254,374
Reconciliation - Income tax	13(f)	(323,304,353)	-
Depreciation of property, plant and equipment	14	120,100	120,100
		(133,043,665)	262,970,153
Changes in working capital			
Increase in trade and other receivables		(415,650,150)	(37,518,678)
Increase in trade and other payables		402,244,556	434,039,825
Increase in accrued leave expenses		157,127	-
Net cash generated from operations		(146,292,132)	659,491,300
Income tax paid	13(f)	(33,193,959)	-
Net cash (outflow)/inflow from operating activities		(179,486,091)	659,491,300
Investing activities			
Purchase of property, plant and equipment	14	-	-
Interest received	11	28,118,585	24,002,968
Net cash inflow from investing activities		28,118,585	24,002,968
Financing activities			
Interest paid	11	(1,674,471)	(3,864,873)
Net cash outflow from financing activities		(1,674,471)	(3,864,873)
Net (decrease)/increase in cash and cash equivalents		(153,041,977)	679,629,395
Cash and cash equivalents at the beginning of the year		951,871,900	272,242,505
Cash and cash equivalents at the end of the year	16	798,829,923	951,871,900

The accompanying notes and significant accounting policies on pages 8 to 26 and other national disclosures on pages 27 and 28 form an integral part of these financial statements.

Auditors' report, pages 1 to 3

1. **Corporate information and principal activities**

Wipro Technologies Nigeria Limited, a private limited liability Company, was incorporated in Nigeria on 15 August 2012 under the Companies and Allied Matters Act, CAP C20, LFN 2004 .The principal activity of the Company is the provision of Consultancy services in matters related to information technology in retail space.

Its registered office is at 235 Ikorodu Road, Ilupeju, Lagos.

2. **Basis of preparation**

(a) **Statement of compliance**
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the interpretations issued by the International Financial Reporting Standards Interpretation Committee (IFRIC), the requirements of the Companies and Allied Matters Act, CAP C20 LFN, 2004 and the Financial Reporting Council of Nigeria Act No 6, 2011.

The financial statements were authorised for issue by the Board of Directors on 21 June 2018

(b) **Basis of measurement**
The financial statements have been prepared under the historical cost concept except for certain financial instruments which are measured at fair value as disclosed in the accounting policies in Note 5.

(c) **Going concern**
The directors assess the Company's future performance and financial position on a going concern basis and have no reason to believe that the Company will not be a going concern in the year ahead. For this reason, the financial statements have been prepared on a going concern basis.

(d) **Functional and presentation currency**
The Company's functional and presentation currency is the Nigerian Naira. The financial statements are presented in Nigerian Naira.

(e) **Use of estimates and judgements**
The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

3. **New standards, amendments and interpretation issued but not yet effective and have not been adopted early by the Company**

The following are standards and ammendments to existing standards that have been published and are relevant and mandatory for the company's accounting period beginning on or after 1 April 2018 but have not been early adopted by the company.

Standards and amendments issued but yet to take effect

IFRS Reference	Title and Affected Standard(s)	Nature of change	Application date	Impact on initial Application
IFRS 9 (2014) (issued Jul 2014)	Financial Instruments	Classification and measurement Financial assets will either be measured - at amortised cost, - fair value through other comprehensive income (FVTOCI) or - fair value through profit or loss (FVTPL). Impairment The impairment model is a more 'forward looking' model in that a credit event no longer has to occur before credit losses are recognised. For financial assets measured at amortised cost or fair value through other comprehensive income (FVTOCI), an entity will now always recognise (at a minimum) 12 months of expected losses in profit or loss. Lifetime expected losses will be recognised on these assets when there is a significant increase in credit risk after initial recognition. Hedging The new hedge accounting model introduced the following key changes: -Simplified effectiveness testing, including removal of the 80-125% highly effective threshold -More items will now qualify for hedge accounting, e.g. pricing components within a non-financial item, and net foreign exchange cash positions -Entities can hedge account more effectively the exposures that give rise to two risk positions (e.g. interest rate risk and foreign exchange risk, or	Annual reporting periods commencing on or after 1 January 2018	The first time application of IFRS 9 will have a wide and potentially very significant impact on the accounting for financial instruments. The new impairment requirements are likely to bring significant changes for impairment provisions for trade receivables, loans and other financial assets not measured at fair value through profit or loss. Due to the recent release of this standard, the entity has not yet made a detailed assessment of the impact of this standard.

