

Contents

	Pages
Vision, Mission Statement and Shared Values	2
Result at a Glance	3
Directors, Officers and Professional Advisers	4
Corporate Profile	5
Notice of Annual General Meeting	7
Chairman's Statement	9
Board of Directors	11
Report of the Directors	14
Corporate Governance Report	20
Complaints Management Policy	24
Statement of Directors' Responsibilities	27
Report of Audit Committee	28
Independent Auditors' Report	29
Statement of Profit or Loss and Other Comprehensive Income	33
Statement of Financial Position	34
Company Statement of Changes in Equity	36
Statement of Cash Flows	37
Notes to the Financial Statements	38
Statement of Value Added	81
Five-Year Financial Summary	82
Shareholders' Information	83
Shareholder data Update Form for e-bonus and e-dividend	85
Shareholders' Proxy Form	87
Contact	88

OUR VISION

Everyday visionaries

OUR MISSION

Provide our customers with the next generation of productivity gains and customer experience innovation through our deep knowledge of the changing global consumer and technology.

In everyday language ...

It means everyone who works here is working at the cutting edge of their profession. It guarantees that we provide development that helps our people to stay at the forefront of every market we operate in. Most of all, it makes this an exciting, forward-thinking place to work, every single day.

NCR SHARED VALUES

NCR Shared Values form the foundation of our business relationships with each other, our customers, strategic partners and suppliers. They define a global, consistent framework for conducting business. We use NCR Shared Values to direct our behavior and guide our decisions as we drive to achieve our business objectives.

INTEGRITY: Highest Standards of Integrity

We must act legally, ethically and with courage, fairness and honesty in all our business dealings. We must keep our commitments, admit our mistakes and learn from our experiences. We are accountable for what we achieve and how we achieve it. We know our reputation is directly affected by the conduct of each and every employee and we strive to ensure the NCR name remains worthy of trust.

PERFORMANCE: Commitment to Performance Excellence

We commit to high performance in all functions. We must take personal ownership for the success of our company and work together to continuously improve and achieve best-in-class performance. We must deliver the highest quality products and services to our internal and external customers. And we realize that profitable growth is the means to develop new business solutions for our customers and create opportunities for employees, as well as reward the trust of our shareowners and the performance of employees.

CUSTOMER DEDICATION: Passion for Our Customers and Their Success

We genuinely care about our customers and are dedicated to serving them well. We learn their markets, understand their specific goals and

objectives, and develop solutions that deliver business value. We must build teams with each other and with our customers to maximize our ability to deliver the highest possible value. We must always respond with a sense of urgency. And we must strive to develop long-term customer relationships by consistently delivering quality, innovation, and business value that meet or exceed our customers' expectations – with no surprises.

INNOVATION: Pursuit of Innovation

We must be in constant pursuit of innovation – both process and technology innovation. Throughout our history, NCR's ability to harness the power of new ideas and put them to work for our customers in the real world has defined our company and fueled our leadership. From the way we search for new and more effective ways to run our business to the dynamic new technologies we deliver to our customers, innovation powers the engine that drives our success now and in the future.

RESPECT & TEAMWORK: Respect for Each Other, Work as a Team

We base our working relationships upon trust and respect and recognize the contributions of every member of the NCR team. We value the unique qualities, abilities and perspectives each person brings to a challenge or opportunity, and we also know that as a team we can achieve together what would remain out of reach for us individually. And we communicate openly and candidly with each other and extend our respect and team spirit to customers, partners, suppliers and the communities in which we live and work.

Results at a Glance

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015	
	N'000	N'000	% Growth
Turnover	7,058,196	6,303,787	12
Profit before taxation	326,938	226,107	45
Taxation	(260,448)	(207,497)	26
Profit after taxation	66,490	18,610	257
Share capital	54,000	54,000	-
Cash and short-term deposit	4,195,030	1,648,802	154
Basic earnings per share (Naira)	0.62	0.17	265
Diluted earnings per share (Naira)	0.62	0.17	265
NSE Share price at 31 December	8.53	11.02	(23)

Directors, Officers and Professional Advisers

Board of Directors

Otunba Adekunle Ojora OFR, CON, FNIM, JP

Ambassador Hamzat Ahmadu CON (WALIN SOKOTO)

Mr. George Flouros

(Cypriot)

Mr. Ahmed Abdel Aziz Hamada

(Egyptian)

Mr. Michael Vallier

(American)

Mr. Matthew Akinlade (FCA)

Chairman

Non-Executive Director
(Deceased 1 May 2016)

Non-Executive Director

Executive Director/
Chief Executive Officer

Non-Executive Director

Independent Non-Executive
Director
(Appointed 12 October 2016)

Mrs. Olufunke Hussain

Executive Director
(Appointed 12 October 2016)

Registered Office

NCR (Nigeria) Plc

NCR House
6, Broad Street,
P. O. Box 509
Lagos
Nigeria.

Registered Number

RC 751

Company Secretary

Mrs. Olufunke Hussain

Company Website

www.ncr.com.ng

Registrar

Apel Capital & Trust (Registrars) Limited

8, Alhaji Bashorun Street
Off Norman Williams Crescent
South West Ikoyi
Lagos State
Tel: 01293 2121 & 0704 612 6698
Website: www.apel.com.ng

Auditors

Ernst & Young

(Chartered Accountants)
10th & 13th Floors
UBA House
57 Marina, Lagos.

Solicitor

Abdullahi Ibrahim & Co

2, Towry Street
Lagos Island, Lagos.

NCR Nigeria PLC is incorporated in Nigeria under the Companies and Allied Matters Act CAP C20 Laws of the Federation of Nigeria, 2004, as a Public Limited Liability Company, and is domiciled in Nigeria. The Company commenced operations in Nigeria on 9th December, 1949 under the name of National Cash Register Company (West Africa) Limited. The company was granted a listing on the Nigerian Stock Exchange on 30th May 1979. The company adopted its present name of NCR (Nigeria) Plc in 1996.

NCR Nigeria PLC is the first Multinational ICT Company quoted on the Nigerian Stock Exchange. The company has positively been involved in many facets of Nigerian society. These include helping Nigeria convert to the decimal system being the dominant supplier of cash registers then, which were the precursors of the calculators and computers, and also pioneering the ATM revolution in Nigeria. NCR introduced the first ATM in Nigeria in 1989. With dominance in the Nigerian financial solutions sector and Nigeria's top banks as customers both in Self Service and Payments Solutions, NCR has been delivering cutting edge customer support services, ICT solutions and consulting services to many sectors in the Nigerian economy for over 63 years.

NCR provides innovative products and services that enable businesses to connect, interact and transact with their customers and enhance their customer relationships by addressing consumer demand for convenience, value and individual service. NCR's portfolio of self-service and assisted-service solutions serve customers in the financial services, retail and hospitality, healthcare, travel and gaming and entertainment industries and include Automated Teller Machines (ATMs), Self Service kiosks and point-of-sale terminals with peripherals as well as software application that can be used by consumers to enable them to interact with businesses from their computer or mobile device. NCR complements these product solutions by offering a complete portfolio of services to help customers design, deploy and support its technology tools, as well as offering services for third-party products.

NCR provides specific solutions for customers in a range of industries such as financial services, retail and hospitality, travel and gaming, healthcare, and entertainment. NCR's solutions are built on a foundation of long established industry knowledge and consulting expertise, value-added software and hardware technology, global customer support services, and a complete line of business consumables and specialty media products.

Products and Services

Our product and service offerings fall into the following categories:

ATMs and Other Financial Products

We provide financial institutions, retailers and independent deployers with financial-oriented self-service technologies, such as ATMs (with forex, cheque accepting, cash dispensing and accepting capabilities), kiosks (financial and retail), mobile branches, video teller machines and recyclers.

These solutions create pleasant and convenient experiences for consumers, generate new revenue streams and enable our customers to reduce costs while enhancing customer loyalty.

Financial and Retail Solutions:

Our financial and retail solutions are designed to quickly and reliably process consumer transactions and incorporate advanced features.

We boast a very rich suite of software that is second to none in the industry. These includes: ATM application, security solutions, fraud management, transaction switching, predictive platform, cash management, mobile banking, online banking, ATM network monitoring, transaction monitoring, reconciliation, image and electronic journal management, enterprise data warehousing and a host of others.

This remains one of our richest value added to our customers with the attending result of improving operational efficiency, enhancing consumer experience and ensuring significant cost savings.

Cheque and Document Imaging:

Our cheque and Document Imaging offerings provide end-to-end solutions for both traditional paper-based and image-based cheque and item processing. These solutions utilize advanced image recognition and workflow technologies to automate item processing, helping financial institutions increase efficiency and reduce operating costs. Consisting of

hardware, software, consulting and support services, our comprehensive Cheque and Document Imaging solutions enable cheque and item-based transactions to be digitally captured, processed and retained within a flexible, scalable environment. NCR was also involved in the introduction of the MICR cheque standards in Nigeria and, for many years, was a member of the CBN-MICR implementation sub-committee. The process of cheque clearing in Nigeria changed when NCR partnered with Nigerian InterBank Settlement Scheme (NIBSS) to develop a solution for Nigeria Automated Clearing System (NACS). NCR deployed NCR's Electronic Cheque Processing & Image Capture solution and this project was rated very successful by NIBSS as well as the participating banks. NCR's image capture system takes care of over 70% of the total items processed in the clearing house.

NCR Teradata Enterprise Data Warehouse, BI and Marketing Automation System:

NCR Corporation was until 2007, the parent company of Teradata Corporation, the leading provider of powerful, enterprise analytic technologies and services that include Enterprise Data warehouse, Business Intelligence and Customer Relationship Management, CRM. The company (Teradata) was, however, spun-off as a stand-alone organization in 2007, as a separate entity from NCR Corporation. NCR Nigeria is however, the regional representative of Teradata Corporation for the entire Africa region, excluding Egypt and Pakistan. In this capacity, NCR Nigeria offers Teradata Enterprise Data Warehouse and Business Intelligence solutions to the banking industry in Nigeria. Teradata is the global leader in analytic data platforms, business applications and consulting services that help organizations become more competitive by increasing the value of their data and customer relationships. With over 2,700 customers in 77 countries, NCR Teradata Enterprise Data Warehouse and BI solution is the leader in Data Analytics, Multi-Channel Campaign Management, Marketing Resource Management and Integrated Marketing Management suite of solutions.

Services

One of the company's major strength is the team of seasoned customer services department comprising Customer & Project Engineers, Customer Care Representatives, Service Management Officers, Operation Analyst, Account Service Managers, Logistics Interface for part distribution and Finance Administrator. NCR services today pride itself in widespread coverage & footprint in the Nigerian services industry with customer engineers in 6 geopolitical zones of the country and presence in every local govt. area, hence the best response and resolution time in the industry.

NCR has the largest services network with 3 central warehouses (Lagos, Abuja and Port Harcourt) and 9 regional stocking locations (Ibadan, Benin, Kano, Calabar, Akure, Enugu, Jos, Owerri and Kaduna).