Standards and amendments issued but yet to take effect

IFRS Reference	Title and Affected Standard(s)	Nature of change	Application date	Impact on initial Application
IFRS 15 Issued in May 2014	Revenue from contracts with customers	IFRS 15 contains comprehensive guidance for accounting for revenue and will replace existing requirements which are currently set out in a number of Standards and Interpretations. The standard introduces significantly more disclosures about revenue recognition and it is possible that new and/or modified internal processes will be needed in order to obtain the necessary information. The Standard requires revenue recognised by an entity to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework: (i) Identify the contract(s) with a customer (ii)Identify the performance obligations in the contract (iii)Determine the transaction price (iv)Allocate the transaction price to the performance obligations in the contract (v)Recognise revenue when (or as) the entity satisfies a performance obligation.	1 January 2018	The Board is currently reviewing the impact the standard may have on the preparation and presentation of the financial statements when the standard is adopted. Consideration will be given to the following: (i)At what point in time the Company recognises revenue from each contract whether at a single point in time or over a period of time; (ii) whether the contract needs to be 'unbundled' into two or more components; (iii)how should contracts which include variable amounts of consideration be dealt with; (iv)what adjustments are required for the effects of the time value of money; (v) what changes will be required to the Company's internal controls and

4. **Critical accounting estimates and judgements**

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

(i) ***Income and deferred taxation***

The Company incurs amounts of income taxes payable, and also recognises changes to deferred tax assets and deferred tax liabilities, all of which are based on management's interpretations of applicable laws and regulations. The quality of these estimates is highly dependent upon management's ability to properly apply at times a very complex sets of rules, to recognise changes in applicable rules and, in the case of deferred tax assets, management's ability to project future earnings from activities that may apply loss carry forward positions against future income taxes.

(ii) ***Impairment of property, plant and equipment***

The Company assesses assets or groups of assets for impairment annually or whenever events or changes in circumstances indicate that carrying amounts of those assets may not be recoverable. In assessing whether a write-down of the carrying amount of a potentially impaired asset is required, the asset's carrying amount is compared to the recoverable amount. Frequently, the recoverable amount of an asset proves to be the Company's estimated value in use.

The estimated future cash flows applied are based on reasonable and supportable assumptions and represent management's best estimates of the range of economic conditions that will exist over the remaining useful life of the cash flow generating assets.

(iii) ***Legal proceedings***

The Company reviews outstanding legal cases following developments in the legal proceedings at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the Company's management as to how it will respond to the litigation, claim or assessment.

5. **Summary of significant accounting policies**

The accounting policies set out below have been applied consistently to all years presented in these financial statements:

(a) **Foreign currency translation**

In preparing the financial statements of the Company, transactions in currencies other than the entity's presentation currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions and any exchange differences arising are included in the income statement during the reporting period.

At the end of each reporting period , monetary items denominated in foreign currencies are retranslated at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction (i.e. not retranslated).

Foreign currency differences on loans and other borrowings are recognised as finance income and expenses. Other foreign currency differences as a result of transactions are recognised in the related items within the operating results.

(b) **Revenue**

The Company derives revenue primarily from software development, maintenance of software/hardware and related services, business process services, sale of IT and other products.

i) Services

The Company recognises revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method for recognizing revenues and costs depends on the nature of the services rendered:

- Time and materials contracts
  Revenues and costs relating to time and materials contracts are recognised as the related services are rendered.
- Fixed-price contracts
  Revenues from fixed-price contracts, including systems development and integration contracts are recognised using the “percentage-of-completion” method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognised only to the extent of contract cost incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognised in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

  ‘Unbilled revenues’ represent cost and earnings in excess of billings as at the end of the reporting period. ‘Unearned revenues’ represent billing in excess of revenue recognised. Advance payments received from customers for which no services have been rendered are presented as ‘Advance from customers’.
- Maintenance contracts
  Revenue from maintenance contracts is recognised ratably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognised on a straight-line basis over the specified period unless some other method better represents the stage of completion.

  In certain projects, a fixed quantum of service or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognised with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilised by the customer is recognised as revenue on completion of the term.

ii) Products

Revenue from products are recognised when the significant risks and rewards of ownership have been transferred to the buyer, continuing managerial involvement usually associated with ownership and effective control have ceased, the amount of revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

iii) Multiple element arrangements

Revenue from contracts with multiple-element arrangements are recognised using the guidance in IAS 18, Revenue. The Company allocates the arrangement consideration to separately identifiable components based on their relative fair values or on the residual method. Fair values are determined based on sale prices for the components when it is regularly sold separately, third-party prices for similar components or cost plus an appropriate business-specific profit margin related to the relevant component.

iv) Others

- The Company accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognised at the time of sale.

- Revenues are shown net of sales tax, value added tax, service tax and applicable discounts and allowances.
- The Company accrues the estimated cost of warranties at the time when the revenue is recognised. The accruals are based on the Company's historical experience of material usage and service delivery
- Costs that relate directly to a contract and incurred in securing a contract are recognised as an asset and amortised over the contract term as reduction in revenue.
- Contract expenses are recognised as expenses by reference to the stage of completion of contract activity at the end of the reporting period.

(c) **Finance income and expenses**

Finance income comprises interest income on short-term deposits with banks and changes in the fair value of financial assets at fair value through profit and loss where the Company holds such financial assets. Interest income on short-term deposits is recognised by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is recognised in the statement of profit or loss and other comprehensive income as it accrues, using the effective interest method.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss where the Company holds such financial assets and impairment losses recognised on financial assets (other than trade receivables) and borrowing cost that are not directly attributable to the acquisition, construction or production of a qualifying asset and they are recognised in profit or loss using the effective interest method.

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

i) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets. Items of property, plant and equipment under construction are disclosed as capital work in progress. The cost of construction recognised includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

ii) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing and maintenance of an item of property, plant and equipment are recognised in the income statement during the period in which they are incurred.

iii) Depreciation

Depreciation is calculated on items of property, plant and equipment to write down the cost of each asset to its residual value over its estimated useful life on a straight line basis. No depreciation is charged on items of property, plant and equipment until they are available for use.

The principal annual rates used for this purpose, which are consistent with those for the previous years, are as follows:

Type of asset	**%**
Computer Equipment	50
Furniture and Fixtures	19
Leasehold Improvement	33.33
Office Equipment	19

The assets depreciable methods, useful lives and residual values are reviewed annually and adjusted if necessary. The asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

iv) Derecognition
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss component of the income statement within 'other operating income or operating expenses' in the year that the asset is derecognised.

(e) **Financial instruments**
a) Financial assets

Financial assets are initially recognised at fair value plus directly attributable transaction costs. Subsequent remeasurement of financial assets is determined by their designation that is revisited at each reporting period.

The classification of financial assets depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. The Company's financial assets comprise of 'loans and receivables'.

At each reporting period, the Company assesses whether its financial assets have been impaired. Impairment losses are recognised in the income statement where there is objective evidence of impairment.

Loans and receivables
Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction cost. Financial assets classified as loans and receivables are subsequently measured at amortized cost using the effective interest method less any impairment losses. The Company's loans and receivables comprise trade and other receivables and cash and cash equivalents.

i) Trade and other receivables
Trade receivables are amounts due from customers for services rendered in the ordinary course of business. If collection is expected within one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. Discounting is ignored if insignificant. A provision for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all the amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that debtor will enter bankruptcy and default or delinquency in payment, are the indicators that a trade and other receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within the administrative costs.

The amount of the impairment provision is the difference between the asset's nominal value and the recoverable value, which is the present value of estimated cash flows, discounted at the original effective interest rate. Changes to this provision are recognised under administrative costs. When a trade receivable is uncollectable, it is written off against the provision for trade receivables.

ii) Cash and cash equivalents
Cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

iii) Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the income statement.

iv)Impairment of financial instruments

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicates that there is a measurable decrease in the estimated future cash flows such as changes in arrears or economic conditions that correlate with defaults.

For the loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

As a practical expedient, the Company may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

b) Financial liabilities and equity instruments

Financial liabilities are initially recognised at fair value when the Company becomes a party to the contractual provisions of the liability. Subsequent measurement of financial liabilities is based on amortized cost using the effective interest method. The Company financial liability is mainly trade and other payables.

Financial liabilities are presented as if the liability is due to be settled within 12 months after the reporting period, or if they are held for the purpose of being traded. Other financial liabilities which contractually will be settled more than 12 months after the reporting period are classified as non-current.

i) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

ii) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in income statement.

(f) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(g) **Prepayments**

Prepayments are payments made in advance relating to the following year and are recognised and carried at original amount less amounts utilised in the statement of profit or loss and other comprehensive income.

(h) **Borrowings**

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost using the effective interest rate; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method. Borrowings to be settled within 12 months period are classified as current liabilities while borrowings to be settled over 12 months are classified as non-current liabilities.

(i) **Employee benefits**

(i)Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. The Company recognises wages, salaries, bonuses and other allowances for current employees in the income statement as the employees render such services.

A liability is recognised for the amount expected to be paid under short - term benefits if the Company has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plan

The Company operates a defined contribution plan as stipulated in the Pension Reform Act, 2014. Under the defined contributory scheme, the Company contributes 10%, while its employees contribute 8% of their annual basic, housing and transport allowances to the scheme. Once the contributions have been paid, the Company retains no legal and constructive obligation to pay further contributions if the fund does not hold sufficient assets to finance benefits accruing under the retirement benefit plan. The Company's obligations are recognised in the income statement as administrative expenses (employee benefits) when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in the future payments is available.