The company has continued to deliver the best ATM uptime availability to our highly delighted customers.

NCR provides maintenance and support services (hardware/software) for our product offerings and also other services including site assessment and preparation, staging, installation and implementation, systems management and managed services of third party products. Our strategy is to focus primarily on maintenance and support of NCR-branded products in order to capture higher margin services and significantly reduce redundant costs associated with supporting/servicing multiple third-party products. We have robust and experienced Professional Services Consultants with specialized expertise on software products.

Consumables

These products include two-sided thermal paper, paper rolls for receipts in ATMs and POS solutions, inkjet and laser printer supplies, thermal transfer and ink ribbons, labels, laser documents, business forms, and specialty media items such as photo and presentation papers.

Registered Office

NCR (Nigeria) Plc
NCR House
6, Broad Street
P.O.Box 509, Lagos
Nigeria
Tel: 01-2793970

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 65th Annual General Meeting of NCR (Nigeria) PLC will be held at the Agip Recital Hall, Muson Centre, 8/9 Marina, Onikan, Lagos, on Tuesday the 30th day of May, 2017 at 11.00a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the year ended 31st December, 2016 together with the Reports of the Directors, Audit Committee and Auditors thereon;
2. To re-elect Directors;
3. To appoint Directors;
4. To authorize the Directors to fix the remuneration of the External Auditors; and
5. To elect members of the Audit Committee.

SPECIAL BUSINESS

6. To fix the remuneration of the Directors.

NOTES

1. PROXY

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company. The proxy form is contained in the Annual Reports and Financial Statements. If it is to be valid for the purpose of the Meeting, it must be completed, detached and deposited at the office of the Registrars, Apel Capital & Trust (Registrars) Limited, 8 Alhaji Bashorun Street, Off Norman Williams Crescent, South West Ikoyi, Lagos State, not later than 48 hours before the time appointed for holding the meeting.

2. CLOSURE OF REGISTER OF MEMBERS AND TRANSFER BOOKS

The Register of Members and Transfer Books of the Company will be closed from Monday May 8, 2017 to Friday May 12, 2017 (both dates inclusive) for the purpose of preparing an up-to-date Register of Members.

3. NOMINATIONS FOR THE AUDIT COMMITTEE

Any member may nominate a shareholder as a member of the Audit Committee of the Company, by giving notice in writing of such nomination to the Company Secretary at least 21 days before the date of the Annual General Meeting.

4. RIGHT OF SHAREHOLDERS TO ASK QUESTIONS

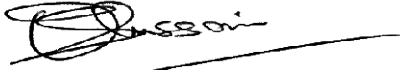
Shareholders have a right to ask questions not only at the meeting but also in writing prior to the meeting and such questions must be submitted to the Company Secretary on or before Monday, 22nd May, 2017.

5. WEBSITE

A copy of this notice and other information relating to the meeting can be found on the Company's website www.ncr.com.ng

Dated this 31st day of March, 2017

BY ORDER OF THE BOARD



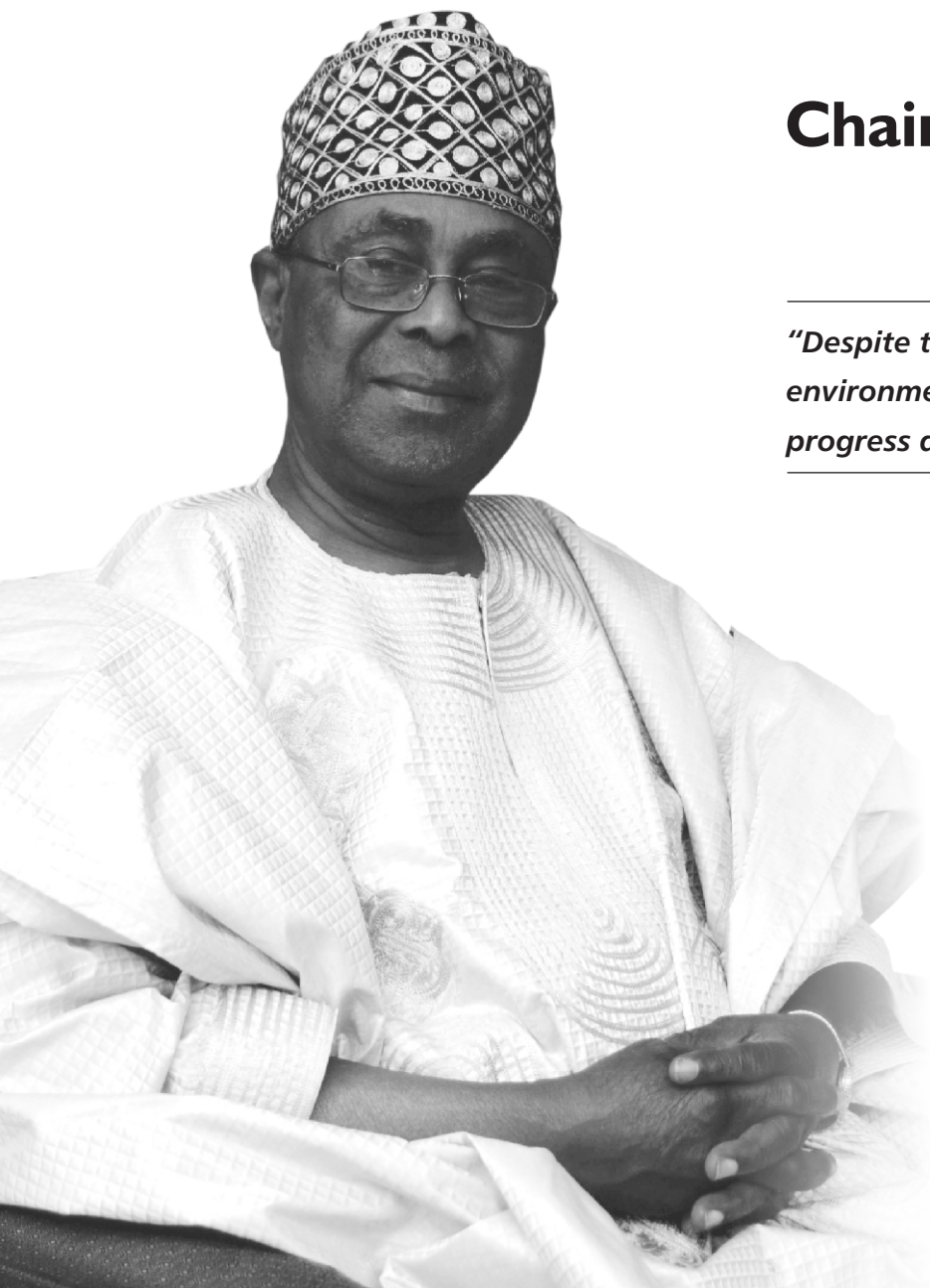
Olufunke Hussain (Mrs.)

Company Secretary

FRC/2013/NBA/00000002577

NCR (Nigeria) Plc
6, Broad Street
P.O. Box 509, Lagos.





Chairman's Statement

"Despite the challenging and unpredictable environment our company made excellent progress during the year..."

The Otunba Adekunle Ojora

OFR, CON, FNIM, JP
Chairman

Distinguished Shareholders,

On behalf of the Board of Directors of NCR (Nigeria) Plc, I am delighted to welcome you to the 65th Annual General Meeting and present our company's Annual Report and Financial Statements for the financial year ended 31 December, 2016.

The business environment became more challenging and competitive during the year under review. The scarcity of foreign exchange due to low oil prices and reduced exportable quantity as a result of militancy affected prices of goods and services. The scarcity of foreign exchange made it very difficult for banks to meet their obligations on Letter of Credit and Bills for collection and as a result our company could not source enough foreign exchange to remit funds to our foreign

suppliers. In light of this, we closed the year with a huge cash balance and huge Trade and other Payables.

Despite the challenging and unpredictable environment, our company made excellent progress during the year but our joy was brief on account of the huge Foreign Exchange Loss recorded during the year, this was largely attributable to the devaluation of Naira.

The company's results for the year shows significant improvement in comparison with the previous year. Our Company recorded about 12 percent growth in turnover at N7.06bn as against N6.30bn in 2015. Our company recorded a Profit Before Tax of N326.9m in 2016 as against 2015 performance of N226.1m, while

Profit After Tax for the year (N66.5m) surpassed 2015 performance of N18.6m by 257 percent.

We officially launched our latest cash dispenser ATM – the NCR SelfServ27 into the Nigerian market in 2016. The value add to our customers includes: higher availability – the ability to dispense 60 notes in one transaction (the maximum industry standard is 40 notes), higher capacity – ability to store up to N10m against N8m which is the maximum capacity for dispensing ATMs in the financial industry. Our value propositions were irresistible and little wonder several hundreds of units were sold during the year.

We continued to drive our Omni-channel technology solutions and were rewarded with the first customer order on Consumer Experience Banking during the year. With this feat, we expect other financial institutions to join our Omni-channel solutions consortium as we strive to extend our leadership position in the Omni-Channel space in 2017, placing innovation at our core.

During the year under review, NCR continued to lead the ATM market with innovations that are critical to help financial institutions enhance customer experience, reduce operating costs and defend the integrity of the banking channel from fraud attacks. We continued our transitioning from a hardware company to a software leader, hardware powered, and services enabled company. We also witnessed additional procurement of the Interactive Teller Machine (ITM) in Nigeria. The ITM effectively delivers a personalized video based live interaction with a remote teller anywhere, anytime from an ATM with the attendant benefits of extending banking hours, reducing cost to serve, and improving operational efficiencies.

We have consistently established NCR foot prints within the country in terms of presence in every local government in the country, enhancing availability and improved Uptime for our esteemed customers. This has provided more positive results which is evident in the industry with NCR having distinct and high results with regard to ATM availability.

In the last few years, we have pursued a policy of cautious prudence in order to improve the quality of our

revenue base. The improved revenue over the previous year shows that the Company has made significant progress in that core area of our business. However, the Board is not in a position to recommend payment of dividends for the year under review since the profit reported was largely due to the fair value gain on non-current intercompany payable of N1.2b. NCR Corporation agreed to defer payment of the intercompany payable beyond 12 months. The obligation was discounted to present value and the gain of N1.2billion recognized in profit or loss account.

The Board is confident that we can look forward to the future with every hope as the company continues to take appropriate strategic actions and we have no doubt that we will sustain satisfactory performance.

Since the last Annual General Meeting, there has been some changes in the composition of the Board. We welcome two new additions to the Board by the appointment of Mr. Matthew Akinlade and Mrs. Olufunke Hussain who joined us on the Board, bringing with them an impressive wealth of knowledge and experience.

I particularly wish to express our appreciation to NCR Corporation for their cooperation and support.

We place on record our confidence in our staff at all levels for their dedication and unfailing loyalty. Naturally, we have continued to ensure and intensify training and acquisition of experience for our staff for the tasks ahead.