(j) **Provisions**

A provision is recognized only if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting period. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The unwinding of the discount is recognised as finance

(k) **Taxation**

i) Current income tax

The income tax expense for the period comprises current and deferred tax expense. Tax is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the reporting period in Nigeria where the Company operates and generates taxable income.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years, but it further excludes items that are never taxable or deductible. The Company is subject to the following types of current income tax:

- Company Income Tax - This relates to tax on revenue and profit generated by the Company during the year, to be taxed under the Companies Income Tax Act, Cap C21, LFN 2004 as amended to date
- Tertiary Education Tax - Tertiary education tax is based on the assessable income of the Company and is governed by the Tertiary Education Trust Fund (Establishment) Act, LFN 2011 (Amended)

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

. temporary differences on the initial recognition of assets or liabilities in a transaction that is not a combination and that affects neither accounting nor taxable profit or loss.

. taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is provided for using the liability method, which represents taxation at the current rate of corporate tax on all timing differences between the accounting values and their corresponding tax written down values. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the amount will be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(l) **Related party transactions**

Related parties include the related companies, the directors and any employee who is able to exert significant influence on the operating policies of the Company. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Company considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. Where there is a related party transactions with the Company, the transactions are disclosed as to the type of relationship that exists with the Company and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

(m) **Share capital, reserves and dividends**

i) Share capital

Share capital represents the nominal value of shares that have been issued.

ii) Reserves

Reserves include all current and prior period retained earnings.

iii) Dividends

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Company's shareholders. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the Company. Dividends for the year that are approved after the statement of financial position date are disclosed as an event after the statement of financial position.

6. **Financial risk management**

General

Pursuant to a financial policy maintained by the Board of Directors, the Company use several financial instruments in the ordinary course of business. The Company's financial instruments are cash and cash equivalents, trade and other receivables and trade and other payables.

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

- Credit risk
- Liquidity risk
- Market risk, consisting of: currency risk, interest rate risk and price risk

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables. The Company's exposure to credit risk is mainly determined by the individual characteristics of each of the customers and the location of these customers. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The maximum credit risk as per statement of financial position, without taking into account the aforementioned financial risk coverage instruments and policy, consists of the book values of the financial assets as stated below:

	31 March 2018	31 March 2017
	N	N
Trade and other receivables	1,408,767,325	993,117,175
Cash and cash equivalents	798,829,923	951,871,900
	2,207,597,248	1,944,989,075

As at reporting date there is no concentration of credit risk with certain customers.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Banks with good reputations are accepted by the Company for business transactions.

Cash is held with:

	N	N
Citi Bank Nigeria Limited	198,829,923	101,871,900
Fixed deposit in CitiBank Nigeria Limited	600,000,000	850,000,000
	798,829,923	951,871,900

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's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. Liquidity projections including available credit facilities are incorporated in the regular management information reviewed by the Board of Management. The focus of the liquidity review is on the net financing capacity, being free cash plus available credit facilities in relation to the financial liabilities. The following are the contractual maturities of financial liabilities:

As at 31 March 2018	**Book value**	**Contractual cashflow**	**One year or less**	**1-5 years**	**More than 5 years**
	N	N	N	N	N
Trade and other payables	1,636,929,197	1,636,929,197	1,636,929,197	-	-
As at 31 March 2017	N	N	N	N	N
Trade and other payables	1,234,684,641	1,234,684,641	1,234,684,641	-	-

Market risk

Market risk concerns the risk that Company income or the value of investments in financial instruments is adversely affected by changes in market prices, such as exchange rates and interest rates. The objective of managing market risks is to keep the market risk position within acceptable boundaries while achieving the best possible return.

Foreign exchange risk

The functional currency of the Company is the Nigerian naira.

The Company is exposed to foreign exchange risk when there are intercompany transactions with related Companies. These transactions are majorly denominated in US dollar. These cause gain or losses during conversion.

	Assets		Liabilites	
	2018	2017	2018	2017
	N	N	N	N
US dollars	409,131,941	-	372,195,128	-

Sensitivity analysis

Analysed below is the Company's sensitivity to a 5% increase or decrease in the Naira against the US dollars. The analysis shows the effect of the changes on the profit before tax.

5% Depreciation in Naira against US dollars	**Gain**	**Loss**	**Net effect**
	N	**N**	**N**
Assets	20,456,597	-	20,456,597
Liabilities	-	(18,609,756)	(18,609,756)
Net loss	20,456,597	(18,609,756)	1,846,841

5% Appreciation in Naira against US dollars	**Gain**	**Loss**	**Net effect**
	N	**N**	**N**
Assets	-	(20,456,597)	(20,456,597)
Liabilities	18,609,756	-	18,609,756
Net gain	18,609,756	(20,456,597)	(1,846,841)

Sensitivity analysis shows that the Company's profit before tax would have been N1,846,841 higher or lower if the Naira had depreciated or appreciated against US dollar.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain customer, investor, creditor and market confidence and to support future development of the business. The Board of Directors monitors the debt to capital ratio. The Board of Diectors also monitors the level of dividend to be paid to holders of ordinary shares. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the benefits of a sound capital position. There were no changes in the Company’s approach to capital management during the year. The Company is not subject to externally imposed capital requirements and has adequate cash flow to meet current liabilities as they fall due.