We also wish to thank our esteemed shareholders for their support and all our customers for their patronage.

Thank you all for your support and commitment to our great company.

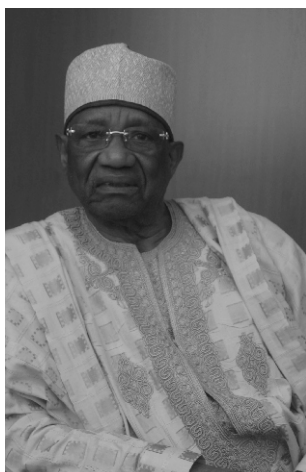


THE OTUNBA ADEKUNLE OJORA
OFR, CON, FNIM, JP.
Chairman

Board of Directors



The Otunba Adekunle Ojora
OFR, CON, FNIM, JP - Chairman



Late Ambassador H. Ahmadu
CON, (Wali of Sokoto)
Non-Executive Director



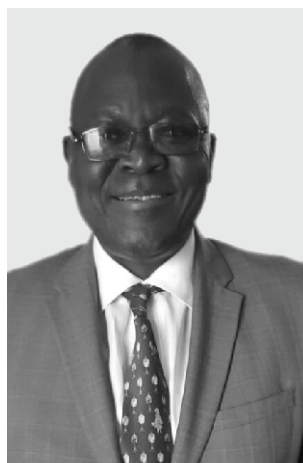
Mr. George Flouros
Non-Executive Director



Mr. Ahmed A. Hamada
Executive Director/CEO



Mr. Michael J. Vallier CPA CIA
Non-Executive Director



Mr. Matthew Akinlade (FCA)
Non-Executive Director



Mrs. Olufunke Hussain
Executive Director

The Otunba Adekunle Ojora OFR, CON, FNIM, JP - Chairman

The Otunba Adekunle Ojora OFR, CON, FNIM, JP is a graduate of Journalism from the London Polytechnic now the University of Westminster. He also attended management courses at Harvard University School of Business and at Christ College Cambridge University, England. He worked as an assistant Editor at BBC London and came back to serve at the Nigeria Broadcasting Service. He moved on to the United Africa Company of Nigeria (UAC) Limited where he served as Public Relations Manager and rose to the position of a Director, the second Nigerian to hold that position in 1962.

The Otunba Ojora OFR, CON, FNIM, JP, was the first Nigerian to be appointed Chairman of a multi-national oil company, AGIP Nigeria Limited where he served for 28 years. He has served as Chairman in many companies cutting across oil & gas, insurance, office equipment, pharmaceutical, real estate, and financial sectors of the Nigerian economy. The Otunba Ojora OFR, CON, FNIM, JP also holds numerous positions in local, bilateral and national business associations.

He has received various national and international awards for his prowess in business and was honoured with the National Award of the Order of the Federal Republic of Nigeria in 1982. He was also awarded the Nigerian National honour of

Commander of the Order of the Niger. He was awarded an honorary doctorate degree of law by the Central State University of Ohio, Wilberforce, USA and holds foreign honours of Freeman of the City of London, Grand Officer of the Republic of Italy, Grand Commander of the Republic of Italy and Grand Commander of Austria.

He is a honorary Law graduate of Ado Bayero University Kano, Nigeria and a honorary awardee of the Department of Computer Science, University of Ibadan, Fellow of the Institute of Management of Great Britain in 1972, Fellow of the Royal Society of Arts of the United Kingdom and Honorary Fellow of the Yaba College of Technology.

The Otunba Ojora OFR, CON, FNIM, JP, a Justice of Peace, is a member of the Nigerian Stock Exchange, Honorary Vice President of Lagos and Nigerian Chamber of Commerce and Industry and Vice President of the Manufacturers Association of Nigeria.

Late Ambassador Hamzat Ahmadu CON

*(Wali of Sokoto) JP, D.Litt (NAU) LL.D, D.SC. Admin (CU), DPA, FCIS, FNIM
Non Executive Director*

Ambassador Hamzat Ahmadu CON, was one of Nigeria's most Senior Foreign Service Officers and has had a most distinguished Diplomatic Career. He previously served as Ambassador to the then USSR (Soviet Union) and concurrently accredited German Democratic Republic, Ambassador to the Kingdom of the Netherlands, Ambassador to the Republic of the Cameroun and High Commissioner to the Commonwealth of the Bahamas. He also had Diplomatic postings to London and Bonn.

After his retirement, Ambassador Ahmadu CON was appointed first Chancellor of Nnamdi Azikiwe University, Akwa, Anambra State; Chairman, A.G. Leventis (Nigeria) Plc, Chairman, Board of Governors Shehu Shagari College of Education Sokoto, Sokoto State, Nigeria, a Member of the Advisory Committee on National Honours and Award and a member of the

Presidential Advisory Council, International Relations (PAC),

He was Vice Patron of the Nigeria-Britain Association; Council Member, Nigeria Conservation Foundation (NCF); Chairman, Nigeria Conservation Foundation (NCF); Chairman Board of Directors MTN Nigeria Foundation GTE; Vice Patron Legacy (The Historical and Environment Interest Group of Nigeria) and Trustee Legacy (The Historical and Environmental Interest Group of Nigeria). He passed away on May 1, 2016.

Mr. George Flouros

Non Executive Director

Mr. George Flouros is Region Vice President for NCR East Mediterranean, Middle East and Africa for Financial Solutions. He is a graduate of the City University in London with B.Sc Degree in Engineering and an MBA Degree in Marketing from Cass Business School in London.

Mr. Flouros started his career in NCR Cyprus in 1988. In 1998, he became the Middle East/Africa Area Director for Retail Solutions Division (RSD) and soon after, in 2002, he also assumed responsibility for RSD in Central Eastern Europe (CEE) and Russia. Under his leadership, RSD business experienced substantial growth which led the Indirect Channel business in the region to great levels of success.

In 2004, Mr. Flouros was appointed as Managing Director for East Mediterranean and Near East.

He was appointed as Region Vice President for East Mediterranean, Middle East and Africa area in January, 2001.

Mr. Ahmed Abdel Aziz Hamada

Executive Director/Chief Executive Officer

Prior to his assignment, Ahmed has served as the Vice President-Global Sales in Cequens from 2012-2013, and Marketing Director from Dec 2011-Dec 2012.

He also worked with Vodafone Egypt and his previous assignments are: Head of Leads Management (July 2010- Oct 2011); Head of Business Products and Solutions (April 2008 - June 2010); Enterprise Solution Sales Senior Manager (July 2007- March 2008) and General Manager for the Corporate Business Unit (March 2005 - June 2007).

Between July 2004 – February 2005, Ahmed has worked with Oracle Egypt as a Sector Manager. He also worked with NCR Egypt from April 1997 – June 2004 in various Sales management and project management roles. Ahmed was a System Engineer with IBM Egypt from January 1994 - February 1996.

Ahmed is a B.Sc. graduate from the University of Cairo in Egypt. He has an MBA in Marketing and International Business at American University in Cairo.

Michael J. Vallier CPA CIA -

MEA Regional Controller NCR Corporation/ Non Executive Director

Michael J. Vallier is the MEA Regional Controller of NCR Corporation. He is a B.Sc. Graduate of Ball State University.

From 1998-2001, He worked as the Country Director and Senior Audit Manager for Deloitte & Touche Vilnius, Lithuania and Riyadh, Saudi Arabia respectively.

In the Bahamas, Michael was the Senior Audit Manager from 2001- 2003 with Ernst & Young Company, He has also served as the consultant and Project Manager for Control Solution International, Inc. at Sarasota, Florida from 2003-2004.

In 2004, he Joined NCR Corporation Dayton, Ohio as the Director Audit and Advisory Services. He moved in 2009 to NCR Japan and worked as the Chief Financial Officer (Tokyo, Japan).

Mr. Matthew Akinlade (FCA)

Independent Non-Executive Director

Mr. Matthew Akinlade FCA, FCMA was appointed as an Independent Non-Executive Director of the Company on October 12, 2016. He is a Fellow of the Chartered Institute of Management Accountants of London and Institute of Chartered Accountants of Nigeria.

He attended the Advanced Management Programme of Lagos Business School in 1994, International Graduate School of Management (IESE) Barcelona among other management courses in Nigeria and abroad in the course of his working career which spanned over 30 years.

He is currently the Non-Executive Chairman of Nampak. He was also on the Board of Creseada International Limited between August 2013 and March 2015.

Mrs Olufunke Hussain

Executive Director

Mrs. Hussain was appointed as Executive Director of the company on October 12, 2016. She executes her office with the former role of Company Secretary. Mrs. Hussain is an alumnus of the University of Ife, Ile-Ife, where she obtained a Bachelor of Law degree LL.B (HONS) in 1986. She was admitted to the Nigerian Bar in 1987.

Mrs. Hussain is a skilled legal practitioner with over 28 years' experience in both private legal practice and corporate commercial law. She has exhibited unparalleled professionalism in the course of her career and has acted on several company and commercial matters including as a Legal Adviser to various companies. She is a member of many professional bodies and was appointed as Company Secretary of NCR (Nigeria) Plc in March 2006.

Report of the Directors

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors have pleasure in presenting to the members of NCR (Nigeria) Plc (“the Company”) their report together with the audited financial statements for the year ended 31 December 2016.

LEGAL FORM

NCR (Nigeria) Plc is incorporated in Nigeria under the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2004 as a Public Liability Company, and is domiciled in Nigeria. The Company commenced operations on 9 December 1949 under the name National Cash Register Company (West Africa) Limited, and changed its name to NCR (Nigeria) Limited in 1974. The company was granted a listing on the Nigerian Stock Exchange on 30 May 1979. In 1990, the name of the Company was changed to NCR (Nigeria) Public Liability Company in compliance with the Companies and Allied Matters Act. The name of the Company was changed to AT&T Global Information Solutions (Nigeria) Plc in 1994 and on 16 July 1996 the Company adopted its present name of NCR (Nigeria) Plc.

NCR (Nigeria) Plc is a subsidiary of NCR Corporation (NYSE: NCR), the global leader in consumer transaction technologies, turning everyday interactions with businesses into exceptional experiences. With its software, hardware, and portfolio of services, NCR enables more than 550 million transactions daily across retail, financial, travel, hospitality, telecom and technology, and small business. NCR solutions run the everyday transactions that make your life easier.

NCR (Nigeria) Plc introduced the first ATM in Nigeria in 1989.

NCR is headquartered in Duluth, Georgia with over 30,000 employees and does business in 180 countries. NCR is a trademark of NCR Corporation in the United States and other countries.

61.76% of the share capital of the Company is held by NCR Corporation, United States of America while the balance of 38.24% is held by Nigerians.