		2018	2017
		N	N
7.	**Revenue**	1,408,354,460	1,677,899,548

Revenue represents amounts invoiced to third parties for contract services, related to information technology in retail space, rendered net of Value Added Tax.

8.	**Cost of sales**	N	N
	Software development charges	81,667,589	134,850,987
	Employee benefit expenses (Note 8 (a))	154,380,187	218,522,284
	Sales incentive	28,298,958	14,025,452
	Commission expenses	28,003,227	-
	Travelling expenses	29,990,469	33,676,799
	Technical service fees	349,045,386	544,474,009
	Sub-contracting charges	243,098,011	114,139,851
		914,483,827	1,059,689,382
(a)	**Employee benefit expenses**		
	Employee benefit expenses (including directors) comprise:	N	N
	Wages and salaries	145,823,464	212,880,144
	Defined contribution pension costs	8,556,723	5,642,140
		154,380,187	218,522,284
9.	**Other operating income**	N	N
	Realised foreign exchange gain	37,303	48,780,905
	Unrealised foreign exchange gain	45,617,829	-
	Allowance for impairment of other receivables no longer required (Note 15 (e))	7,782	5,763,552
	Provision no longer required	801,250	4,219,677
		46,464,164	58,764,134
10.	**Administrative expenses**	N	N
	Auditors' fees	1,594,844	1,068,375
	Depreciation of property, plant and equipment (Note 14)	120,100	120,100
	Staff welfare expenses	4,523,401	14,112,278
	Rent	123,229,590	81,789,175
	Realised foreign exchange loss	69,112,498	48,664,196
	Unrealised foreign exchange loss	19,337,908	161,849,404
	Communication expenses	4,364,095	5,809,978
	Legal and professional charges	39,789,665	21,404,840
	Allowance for impairment of trade receivables (Note 15 (a))	3,872,289	5,802,588
	Travelling expenses	349,918	187,500
	Transportation expenses	50,270,688	35,078,552
	Repairs and maintenance	4,170,664	1,773,657
	Electricity expenses	16,773,381	25,606,506
	Printing and stationery expenses	-	203,063
	Training and development	-	170,000
	Business meeting and conference expenses	1,855,500	817,725
	NSITF expenses	4,199,105	928,801
	Insurance	908,917	-
	Rates and taxes	-	3,665,176
	Bank charges	2,563,129	1,332,824
	Other expenses	970,793	909,627
		348,006,485	411,294,365

		2018	2017
11.	**Finance income and expenses**	**2018**	**2017**
	Finance income	**N**	**N**
	Interest income on fixed deposits	28,118,585	24,002,968
	Finance expenses		
	Interest expenses on intercompany loan	(1,674,471)	(3,864,873)
	Net finance income recognised in profit or loss	26,444,114	20,138,095
12.	**Profit before taxation**	**N**	**N**
	Profit before taxation is arrived at after charging:		
	Auditors' fees	1,594,844	1,068,375
	Directors' emoluments	-	-
	Unrealised foreign exchange loss	19,337,908	161,849,404
	Realised foreign exchange loss	69,112,498	48,664,196
	and after crediting		
	Realised foreign exchange gain	37,303	48,780,905
	Unrealised foreign exchange gain	45,617,829	-
13. (a)	**Taxation**		
	Per statement of comprehensive income	**N**	**N**
	Company income tax	180,891,032	168,678,834
	Additional provision for income tax	8,514,443	-
	Education tax	12,060,982	11,652,762
	Over provision in prior years	(47,408)	-
		201,419,049	180,331,596
	Deferred tax	35,826,593	(48,077,222)
	Total tax expense	237,245,642	132,254,374

(b) Income tax expense is the aggregate of the charge to the statement of profit or loss and other comprehensive income in respect of current income tax, education tax and deferred tax.

(c) The tax rate used is calculated at 30% of the estimated taxable profit for the year. The charge for taxation in these financial statements is based on the provisions of the Company Income Tax Act, CAP C21 LFN, 2004 (as amended).

(d) The charge for education tax is based on the provisions of the Education Tax Act, CAP E4, LFN, 2004 which is 2% of the assessable profit for the year.

(e) **Reconciliation of total tax charge**

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in Nigeria applied to profits for the year are as follows:

	N	N
Profit for the year before tax	218,772,426	285,818,030
Expected tax charge based on the standard rate on Nigeria corporate tax at the domestic rate of 30% (2017: 30%)	65,631,728	85,745,409
Effect of incomes that are exempt from taxation	(13,687,683)	(2,966,671)
Effect of expenses that are not deductible in determining taxable profit	128,970,688	85,923,800
Capital allowances absorbed	(23,701)	(23,704)
Education tax at 2% of assessable profit	12,060,982	11,652,762
Additional provision for income tax	8,514,443	-
Over provision in prior years	(47,408)	-
Deferred tax	35,826,593	(48,077,222)
Tax expense recognised in profit or loss	237,245,642	132,254,374
Effective rate (%)	108	46

The tax rate used for 2018 and 2017 reconciliation above is the corporate tax rate of 30% and 2% for tertiary education tax payable by corporate entities in Nigeria on taxation profits for the year ended 31 March 2018.

(f) **Income tax payable**

Analysis of income taxes is as follows:	**2018**	**2017**
Tax as per statement of financial position	**N**	**N**
Balance at the beginning of the year		
Income tax	497,813,761	329,134,927
Education tax	11,652,762	-
	509,466,523	329,134,927
Payments during the year		
Income tax	(21,560,305)	-
Education tax	(11,633,654)	-
Reconciliation - Income tax (Note (f)(i))	(323,304,353)	-
Provision for the year:		
Income tax	189,405,475	168,678,834
Education tax	12,060,982	11,652,762
Overprovision in prior years:		
Income tax	(47,408)	-
Balance at the end of the year	354,387,260	509,466,523

(i) Reconciliation of income tax of N323,304,353 represents reconciliation during the year, of income tax liability and Withholding Tax Credit notes previously utilised in prior years, to reflect actual closing balances of income tax liability and Withholding Tax Credit notes as at 31 March 2018.

(g) **Deferred taxation**

(i) Calculation of deferred tax

	Opening balance 1 April 2017	**Recognised in net income**	**Recognised in OCI**	**Closing balance at 31 March 2018**
Opening balance	**N**	**N**	**N**	**N**
Deferred tax liabilities				
Excess of Carrying Amount over TWDV	64,418	(12,330)	-	52,088
Unrealised foreign exchange gain	-	9,921,628	-	9,921,628
	64,418	9,909,298	-	9,973,716
Deferred tax assets				
Bad and doubtful debts	14,410,154	2,199,809	-	16,609,963
Unrealised foreign exchange loss	-	18,530,703	-	18,530,703
Others	46,647,807	(46,647,807)	-	-
	61,057,961	(25,917,295)	-	35,140,666
Net deferred tax assets	(60,993,543)	35,826,593	-	(25,166,950)

(ii) Deferred tax assets and liabilities are offset where the Company has a legally enforeceable right to do so. The following are the deferred tax liabilities and assets recognised by the Company and movements thereon during the current and prior reporting periods:

	N	**N**
At beginning of the year	60,993,543	12,916,321
(Write back)/ Origination of temporary difference	(35,826,593)	48,077,222
At the end of the year	25,166,950	60,993,543

(iii) As a result of accelerated rates of capital allowances, the carrying amount of property, plant and equipment as at 31 March 2018 exceeded their corresponding tax written down value by N173,630 (2017: N214,727). The Company has allowance for impairment of trade receivables of N51,906,137 (2017: N48,033,848), unrealised exchange loss of N57,908,449 and unrealised exchange gain of N31,005,088, giving rise to deferred tax assets of N25,166,950 which have been recognised in these financial statements.

(h) **Information Technology Development**

The Nigeria Information Technology Development Agency (NITDA) Act was signed into Law on 24 April, 2007. Section 12 (2a) of the Act stipulates that, specified companies contribute 1% of their profit before tax to the Nigerian Information Technology Development Agency. In line with the Act, the Company has provided for NITDA levy at the specified rate.

14. Property, plant and equipment

	Office equipment	Total
Cost	N	N
At 1 April 2016	632,100	632,100
Additions	-	-
At 31 March 2017	632,100	632,100
At 1 April 2017	632,100	632,100
Additions	-	-
At 31 March 2018	632,100	632,100
Depreciation		
At 1 April 2016	192,798	192,798
Charge for the year	120,100	120,100
At 31 March 2017	312,898	312,898
At 1 April 2017	312,898	312,898
Charge for the year	120,100	120,100
At 31 March 2018	432,998	432,998
Carrying amounts		
At 31 March 2018	N199,102	N199,102
At 31 March 2017	N319,202	N319,202

(a) **Impairment losses recognised in the year**

There were no impairment losses recognised during the year

(b) **Capital commitments**

In the opinion of the directors, there was no capital commitment as at 31 March 2018 (31 March 2017: Nil)