PRINCIPAL ACTIVITIES

The company's principal activity includes provision of technology and services that help businesses connect, interact and transact with their customers. The company is a technology Company that provides innovative products which include:

- ATM (Automated Teller Machines)
- Interactive Teller Machines
- Retail Point-of-Sales terminals (Point-of-Sale)
- Self Service Kiosks
- Self-check-in/out systems
- ATM consumables

CHANGE IN THE REPORTING FRAMEWORK

There has been no changes to the accounting policies adopted by the Company.

STATE OF AFFAIRS

In the opinion of the Directors, the state of the Company's affairs is satisfactory and no events have occurred since the reporting date, which would affect the financial statements as presented.

RESULTS FOR THE YEAR

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

	2016 N'000	2015 N'000
Revenue	7,058,196	6,303,787
Profit before taxation	326,938	226,107
Income tax expense	(260,448)	(207,497)
Profit after taxation	66,490	18,610

DIVIDEND

The Board has not proposed any dividend for the financial year ended 31 December 2016 (2015: Nil).

PROPERTY, PLANT AND EQUIPMENT

Information relating to changes in property, plant and equipment (PPE) is shown in Note 16 to the financial statements. In the opinion of the Directors, the market value of the Company's PPE is not less than the carrying value shown in the financial statements.

ACQUISITION OF OWN SHARES

The Company has not purchased any of its own shares during the year under review (2015: Nil).

DIRECTORS

The names of the Directors at the date of this report and of those who held office during the financial year are as follows:

Otunba Adekunle Ojora OFR, CON, FNIM, JP	Chairman
Ambassador Hamzat Ahmadu CON (WALIN SOKOTO)	Non-Executive Director (Deceased 1 May 2016)
Mr. George Flouros (Cypriot)	Non-Executive Director
Mr. Ahmed Abdel Aziz Hamada (Egyptian)	Executive Director/Chief Executive Officer
Mr. Michael Vallier (American)	Non-Executive Director
Mr. Matthew Akinlade FCA	Independent Non-Executive Director (Appointed 12 October 2016)
Mrs. Olufunke Hussain	Executive Director (Appointed 12 October 2016)

Since the last Annual General Meeting, there have been some changes in the composition of the Board.

The Board was deeply saddened by the loss of Ambassador Hamzat Ahmadu, CON (Walin Sokoto) who passed away on May 1, 2016. He rendered valuable services to the Company for many years and will be greatly missed for his wisdom, excellent judgment and advice. We would like to extend our sincere condolences to his family and pray that Almighty Allah accepts his soul and grant him peace.

During the year, Mr. Matthew Akinlade FCA, FCMA was appointed as an Independent Non-Executive Director of the Company. His appointment takes effect from 12th October, 2016.

Mrs. Olufunke Hussain was also appointed Executive Director of the Company with effect from 12th October, 2016. Mrs. Hussain would execute her new office with the former role of Company Secretary.

We warmly welcome them to the Board and wish them every success. A proposal will be presented at the Annual General Meeting for approval of Mr. Matthew Akinlade FCA, FCMA and Mrs. Olufunke Hussain's appointment to the Board of Directors.

In accordance with Section 256 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and in line with Article 88 - 91 of the Company's Articles of Association, Mr. Ahmed Abdel Aziz Hamada will retire by rotation and being eligible, offers himself for re-election as a Director of the Company.

DIRECTORS' INTEREST IN SHARES

The interest of Directors in the issued share capital of the Company as recorded in the Register of Directors' Shareholdings and/or as notified by the Directors for the purpose of Sections 275 and 276 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2016 and the Listing requirements of the Nigerian Stock Exchange are as follows:

	2016 Number of Shares	2015 Number of Shares
Otunba Adekunle Ojora OFR, CON, FNIM, JP	1,073,562	1,073,562
Ambassador Hamzat Ahmadu CON (WALIN SOKOTO) (Deceased)	53,022	53,022
Mr. George Flouros	-	-
Mr. Ahmed Abdel Aziz Hamada	-	-
Mr. Michael Vallier	-	-
Mr. Matthew Akinlade FCA	44,349	44,349
Mrs Olufunke Hussain	-	-

DIRECTORS' INTEREST IN CONTRACTS

None of the Directors has notified the Company for the purpose of Section 277 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 of any direct or indirect interest in contracts or proposed contracts in which the Company was involved during the year ended 31 December 2016 (2015: Nil).

SUBSTANTIAL INTEREST IN SHARES

According to the register of members no one person or organization other than NCR Corporation, USA held more than 5% of the issued share capital of the Company as at 31 December 2016.

Report of Directors *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016		2015	
	Number of Shares	%	Number of Shares	%
NCR Incorporation	66,705,456	61.76	66,705,456	61.76

ANALYSIS OF SHAREHOLDING

The issued and fully paid-up share capital of the Company is N54,000,000 divided into 108,000,000 ordinary shares of 50k each, of this 66,705,456 shares, equivalent to 61.76 percent are held by NCR Corporation, USA, while 41,294,544 shares equivalent to 38.24 percent are held by Nigerian shareholders as at 31 December 2016.

The shareholding range analysis is as shown below;

Share Range	Number of Shareholders	% of Shareholders	Number of Holdings	% of Shareholders
1 - 1,000	2,398	31.96	1,081,398	1.00
1,001 - 5,000	3,976	52.99	8,553,125	7.92
5,001 - 10,000	648	8.64	4,497,998	4.16
10,001 - 50,000	390	5.19	7,013,838	6.49
50,001 - 100,000	41	0.55	2,849,202	2.64
100,001 - 500,000	44	0.59	9,153,168	8.48
500,001 - 1,000,000	2	0.03	1,357,288	1.26
1,000,001 and above	5	0.07	73,500,983	68.06
	7,504	100.00	108,000,000	100.00

CHARITABLE CONTRIBUTIONS

The company did not make any charitable donations during the year ended 31 December 2016 (2015: Nil).

In compliance with Section 38 (2) of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, the Company did not make any donations or gifts to any political association or for any political purpose during the year (2015: Nil).

DISTRIBUTION OF THE COMPANY'S PRODUCTS

The company markets its products through its sales personnel. No distributors were used.

NON-DISCRIMINATORY EQUAL EMPLOYMENT OPPORTUNITY

The company is an equal employment opportunity employer. It is the Company's policy to hire, train, promote and pay employees based on their job-related qualifications, ability and performance, without regard to race, colour, creed, religion, national origin, citizenship status, sex, marital status, age, physical or mental disability, sexual orientation, gender identity or expression, or veteran status.

ENVIRONMENTAL, HEALTH & SAFETY MANAGEMENT

The company conducts all aspects of business in an environmentally sound manner, with care for the safety and health of our employees, customers, and the general public. As with other financials of the business, Environmental Health & Safety activities are integrated into the existing management structure and accountability process. This system helps to achieve continual improvement in Environmental Health & Safety performance by reducing losses from operational accidents and risks associated with non-compliance.

Improvement in Environmental Health & Safety performance ultimately enhances the Company's competitive market position for providing services, products and solutions to the Company's customers. The company recognizes the need for employees with Environmental, Health & Safety responsibility to develop and maintain an appropriate level of Environmental, Health & Safety technical competency.

The company strives to minimize the environmental footprint of its operations and products, while also delivering innovative technologies and solutions designed to help businesses and consumers reduce their own environmental footprint.

The company is committed to complying with applicable health and safety regulations related to protecting employees and providing working conditions that are free from recognized hazards. The company's workplace programs are designed to protect the safety and health of employees and to prevent and mitigate workplace incidents that could arise from abnormal operating conditions and potential emergency situations.

EMPLOYEES' TRAINING

The company is committed to training and career growth. NCR University (NCRU) provides training resources and education programs to increase employee productivity and ensure professional growth. Management, professional and technical expertise are the Company's major assets and investment in their further development continues. The company believes that success depends on ability to develop a productive, capable organization committed to ongoing learning; employee development is therefore an integral part of the way the business is managed. The company invests in tools and opportunities that empower employees to take charge of their own personal and professional growth and development. Training is carried out at various levels through both in-house and professional training at its corporate technical training centres located in Cyprus, UAE, United Kingdom and United States of America.

BUSINESS CONDUCT AND ETHICS

NCR is a principle-based Company, the reputation of our Company is formed by each and every experience that customers, business partners, suppliers and the community have with us. We treat each other and our business partners with respect, honesty and fairness. We value the unique qualities, abilities and perspectives each person brings to a challenge or opportunity, and we also know that as a team we can achieve together what would remain out of reach for us individually. We communicate openly and candidly with each other and extend our respect and team spirit to customers, partners, suppliers and the communities in which we live and work.

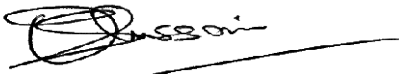
- **Customer Dedication:** We genuinely care about our customers and are dedicated to serving them well. We learn their markets, understand their specific goals and objectives, and develop solutions that deliver business value.
- **Performance:** We commit to high performance in all functions. We take personal ownership for the success of our Company and work together to continuously improve and achieve best-in-class performance.
- **Innovation:** Throughout our history, NCR's ability to harness the power of new ideas and put them to work for our customers in the real world has defined our Company and fuelled our leadership; innovation powers the engine that drives our success now and in the future.
- **Supplier and Customer Relations:** We require our vendors, agents, subcontractors and their employees to demonstrate honesty, integrity and fairness, and to adhere to our ethical standard of business operation.

EVENTS AFTER THE REPORTING DATE

As stated in Note 31, there are no events or transactions that have occurred since the reporting date which would have a material effect on the financial statements as presented.

AUDITORS

Ernst & Young have expressed their willingness to continue in office as auditors in accordance with Section 357 (2) of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004.

BY ORDER OF THE BOARD

OLUFUNKE HUSSAIN
COMPANY SECRETARY
FRC/2013/NBA/00000002577
31 March 2017

NCR (Nigeria) Plc is committed to high standards of corporate governance. The company has continued to embrace the best governance practices required to deliver sustainable value to our shareholders.

During the year ended 31 December 2016, NCR (Nigeria) Plc complied with the Securities and Exchange Commissions (SEC) Code of Corporate Governance for Nigeria, International Best Practices on Corporate Governance and the NCR Principles of Ethics and Compliance.

The primary purpose of the Board is to create and deliver sustainable long-term value to shareholders through its general supervision of the Company's business.

As part of this goal, NCR has always maintained different and separate roles for the Chairman and the Chief Executive Officer. Presently the company has a six (6) member Board led by the Chairman who is a non-Executive Director. There are four non – executive Directors and two executive Directors on the Board.

All the Directors bring various and varied competencies to bear on all board deliberations. The Board meets regularly and is responsible for effective control and monitoring of the Company's strategy. The Chairman directs the Board, ensuring that it operates effectively, while fully discharging its legal and regulatory obligations.

The Company's corporate governance framework is in conformity to the Country's existing corporate governance codes and is in line with universally accepted best practices. Under this framework, the Board delegates responsibility for the day to day management of the Company to the Country General Manager.

It is the responsibility of the Board of Directors to ensure that all records are accurate and correctly reflect the financial position of the Company. Management implements system controls, comprising policies, standards and procedures to ensure the safety of assets and the reduction of risk, error, fraud and other irregularities. Both the internal auditor and the external auditors independently appraise the adequacy of internal controls.

The Board places great emphasis on effective communication with its shareholders. It recognizes the importance of ensuring an appropriate balance in meeting the many needs of its shareholders and at the same time building enduring relationships with them.

The Directors' direct and indirect shareholdings in the Company, where it exists, are disclosed elsewhere in this report as required by law.

Employee compliance with the NCR Code of Conduct training and certification which subscribes to high standards of fair competition is monitored globally.

1. Composition of the Board of Directors

The Board is currently made up of four (4) Non-Executive Directors and two (2) Executive Directors. All the Directors have access to the advice and services of the Company Secretary and advice and services of other professionals in financials where such advice will improve the quality of their contribution to Board decision making process.

2. Record of Directors' Attendance of Board Meetings

The Board held a total of four (4) meetings during the year. In accordance with Section 258 (2) of the Companies and Allied Matters Act, CAP C20; Laws of the Federation of Nigeria, 2004 the record of the Directors' attendance of Directors' meetings during 2016 is available for inspection at the Annual General Meeting.

Attendance of Board meetings are set out below:

DIRECTORS	Date of Meeting			
	2/3/2016	31/3/2016	10/5/2016	12/10/2016
Otunba Adekunle Ojora OFR, CON, FNIM, JP.	P	P	P	P
Ambassador H. Ahmadu CON (WALIN SOKOTO)	A	A	D	D
Mr. George Flouros	P	P	P	P
Mr. Michael Vallier	P	P	P	P
Mr Ahmed Abdel Aziz Hamada	P	P	P	P
Mrs. Olufunke Hussain	NYM	NYM	NYM	NYM*
Mr Matthew Akinlade, FCA	NYM	NYM	NYM	NYM*

Attendance Keys: P = PRESENT; A = Absent with Apology; CM = Ceased to be a member;
 NYM = Not yet a member; D = Deceased : * Appointed on that date;

The meetings of the Board were presided over by the Chairman. In all cases, written notices of the meetings along with the agenda were circulated at least 14 days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

3. Insider Trading and Price Sensitive Information

Directors, insiders and their related persons in possession of confidential price sensitive information ("insider information") are prohibited from dealing with the securities of the Company where such would amount to insider trading. Directors, insiders and related parties are prohibited from disposing, selling, buying or transferring their shares in the Company for a period commencing from the date of receipt of such insider information until such a period when the information is released to the public or any other period as defined by the Company from time to time.

4. The Audit Committee

The Audit Committee is composed of six members made up of three shareholders' representatives elected at the 2015 Annual General Meeting for a tenure of one year until the conclusion of the 2016 Annual General Meeting and three representatives of the Board of Directors nominated by the Board. The Chairman of the Audit Committee is Mr. Matthew Akinlade (FCA), a non-executive independent Director. The Company Secretary is the Secretary of the Committee.

During the year under review, the Committee held four (4) meetings. The functions of the Audit Committee are governed by the provisions of Section 359 (6) of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004.

5. Members of the Audit Committee

Mr. Matthew Akinlade, FCA	- Chairman
Mrs. T. O. Assan	- Member
Mr. M.A. Adedoyin	- Member
Otunba Adekunle Ojora OFR, CON, FNIM, JP	- Ceased to be a member with effect from 29 July 2016
Ambassador H. Ahmadu CON [WALIN SOKOTO]	- Deceased
Mr. Michael Vallier	- Member
Mr. George Flouros	- Member (Replaced Ambassador H. Ahmadu CON [WALIN SOKOTO])

Attendance of Audit Committee Meetings in 2016

Members	Date of Meeting			
	8/2/2016	22/3/2016	25/4/2016	15/12/2016
Mr. M. Akinlade FCA - Chairman	P	P	P	P
Otunba Adekunle Ojora OFR, CON, FNIM, JP	P	P	P	C/M
Ambassador H. Ahmadu CON [WALIN SOKOTO]	A	A	D	D
Mrs. T. O. Assan	P	P	P	P
Mr. M. A. Adedoyin	P	P	P	P
Mr. Michael Vallier	P	P	P	P
Mr. George Flouros	NYM	NYM	NYM	P

Attendance Keys: P = PRESENT; A = Apology; NYM = Not yet a member
D = Deceased; C/M = Ceased to be a member

6. Committees of the Board

In conformity with the Code of Best practices in Corporate Governance, the Board has established the following committees to function in respect of issues too complex and/or numerous to be handled by the entire board. All Board Committees make recommendations for approval by the full Board:

i. Financial Risk and General Purposes Committee

The Committee is established to provide independent and expert advice to assist the Board to discharge it's financial and risk management responsibilities.

The Committee does not replace or replicate established management responsibilities and delegations, the responsibilities of other executive management groups within the Company, or the reporting lines and responsibilities of either internal audit or external audit functions.

The Committee is also responsible for dealing with urgent business which needs to be dealt with at short notice.

The Company maintains adequate insurance cover to protect the Company against liability and asset loss.

Members of the Committee are as follows:

- Mr. Michael Vallier - Chairman
- Mr. George Flouros
- MrAhmed AbdelAziz Hamada

There was no formal meeting of the Committee during the year ended 31 December 2016.

ii. Appointment, Discipline and Remuneration Committee

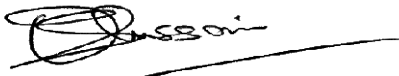
The Committee is to set the over-arching principles, parameters and governance framework of the Company's remuneration policy and the remuneration of Senior Executives (being those whose appointment requires Board approval; employees who perform a significant influence function; employees whose activities have or could have a material impact on the company's risk profile; and any other employee as determined by the Committee from time to time) and to review the structure, size and composition of the Board (including the skills, knowledge, independence,

experience and diversity) and the appointment of members to the Board and make recommendations to the Board as appropriate.

Members of the Committee are as follows:

- Mr. George Flouros - Chairman
- Mr. Michael Vallier

There was no formal meeting of the Committee during the year ended 31 December 2016.



Olufunke Hussain

Company Secretary

FRC/2013/NBA/00000002577

31 March 2017

Complaints Management Policy

FOR THE YEAR ENDED 31 DECEMBER 2016

The Complaint Management Policy of NCR (Nigeria) Plc has been prepared pursuant to the requirements of the Securities & Exchange Commission's Rules relating to the Complaints Management Framework of the Nigerian Capital Market ("SEC Rules") issued on 16 February 2015 and The Nigerian Stock Exchange Directive (NSE/LARD/LRD/CIR6/15/04/22) to all Listed Companies ("the NSE Directive") issued on 22 April 2015.

This policy has been prepared in recognition of the importance of effective engagement in promoting shareholder/investor confidence in the Company. This Policy sets out the broad framework by which the Company and its Registrar provide assistance regarding shareholder issues and concerns. It also provides opportunity for shareholders to provide feedback to the Company on matters that affect shareholders.

This Policy only relates to NCR (Nigeria) Plc shareholders and does not extend to its customers, suppliers or other stakeholders. This Policy is designed to ensure that complaints and enquiries from the Company's shareholders are managed in a fair, impartial, efficient and timely manner.

This Policy will be made available to shareholders of the Company at General Meetings.

GUIDING PRINCIPLES FOR MANAGING COMPLAINTS

The following principles shall guide the Company in managing the complaints of shareholders:

1. COMMITMENT

NCR (Nigeria) Plc is committed to the resolution of complaints and/or disputes received from shareholders. The company shall proffer solutions that are fair and reasonable to all parties. The company shall objectively manage and deal fairly with all complaints lodged by shareholders without bias. The rights of any shareholder, who has lodged a complaint, shall be adequately protected. However, it shall be within the sole discretion of the Company to take a decision on the investigation of a complaint considered to be trivial, vexatious or abusive. The company shall take necessary steps to guard against the victimisation in respect of all complaints received.

2. CONFIDENTIALITY

All complaints shall be handled in strict confidence and personal information of complainants shall be adequately protected.

3. PROCEDURE FOR COMPLAINTS/ENQUIRIES

A Complaint Lodgement Form shall be provided to all shareholders to lodge their complaint. All complaints made through authorised third parties or complaints anonymous in nature, shall be duly recognised and addressed.

Shareholders can make complaints/enquiries and access relevant information in the following manner:

- (I) **Contact the Registrar:** Shareholders who wish to make a complaint/enquiry shall in the first instance contact the Registrar, Apel Capital & Trust (Registrars) Limited at 8, Alhaji Bashorun Street, Off Norman Williams Crescent, South West Ikoyi, Lagos. The Registrar manages all the

registered information relating to all shareholdings, including shareholder name(s), shareholder address and dividend payment instructions amongst others. Upon receipt of a complaint or an enquiry, the Registrar shall immediately provide the relevant details of such complaint or enquiry to NCR (Nigeria) Plc for monitoring, record keeping and reporting purposes.

- (ii) **Contact the Company Secretary:** If the Registrar is unable to satisfactorily address shareholders' enquiries and resolve their complaints then shareholders should contact the office of the Company Secretary.

4. **FEEDBACK**

Where a complaint or an enquiry is sent directly to the Company, NCR shall upon receipt of the complaint or enquiry use its best endeavours to ensure that:

- a) Relevant details of the complaint or enquiry are immediately recorded.
- b) A response is provided by the Company or the Registrar within the specified time frame.
- c) Complaints or enquiries received by e-mail are acknowledged within two (2) working days of receipt.
- d) Complaints or enquiries received by post are responded to within five (5) working days of receipt.
- e) Complaints or enquiries are resolved within ten (10) working days of receipt.
- f) The Nigerian Stock Exchange is notified, within two (2) working days, of the resolution of a complaint or enquiry.
- g) Where a complaint/ enquiry cannot be resolved within the stipulated time frame set out above, the shareholder shall be notified that the matter is being investigated. Delays may be experienced in some situations, including where documents need to be retrieved from storage.
- h) The same or similar medium that was used for the initial enquiry shall be utilized in providing a response (whether by email, phone, post or fax), unless otherwise notified to or agreed with the shareholder.

5. **ELECTRONIC COMPLAINTS REGISTER AND QUARTERLY REPORTING OBLIGATIONS**

NCR (Nigeria) Plc shall maintain an electronic complaints register. The electronic complaints register shall include the following information:

- The date that the enquiry or complaint was received.
- Complainant's information (including name, address, telephone number, e-mail address).
- Nature and details of the enquiry or complaint.
- Action taken/ Status.
- Date of the resolution of the complaint.

Information on the details and status of complaints shall be provided to the Securities and Exchange Commission and The Nigerian Stock Exchange on a quarterly basis.

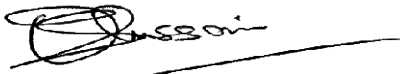
6. ACCESS TO POLICY

This policy can be accessed by Shareholders through the following avenues:

- This Policy shall be available on the Company's website www.ncr.com.ng
- A copy of the Policy may be requested by contacting the Office of the Company Secretary.
- This Policy shall be made available at general meetings of the Company.