(c) **Assets pledged as security**

At 31 March 2018, the Company has none of its assets pledged as security for liabilities (31 March 2017: Nil)

	2018	2017
15. Trade and other receivables	N	N
Trade receivables	543,469,650	358,478,853
Allowance for impairment of trade receivables (Note 15(a))	(51,906,137)	(48,033,848)
Trade receivables-net	491,563,513	310,445,005
Receivable from related company (Note 15(b))	444,742,378	120,287,263
Total financial assets other than cash and cash equivalents classified as loans and receivables	936,305,891	430,732,268
Other receivables and prepayments (Note 15(c))	472,461,434	562,384,907
Total trade and other receivables	1,408,767,325	993,117,175

The carrying value of trade and other receivables classified as loans and receivables approximates fair value. Trade receivables are non-interest bearing. Trade receivables are reported net of allowance for impairment in the statement of financial position.

The Company does not hold any collateral as security for its trade and other receivables.

	2018	2017
At 31 March, the age analysis of trade receivables is as follows:	N	N
Neither past due nor impaired	276,896,820	-
Past due < 60 days	-	241,650,478
Past due 60-180 days	266,572,830	46,780,233
Past due 180 - 360 days	-	70,048,142
Past due 360 days and above	-	-
	543,469,650	358,478,853

(a) ***Movement in allowance for impairment of trade receivables:***

	N	N
Balance at the beginning of the year	48,033,848	42,231,260
Allowance for impairment during the year (Note 10)	3,872,289	5,802,588
Write back during the year	-	-
Balance at the end of the year	51,906,137	48,033,848

(b) ***Receivable from related Company***

	N	N
Wipro Technologies South Africa (Proprietary) Limited	444,742,378	120,287,263

(c) ***Other receivables and prepayments***

	N	N
Withholding tax receivable	163,804,568	165,458,516
VAT receivables	-	7,580,473
Receivable from staff	4,206,095	1,228,515
Prepayments(Note 15(d))	42,184,255	29,133,514
Advance payment to suppliers	60,590,034	3,933,267
Accrued interest income	1,779,041	5,672,269
Advance Tax - Others	202,984,273	352,472,967
	475,548,266	565,479,521
Allowance for impairment of other receivables (Note 15 (e))	(3,086,832)	(3,094,614)
	472,461,434	562,384,907

(d) ***Prepayments***

	N	N
Prepaid Rent	924,500	924,500
Prepaid expenses	41,259,755	28,209,014
	42,184,255	29,133,514

(e) ***Movement in allowance for impairment of other receivables***

	N	N
Balance at the beginning of the year	3,094,614	8,858,166
Allowance for impairment during the year	-	-
Write back during the year (Note 9)	(7,782)	(5,763,552)
Balance at the end of the year	3,086,832	3,094,614

16. **Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash in hand, call deposits at banks and investments in fixed deposits. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in statement of financial position as follows:

	N	N
Cash at bank and in hand	198,829,923	101,871,900
Fixed Deposits	600,000,000	850,000,000
	798,829,923	951,871,900

		2018	2017
17.	**Trade and other payables**	N	N
	Trade payables (Note 17(a))	11,746,470	-
	Other payables (Note 17(b))	346,285,006	412,089,493
	Payable to related companies (Note 17(c))	1,278,897,721	822,595,148
		1,636,929,197	1,234,684,641

(a) The carrying value of trade and other payables classified as financial liabilities are measured at amortised cost and approximates fair value.

(b)	***Other payables***	N	N
	Accrued leave expenses (Note 17(d))	2,324,228	1,846,070
	VAT payable	11,965,112	4,607,928
	WHT payable	14,907,543	2,738,152
	Salaries and manpower costs payable	4,045,042	8,765,781
	Pension payable	3,773,793	1,783,082
	NSITF payable	114,947	224,943
	Deferred revenue	94,980,180	-
	Other accrued expenses	209,986,117	264,396,527
	Sundry creditors	2,000,320	124,897,128
	Information Technology Development levy	2,187,724	2,829,882
		346,285,006	412,089,493

(c)	***Payable to related companies***	N	N
	Wipro Limited	1,175,480,869	646,696,044
	Wipro Travel Services Ltd	50,061,965	37,619,563
	Wipro Holdings(UK) Plc	52,993,312	138,004,852
	Wipro Technologies South Africa (Proprietary) Limited	361,575	274,689
		1,278,897,721	822,595,148

(d)	**Accrued leave expenses**	N	N
	Current	2,324,228	1,846,070
	Non-current	1,180,366	1,023,239
		3,504,594	2,869,309

18.	**Share capital**		
	Authorised		
	Value		
	Ordinary shares of N163 each	N16,300,000	N16,300,000
	Number		
	Ordinary shares of N163 each	100,000	100,000
	Issued and fully paid:		
	Value		
	Ordinary shares of N163 each	N16,300,000	N16,300,000
	Number		
	Ordinary shares of N163 each	100,000	100,000

The share capital comprises only one class of ordinary shares. The ordinary shares carry a voting right and the right to a dividend.