7. REVIEW OF POLICY

This policy and procedures concerning shareholder enquiries, complaints and feedback may from time to time be reviewed by the Company.



Olufunke Hussain

Company Secretary

FRC/2013/NBA/00000002577

31 March 2017

Statement of Directors' Responsibilities

FOR THE YEAR ENDED 31 DECEMBER 2016

The Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Company at the end of the year and of its profit or loss. The responsibilities include ensuring that the Company:

- keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004;
- establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards issued by the International Accounting Standards Board, Financial Reporting Council of Nigeria Act No 6, 2011 and the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit for the year ended 31 December 2016. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.



Otunba Adekunle Ojora OFR, CON, FNIM, JP
Chairman
FRC/2013/IODN/00000002581



Mr. Ahmed Abdel Aziz Hamada
Executive Director/ Chief Executive Officer
FRC/2017/IODN/OOO0016376

31 March 2017

Report of The Audit Committee TO MEMBERS OF NCR (NIGERIA) PLC

In accordance with the provisions of Section 359 (6) of the Companies and Allied Matters Act, Cap C20, Laws of the Federation of Nigeria 2004, we the Members of the Audit Committee of NCR (Nigeria) Plc confirm that we have carried out our statutory functions under the Act and have examined the Auditor's Report for the year ended 31 December 2016 and hereby state as follows:

1. The scope and planning of the audit are adequate.
2. The accounting and reporting policies of the Company conform with the statutory requirements and agreed ethical practices.
3. The internal control was being constantly and effectively monitored.
4. We have reviewed the Auditor's findings on management matters and are satisfied with the management responses thereon,

Dated this 24th day of March, 2017
Lagos, Nigeria



Mr. Matthew Akinlade FCA
Chairman – Audit Committee
FRC/2013/ICAN/00000002111

Members of the Audit Committee

Mr. Matthew Akinlade FCA - Chairman

Mrs. T. O. Assan - Member

Mr. M. A. Adedoyin - Member

Otunba Adekunle Ojora OFR, CON, FNIM, JP - Ceased to be a member with effect from 29 July 2016

Mr. Michael Vallier - Member

Mr. George Flouros – Member (Replaced Ambassador H. Ahmadu CON (WALIN SOKOTO))

Secretary to the Committee

Mrs. Olufunke Hussain

Independent Auditors' Report

TO THE MEMBERS OF NCR (NIGERIA) PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NCR (Nigeria) Plc which comprise the statement of financial position as at 31 December 2016, 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.

In our opinion, the financial statements give a true and fair view of the financial position of NCR (Nigeria) Plc as at 31 December 2016, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and in compliance with the Financial Reporting Council of Nigeria Act No 6, 2011.

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 (IESBA code) and other independence requirements applicable to performing the audit of NCR (Nigeria) Plc. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing the audit of NCR (Nigeria) Plc. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Independent Auditors' Report

TO THE MEMBERS OF NCR (NIGERIA) PLC

Report on the Audit of the Financial Statements *Cont'd*

Key Audit Matter	How the matter was addressed in the audit
<p>1. Classification of Intercompany payable as non-current payable in line with IAS 39.</p> <p>The company has been unable to settle its intercompany payables due to unavailability of foreign exchange amounting to \$20,221,102 (N4.4 billion). The liability had been outstanding for more than a year and the Company consequently entered into an agreement with its related party (NCR Global) to defer payment to a future date. This resulted in the reclassification of the amount to non-current liability.</p> <p>In line with the provisions of IAS 39, the present value of the future amount payable was computed and a fair value gain of N1.2 billion recognised in the statement of profit or loss account and other comprehensive income. See Note 13 in the financial statements.</p> <p>This computation required significant judgement and assumptions regarding the estimated future cash flow, discount rate and expected repayment period. The long term payable represents 44% of the total liabilities reported in the statement of financial position. See Note 23 in the financial statements.</p>	<p>Our audit procedures on non-current payable include:</p> <ul style="list-style-type: none"> ● We reviewed the agreement between NCR Global and the Company to ensure that the appropriate amount has been reclassified from current to non-current liabilities. ● We recalculated the fair value of the non-current payable by calculating the present value of the future payable amount in accordance with the provisions of IAS 39. ● Our internal expert evaluated the applied discount rate used in the computation by benchmarking against independent data. ● The fair value gain resulting from the valuation of non-current payable was recognised in profit or loss and disclosed separately.
<p>2. Financial derivative</p> <p>The Company's business of importing Automated Teller Machines (ATMs) relies heavily on the availability of foreign currency. As a result, the Company entered into a forward contract with a Nigerian Bank to manage foreign exchange risk. The arrangement is for the Bank to provide the Company with funds amounting to \$3,682,018 (N1.08 billion) to settle its outstanding liabilities on 23 August 2017 at an agreed forward rate.</p> <p>This led to a computation of the fair value of the financial derivative using proprietary and third party valuation models and market data obtained from independent market data providers. A fair value loss on financial derivative of N388 million is recognised in the statement of profit or loss and other comprehensive income. See Note 20 in the financial statements.</p>	<p>Our audit procedures on the financial derivative include:</p> <ul style="list-style-type: none"> ● We reviewed the contract agreement between the Bank and NCR (Nigeria) Plc. ● Our internal expert evaluated the applied discount rate, interpolated interest rate, higher and lower interest rate band used in the computation by benchmarking against independent data. ● We reviewed the Company's financial statements to ensure that adequate disclosures in respect of this transaction have been made. ● We reviewed the fair value losses on foreign exchange forward contract resulting from the fair value determination of the financial derivative recognised as at reporting date in line with the provisions of IAS 39 - Financial Instruments Measurement and Recognition.

Independent Auditors' Report

TO THE MEMBERS OF NCR (NIGERIA) PLC

Report on the Audit of the Financial Statements *Cont'd*

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report, Corporate Governance Report, Complaints Management Policy and the Report of the Audit Committee as required by the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004. The other information does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011, 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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

Independent Auditors' Report

TO THE MEMBERS OF NCR (NIGERIA) PLC

Report on the Audit of the Financial Statements *Cont'd*

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of Schedule 6 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, 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 purposes of our audit;
- ii) in our opinion proper books of account have been kept by the Company, in so far as it appears from our examination of those books; and
- iii) the Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.



Yusuf Aliu, FCA
FRC/2012/ICAN/00000000138
For: Ernst & Young
Chartered Accountants
Lagos, Nigeria

31 March 2017



Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 N'000	2015 N'000
Revenue	6	7,058,196	6,303,787
Cost of sales	7	(4,294,460)	(5,576,514)
Gross profit		2,763,736	727,273
Distribution expenses	8	(260,707)	(277,433)
Administrative expenses	9	(40,206)	(52,637)
Investment income	10	51,680	32,616
Other gains/(losses)	11	74	(361)
Foreign exchange loss	12	(3,063,706)	(203,351)
Fair value loss on financial derivative	20	(388,346)	-
Fair value gain on non-current intercompany payable	13	1,264,413	-
Profit before taxation		326,938	226,107
Income tax expense	14a	(260,448)	(207,497)
Profit for the year		66,490	18,610
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Re-measurement loss on retirement benefit	25b	(2,521)	(14,925)
Other comprehensive loss for the year, net of tax		(2,521)	(14,925)
Total comprehensive income for the year, net of tax		63,969	3,685
Earnings per share data:			
Basic/ diluted earnings per share (Naira)	15	0.62	0.17

See notes to the financial statements.

Statement of Financial Position

AS AT 31 DECEMBER 2016

	Note	2016 N'000	2015 N'000
ASSETS			
Non-current assets			
Property, plant and equipment	16	623,933	642,727
Retirement benefit assets	25	43,720	28,158
Deferred tax assets	14b(ii)	285,861	-
Total non-current assets		953,514	670,885
Current assets			
Inventories	17	1,620,134	2,248,656
Trade and other receivables	18	3,870,962	3,321,662
Prepayments	19	22,015	28,971
Financial derivative	20	1,084,462	-
Cash and short term deposits	21	4,195,030	1,648,802
Total current assets		10,792,603	7,248,091
Total assets		11,746,117	7,918,976
Equity and liabilities			
Equity			
Issued share capital	22a	54,000	54,000
Retained earnings		276,138	209,648
Other reserve	22b	(2,542)	(21)
Total equity		327,596	263,627
Non-current liabilities			
Trade and other payables	23	4,886,846	2,004,867
Deferred tax liability	14b(ii)	-	33,376
Total non-current liabilities		4,886,846	2,038,243

Statement of Financial Position *Cont'd*

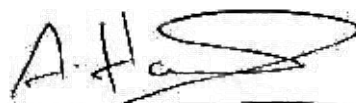
AS AT 31 DECEMBER 2016

	Note	2016 N'000	2015 N'000
Current liabilities			
Trade and other payables	23	5,554,201	5,332,562
Other liabilities	24	397,788	275,007
Current tax payable	14b(i)	579,686	9,537
Total current liabilities		6,531,675	5,617,106
Total liabilities		11,418,521	7,655,349
Total equity and liabilities		11,746,117	7,918,976

Approved by the Directors on 29 March 2017 and signed on its behalf by:



Otunba Adekunle Ojora OFR, CON, FNIM, JP
Chairman
FRC/2013/IODN/00000002581



Mr. Ahmed Abdel Aziz Hamada
Executive Director/ Chief Executive Officer
FRC/2017/IODN/0000016376



Mr. Usman Kazeem Wale
Financial Controller
FRC/2016/ICAN/00000014273

See notes to the financial statements.

Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2016

	Issued share capital N'000	Retained earnings N'000	Other reserve N'000	Total N'000
As at 1 January 2016	54,000	209,648	(21)	263,627
Profit for the year	-	66,490	-	66,490
Other comprehensive loss for the year, net of tax	-	-	(2,521)	(2,521)
Total comprehensive income/ (loss), net of tax	-	66,490	(2,521)	63,969
At 31 December 2016	54,000	276,138	(2,542)	327,596
As at 1 January 2015	54,000	191,038	14,904	259,942
Profit for the year	-	18,610	-	18,610
Other comprehensive loss for the year, net of tax	-	-	(14,925)	(14,925)
Total comprehensive income/ (loss), net of tax	-	18,610	(14,925)	3,685
At 31 December 2015	54,000	209,648	(21)	263,627

Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 N'000	2015 N'000
Operating activities			
Cash receipts from customers		6,909,367	6,342,322
Payment to suppliers and employees		(6,231,898)	(5,681,865)
VAT paid		(180,156)	(155,676)
Income tax paid	14b	(9,537)	(4,961)
Net cash flow from operating activities	26	487,776	499,820
Investing activities			
Purchase of property, plant and equipment	16	(36,587)	(53,916)
Proceed from disposal of property, plant and equipment		244	808
Net cash flow used in investing activities		(36,343)	(53,108)
Net increase in cash and cash equivalents		451,433	446,712
Net foreign exchange difference		2,198,357	-
Cash and cash equivalents at 1 January		1,407,675	960,963
Cash and cash equivalents at 31 December	21	4,057,465	1,407,675

See notes to the financial statements.

1. Corporate information

NCR (Nigeria) Plc was incorporated as a Limited Liability Company and commenced business on 9 December 1949 under the name National Cash Register Company (West Africa) Limited, and changed its name to NCR (Nigeria) Limited in 1974. The Company was granted a listing on the Nigerian Stock Exchange on 30 May 1979 and became known as NCR (Nigeria) Plc. on 16 July 1996.

NCR (Nigeria) Plc is a Company domiciled in Nigeria. The Company's principal activity includes provision of technology and services that help businesses connect, interact and transact with their customers. NCR (Nigeria) Plc is a technology company that provides innovative products which include:

- ATM (Automated Teller Machines)
- Interactive Teller Machines
- Retail Point of Sales terminals (Point of Sale)
- Self Service Kiosks
- Self-check-in/out systems
- ATM consumables

2. Basis of preparation

2a. 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 provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011.

The financial statements have been prepared on a historical cost basis except for financial derivative, and non-current intercompany payable which have been measured at fair value. The financial statements are presented in Naira and all values are rounded to the nearest thousand (N000), except when otherwise indicated.

The financial statements were authorised for issue by the Directors on 27 March 2017.

2b. Functional and presentation currency

These financial statements are presented in Nigerian Naira, which is the Company's functional currency. Except otherwise indicated, financial information presented in Naira have been rounded to the nearest thousands (N'000).

2c. Composition of financial statements

The financial statements comprise:

- Statement of profit or loss and other comprehensive income
- Statement of financial position
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements

2d. Financial period

These financial statements cover the financial year from 1 January 2016 to 31 December 2016, with comparative figures for the financial year from 1 January 2015 to 31 December 2015.

3. Summary of significant accounting policies

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

3a. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, rebates and sales related taxes but including interest receivable on sales on extended credit and income from the provision of technical services and agreements. Revenue is recognised when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

Revenue from sale of products

Revenue from the sale of goods is recognized when all the following conditions are satisfied;

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of the reporting period. Revenue from services rendered is recognized when the service is rendered in so far as the amount of the revenue can be measured reliably and the economic benefits associated with the transaction will flow to the entity. In the case of maintenance arrangements, net sales are recognized on a straight line basis over the contract terms.

3b. Cost of sales

Cost of sales includes purchase cost of merchandise and directly attributable overheads.

3c. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Financial Controller.

3d. Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value using a commercial rate where the effect is material. Discounts are unwound through profit or loss from the date the provision is made up to the date that the expenditure covered by the provision is incurred.

3e. Foreign currencies

The financial statements of NCR (Nigeria) Plc are presented in Naira, which is the Company's functional currency. In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions.

Monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Any resulting exchange differences arising as a result of retranslation of monetary items are disclosed separately in the statement of profit or loss and other comprehensive income.

Non-monetary items measured in terms of historical cost that are denominated in foreign currencies are translated using the exchange rate at the date of the transaction.

3f. Taxation

The tax expense represents the sum of the current tax and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net 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 and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax liabilities are generally recognised for all taxable temporary differences except where the deferred tax liability arises on goodwill that is not tax deductible or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted at the reporting date. Deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Withholding tax

The Nigerian Government requires an entity paying for services rendered by the Company to withhold or deduct tax from the payment, and pay that tax to the Government. This is considered an advance payment of Company income tax by the Company (who rendered the service) and is paid by the customer receiving the service on behalf of the Company. The Company is entitled to receive a tax credit note from the customer who received the service as evidence that the withholding tax has been paid. The Company can then utilize these credit notes to reduce the amount of income tax payable. Without receipt of credit note from the customer, the Company is unable to benefit from the prepayment of tax in the form of the withholding tax. The company recognizes a tax credit note receivable once the service has been rendered and the withholding tax has been deducted by the customer from payment due to the Company. The Company assesses the recoverability of the tax credit notes from the customers relating to the amounts deducted by its customers. The Company makes appropriate allowances for estimated irrecoverable amounts when there is objective evidence that the withholding tax credit note may not be received. These impairment allowances are recognized in profit or loss under distribution expense.

3g. Earnings per share

Earnings per share are calculated by dividing profit or loss for the year by the weighted average number of ordinary shareholding. Diluted earnings per share are calculated by dividing profit or loss for the year by the fully-diluted number of ordinary shares outstanding during the year.

3h. Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Properties in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Cost includes, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Depreciation is not charged on these assets until the assets are available for their intended use.

Depreciation is charged to profit or loss using the straight-line method so as to write off the cost to their residual values over their estimated useful lives on the following bases:

Class of assets	Estimated useful lives (Years)
Furniture and fittings	5
Building	34
Improvement on building	5-10
Computer equipment	4
Plant machinery and equipment	5

The Building was constructed on a land obtained through operating lease. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amounts.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Expenses on repairs and maintenance for instance day-to-day service cost and ongoing maintenance cost are recognized in profit or loss immediately. Major repairs and overhaul costs are capitalized if it will result in future economic benefits. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

3i. Inventories

Inventory is stated at the lower of cost and net realizable value using the First-In-First-Out (FIFO) method. Net realizable value represents the estimated selling price of inventories less estimated cost to make the sale.

3k. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

● Financial assets

The company's financial assets are classified at initial recognition; as loans and receivables or as derivative. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. This category generally applies to trade and other receivables and cash and short term deposit in the statement of financial position. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Cash and short term deposits

Cash and short term deposit in the statement of financial position comprise cash on hand, cash at banks and highly liquid short-term investments with an original maturity of 3 months or less that are easily convertible into known amounts of cash and are subject to insignificant risks of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits as defined above, net of outstanding bank overdrafts.

Trade and other receivables

Trade receivables are measured at fair value at the date of trade plus directly attributable transaction costs on initial recognition, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognized in profit or loss when there is objective evidence that the asset is impaired.

Other receivables may be financial assets or non-financial assets. (See Note 3k for recognition and measurement of financial assets).

Derivative financial asset

Derivative financial instruments are measured in the statement of financial position at fair value. The changes in the fair value of derivatives are recognized in the statement of profit or loss and other comprehensive income.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at fair value through profit or loss (FVTPL).

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been affected.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it is becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the Company's average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the profit or loss.

For financial assets measured at amortised cost, 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, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received/ receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

● **Financial liabilities and equity instruments**

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

● **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised as the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

● **Financial liabilities**

The company's financial liabilities are initially recognised at fair value, and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities include trade and other payables. Subsequently, they are measured at amortised cost using the effective interest method.

Trade and other payables

Trade payables classified as financial liabilities are initially measured at fair value, and are subsequently measured at amortized cost, using the effective interest rate method. Other payables that are within the scope of IAS 39 are subsequently measured at amortized cost.

Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

31. **Employee benefits**

Retirement benefits

Defined contribution plan

Employees are members of defined contribution plans. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

The company makes provision for retirement benefits in accordance with the Pension Reform Act 2014. The Contribution by the employer and employee is 10% and 8% respectively of the employees' basic salary, housing and transport allowances.

Defined benefit scheme

For defined benefit retirement benefit plans, the cost of providing benefits is determined by independent actuaries using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement gains or losses arising from increases or decreases in the present value of the defined benefit obligation because of changes in actuarial assumptions and experience adjustments are immediately recognised in other comprehensive income.

The defined benefit asset or liability recognised in the statement of financial position represents the present value of the defined benefit obligation less the fair value of plan assets out of which the

obligations are to be settled. Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Fair value is based on market price information and in the case of quoted securities it is the published bid price.

3m. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

Assets held under finance leases are recognised as assets of the Company at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general.

Policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

3n. Current versus non-current classification

The company presents assets and liabilities in statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

Cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period is presented as current asset.

All other assets are classified as non-current.

Liability is current when:

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

The company classifies all other liabilities as non-current.

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

30. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ☐ In the principal market for the asset or liability, or
- ☐ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ☐ Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ☐ Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ☐ Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4. Significant accounting judgments, estimates and assumptions

In the application of the Company's accounting policies, which are described in Note 3, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

4a. Critical judgments in applying the Company's accounting policies

The following are the critical judgments, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition

Revenue is properly recognised when realized or realizable and the earnings process is complete. Earnings process is assumed complete upon completion of contractual obligations to the customer as evidenced by performance, transfer of title and risk of loss to the customer and fulfillment of the other revenue recognition criteria. Refer to Note 3a for more detail.

Classification of Building as Property, Plant & Equipment

The classification of the building owned by the Company as either property, plant and equipment (PPE) rather than as investment property is determined by the significance of the portion of the building occupied by the Company. The Directors consider that the portion of the building occupied by NCR Plc is significant. The portion that is rented is not considered significant and cannot be separately sold or leased out in a finance lease. Hence the whole building has been classified as PPE.

4b. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Allowance for doubtful receivables

Impairment assessment of receivables is done continuously in order to reduce the Company's financial exposure to any losses on bad debts. An allowance is established to reduce NCR Plc's net accounts receivable, and profit is decreased by the amount of losses expected to occur.

Impairment of doubtful withholding tax receivables

The impairment of doubtful withholding tax receivables involves management estimate and review of individual withholding receivable balances based on an individual customer's prior record, current economic trends and analysis of historical bad withholding tax receivable of a similar type.

Defined Benefit Plan

The cost of defined benefit gratuity plans and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future gratuity increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The discount rate is determined on the Company's reporting date by reference to market yields on high quality Government bonds. The discount rate should reflect the duration of the liabilities of the benefit programme. See Note 31 for details.

Review of the useful lives of tangible assets

The useful life of the Company's building was reviewed on 1 January 2011 (date of transition to IFRS) to 34 years based on the unexpired lease term on the land on which the building is erected and management commitment to occupy throughout the period of the lease. The useful life review is subsequently done at every reporting financial year end. External valuers report was used in determining the value of the Building as at the date of review.

1. Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of Issuance of the entity's financial statements are disclosed below. The entity intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments that replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

The entity plans to adopt the new standard on the required effective date. During 2016, the Company performed a high-level impact assessment of all three aspects of IFRS 9. This preliminary assessment is based on currently available information and may be subject to changes arising from further detailed analyses or additional reasonable and supportable information being made available in the future. Overall, the Company expects no significant impact on its statement of financial position and equity except for the effect of applying the impairment requirements of IFRS 9. The company expects a higher loss allowance resulting in a negative impact on equity and will perform a detailed assessment in the future to determine the extent.

(a) Classification and measurement

The entity does not expect a significant impact on its statement of financial position or equity on applying the classification and measurement requirements of IFRS 9. It expects to continue measuring at fair value all financial assets currently held at fair value.