19. Revenue reserve

	2018	2017
The movement in revenue reserve is analysed below:	N	N
Balance at the beginning of the year	244,827,417	94,093,643
Transfer from statement of profit or loss	(20,660,940)	150,733,774
Balance at the end of the year	224,166,477	244,827,417

20. Related party transactions

Related parties include the parent company, fellow subsidiaries, affiliated companies, entities held under common control and key management personnel.

(a) Total remuneration of related parties recognised in the income statement are as follows:

	2018	2017
	N	N
Short term benefits	-	-
Long term benefits	-	-
Others	-	-
	-	-

(b) During the year, the Company made transactions to/from Wipro Holdings UK Limited, Wipro Limited and other related Companies.

(c) The amount of outstanding balances at the year end are as disclosed in notes 15(b) and 17(c) to the financial statements.

21. Capital commitments

There were no commitments to capital expenditure at the date of the statement of financial position (2017 : Nil).

22. Contingent liabilities

There were no contingent liabilities at the date of the statement of financial position (2017 : Nil).

23. Events after the reporting period

The directors are of the opinion that there is no event after the reporting period which could have had a material effect on the state of affairs of the Company as at 31 March 2018 and the financial performance for the year ended on that date, which has not been adequately provided for or disclosed in these financial statements.

STATEMENT OF VALUE ADDED

	2018		2017	
	N	%	N	%
Revenue	1,408,354,460		1,677,899,548	
Finance income	28,118,585		24,002,968	
Other operating income	46,464,164		58,764,134	
	1,482,937,209		1,760,666,650	
Less: Bought-in-materials and services:				
- Local	(485,694,713)		(963,638,986)	
- Imported	(622,295,312)		(288,702,377)	
Value added	374,947,184	100	508,325,287	100
Value added as a percentage of revenue	27%		30%	
APPLIED AS FOLLOWS				
Payment to employees:				
Employee benefit expenses	154,380,187	41	218,522,284	43
Payments to providers of capital				
Finance expenses	1,674,471	-	3,864,873	1
Payment to government:				
Taxation	237,245,642	63	132,254,374	26
Information technology development levy	2,187,724	1	2,829,882	-
Depreciation of property, plant and equipment	120,100	-	120,100	-
Results for the year	(20,660,940)	(5)	150,733,774	30
	374,947,184	100	508,325,287	100

WIPRO TECHNOLOGIES NIGERIA LIMITED
FINANCIAL STATEMENTS, 31 MARCH 2018
OTHER NATIONAL DISCLOSURE
FIVE -YEAR FINANCIAL SUMMARY

Statement of profit or loss and other comprehensive income

	IFRS			NGAAP	
	2018	**2017**	**2016**	**2015**	**2014**
	N	**N**	**N**	**N**	**N**
Revenue	1,408,354,460	1,677,899,548	1,418,127,724	1,319,720,676	778,777,027
Profit/(loss) before taxation	218,772,426	285,818,030	183,013,182	(2,213,485)	245,883,605
Information technology development levy	(2,187,724)	(2,829,882)	-	-	-
Taxation	(237,245,642)	(132,254,374)	(116,017,863)	(126,435,662)	(73,765,081)
(Loss)/profit after taxation	(20,660,940)	150,733,774	66,995,319	(128,649,147)	172,118,524

Statement of financial position

	IFRS				NGAAP
	31 March 2018	**31 March 2017**	**31 March 2016**	**31 March 2015**	**31 March 2014**
	N	**N**	**N**	**N**	**N**
Property, plant and equipment	199,102	319,202	439,302	559,402	-
Deferred tax assets	25,166,950	60,993,543	12,916,321	12,721,250	-
Net current assets	216,280,791	200,837,911	97,038,021	30,117,672	172,047,471
Total assets less current liabilities	241,646,843	262,150,656	110,393,644	43,398,324	172,047,471
Non-current liabilities	(1,180,366)	(1,023,239)	-	-	-
Net assets	240,466,477	261,127,417	110,393,644	43,398,324	172,047,471
Equity					
Share capital	16,300,000	16,300,000	16,300,000	16,300,000	16,300,000
Revenue reserve	224,166,477	244,827,417	94,093,644	27,098,324	155,747,471
Shareholders' funds	240,466,477	261,127,417	110,393,644	43,398,324	172,047,471