Loans as well as trade receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. Thus, the Company expects that these will continue to be measured at amortised cost under IFRS 9. However, the Company will analyse the contractual cash flow characteristics of those instruments in more detail before concluding whether all those instruments meet the criteria for amortised cost measurement under IFRS 9.

(b) Impairment

IFRS 9 requires the Company to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. The company expects to apply the simplified approach and record lifetime expected losses on all trade receivables. The company expects a significant impact on its equity due to unsecured nature of its loans and receivables, but it will need to perform a more detailed analysis which considers all reasonable and supportable information, including forward-looking elements to determine the extent of the impact.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 and establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under IFRS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 January 2018. Early adoption is permitted. The company plans to adopt the new standard on the required effective date using the full retrospective method. During 2016, the Company performed a preliminary assessment of IFRS 15, which is subject to changes arising from a more detailed ongoing analysis. Furthermore, the Company is considering the clarifications issued by the IASB in April 2016 and will monitor any further developments.

The company's principal activity includes provision of technology and services that help businesses connect, interact and transact with their customers. The company is a technology Company that provides innovative products.

(a) Sale of goods

Contracts with customers in which the sale of equipment is generally expected to be the only performance obligation are not expected to have any impact on the Company's profit or loss. The company expects the revenue recognition to occur at a point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

In preparing to adopt IFRS 15, the Company is considering the following:

(i) Variable consideration

Some contracts with customers provide a right of return, trade discounts or volume rebates. Currently, the Company recognises revenue from the sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. If revenue cannot be reliably measured, the Company defers revenue recognition until the uncertainty is resolved. Such provisions give rise to variable consideration under IFRS 15, and will be

required to be estimated at contract inception.

IFRS 15 requires the estimated variable consideration to be constrained to prevent over-recognition of revenue. The company continues to assess individual contracts to determine the estimated variable consideration and related constraint. The company expects that application of the constraint may result in more revenue being deferred than is under current IFRS.

(ii) Warranty obligations

The company provides warranties for general repairs and does not provide extended warranties or maintenance services in its contracts with customers. As such, the Company expects that such warranties will be assurance-type warranties which will continue to be accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets consistent with its current practice.

(b) Rendering of services

The company's principal activity includes provision of technology and services that help businesses connect, interact and transact with their customers. The entity is a technology Company that provides innovative products. These products are sold either on their own in contracts with the customers or bundled together with the sale of equipment to a customer.

Currently, the company accounts for the equipment and service as separate deliverables of bundled sales and allocates consideration between these deliverables using the relative fair value approach. The company recognises service revenue by reference to the stage of completion. Under IFRS 15, allocation will be made based on relative stand-alone selling prices. As a result, the allocation of the consideration and, consequently, the timing of the amount of revenue recognised in relation to these sales may be impacted. The company has preliminarily assessed that the services are satisfied over time given that the customer simultaneously receives and consumes the benefits provided by the Company. Consequently, the Company would continue to recognise revenue for these service contracts/service components of bundled contracts over time rather than at a point of time.

(c) Presentation and disclosure requirements

IFRS 15 provides presentation and disclosure requirements, which are more detailed than under current IFRS. The presentation requirements represent a significant change from current practice and significantly increases the volume of disclosures required in Company's financial statements. Many of the disclosure requirements in IFRS 15 are completely new. In 2016 the Company developed and started testing of appropriate systems, internal controls, policies and procedures necessary to collect and disclose the required information.

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively. These amendments are not expected to have any

impact on the Company as the Company does not have any subsidiary.

IAS 7 Disclosure Initiative - Amendments to IAS 7

The amendments to IAS 7 Statement of Cash Flows are part of the IASB's Disclosure Initiative and require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. On initial application of the amendment, entities are not required to provide comparative information for preceding periods. These amendments are effective for annual periods beginning on or after 1 January 2017, with early application permitted. Application of amendments will result in additional disclosure provided by the Company.

IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses - Amendments to IAS 12

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments are effective for annual periods beginning on or after 1 January 2017 with early application permitted. If an entity applies the amendments for an earlier period, it must disclose that fact.

These amendments are not expected to have any impact on the Company as there is no such restrictions in the Nigerian tax law.

IFRS 2 Classification and Measurement of Share-based Payment Transactions - Amendments to IFRS 2

The IASB issued amendments to IFRS 2 Share-based Payment that address three main financials: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled.

On adoption, entities are required to apply the amendments without restating prior periods, but retrospective application is permitted if elected for all three amendments and other criteria are met. The amendments are effective for annual periods beginning on or after 1 January 2018, with early application permitted. This amendment is not expected to have any impact on the Company as the Company does not have share based payments.

IFRS 16 Leases

IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the

recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-statement of financial position model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under IFRS 16 is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases. IFRS 16 also requires lessees and lessors to make more extensive disclosures than under IAS 17. IFRS 16 is effective for annual periods beginning on or after 1 January 2019. Early application is permitted, but not before an entity applies IFRS 15. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs.

In 2017, the Company plans to assess the potential effect of IFRS 16 on its financial statements.

IAS 40 Transfers of Investment Property - Amendments to IAS 40

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. The Standard is Effective for annual periods beginning on or after 1 January 2018.

IFRIC Interpretation 22- Foreign currency transactions and advance consideration

The interpretation clarifies that in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration. This standard is effective for annual periods beginning on or after 1 January 2018.

5b. New and amended standards adopted by the Company

The company applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2016. The company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

The nature and the effect of these changes are disclosed below. Although these new standards and amendments applied for the first time in 2016, they did not have a material impact on the annual financial statements of the company. The nature and the impact of each new standard or amendment is described below:

Standards / Interpretations	Impact
IFRS 14 - Regulatory Deferral Accounts	Since the Company is an existing IFRS preparer and is not involved in any rate-regulated activities, this standard does not apply.
Amendments to IFRS 11-Joint Arrangements: Accounting for Acquisitions of Interests.	These amendments are not expected to have any impact on the Company as there has been no interest acquired in a joint operation during the year.
Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	These amendments are not expected to have any impact on the Company given that it has not used a revenue-based method to depreciate its non-current assets.
Amendments to IAS 16 and IAS 41 - Agriculture: Bearer Plants	These amendments are applied retrospectively and do not have any impact on the Company as it does not have any bearer plants.
Amendments to IAS 1 - Disclosure Initiative	These amendments do not have any impact on the Company.
IAS 19 - Employee Benefits	This standard is applied prospectively.
IAS 34 - Interim Financial Reporting	This standard does not have any impact on the Company as it does not prepare interim financial statements.

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 N'000	2015 N'000
6. Revenue		
An analysis of the entity's revenue is as follows:		
Financial Service Group	5,211,448	3,833,234
World Customer Services	1,757,055	2,413,096
System Media Services	89,693	57,457
	7,058,196	6,303,787

6a. Segment reporting

Products and services from which reportable segments derive their revenues

Information reported to the entity's Chief Operating Decision maker (Financial Controller) for the purposes of resource allocation and assessment of segment performance is based on the products delivered or service rendered to customers.

The Company has not applied the aggregation criteria in IFRS 8.12. The Company has presented the reconciliation of segment profits in previous year and continues to disclose the same in this year's financial statement as the reconciliation is reported to the Chief Operating Decision Making for the purpose of decision making. The entity's reportable segments under IFRS 8 are therefore as follows:

Financial Service Group - Revenue is derived from sale of equipment and other hardware devices.

World Customer Services- Revenue is derived from provision of hardware and software installation and maintenance services.

System Media Services - This does not meet the quantitative threshold but the entity has chosen to report it. Revenue is derived from sales of media consumables.

6b. Segment revenue and results

	Segment revenue N'000	Cost of sales N'000	(Loss) / profit N'000
31 DECEMBER 2016			
Financial Service Group	5,211,448	(2,641,812)	2,569,636
World Customer Services	1,757,055	(1,561,236)	195,819
System Media Services	89,693	(91,412)	(1,719)
	7,058,196	(4,294,460)	2,763,736
31 DECEMBER 2015			
Financial Service Group	3,833,234	(4,661,831)	(828,597)
World Customer Services	2,413,096	(865,566)	1,547,530
System Media Services	57,457	(49,117)	8,340
	6,303,787	(5,576,514)	727,273

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

Segment profit or loss represents the gross profit or loss earned/ incurred by each segment without allocation of distribution and administrative expenses, other gains/ losses, investment income as well as finance costs. This is the measure reported to the Chief Operating Decision Maker for the purpose of resource allocation and assessment of segment performance.

There was no intersegment transaction as all revenue generated above was from external customers.

6c. Segment assets and liabilities

The company does not report its assets and liabilities on a segmental basis and the reported segments are not assessed by the Chief Operating Decision Maker (Financial Controller) on this basis.

6d. Geographical information

All of the Company operations are domiciled in Nigeria.

	2016 N'000	2015 N'000
7. Cost of sales (as per functions)		
Allowance for slow moving inventory	53,312	69,768
Depreciation	52,886	42,302
Direct cost	3,635,028	4,971,465
Salaries and wages	553,234	492,979
	4,294,460	5,576,514

Direct cost represents the cost of purchasing the ATM and other equipment.

	2016 N'000	2015 N'000
8. Distribution expenses		
Bank charges	1,524	1,260
Fuel and motor running	58,553	16,452
Legal fees	-	2,625
Promotion and advertisement	228	693
Rent and rates	4,157	4,167
Security	12,914	7,100
Travelling and accommodation	45,032	9,246
Withholding tax provision	121,312	186,072
Impairment loss for trade receivables	6,215	49,818
Impairment loss for rent receivables	10,772	-
	260,707	277,433

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 N'000	2015 N'000
9. Administrative expenses		
Legal fees	263	250
Write-off of property, plant and equipment	2,235	-
Insurance	3,311	3,670
Audit fees	8,500	8,500
Miscellaneous and other expenses	14,544	23,889
Retirement benefits	11,263	16,328
	40,206	52,637

Miscellaneous and other expenses include expenses relating to postages, office supplies and other miscellaneous charges.

	2016 N'000	2015 N'000
10. Investment income		
Rental income	51,680	32,616
	51,680	32,616

Investment income represents income earned from sublet of some floors of the Company's building.

	2016 N'000	2015 N'000
11. Other gains/ (losses)		
Gain/ (loss) on disposal of Property, plant and equipment	74	(361)
12. Foreign exchange loss	3,063,706	203,351
13. Fair value gain on non-current Intercompany Payable		
Fair value gain on re-measurement of long term payable	1,264,413	-

During the year, the parent company agreed to defer payment of the intercompany payable beyond 12 months. Hence, the portion was reclassified to non-current liability. The obligation was discounted to present value in line with IAS 39 and the gain of N1.2billion recognized in profit or loss account.

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 N'000	2015 N'000
14. Income tax		
14a. Statement of profit or loss		
Current income tax:		
Company income tax	539,568	-
Education tax	40,117	9,537
	579,686	9,537
Deferred tax:		
Relating to origination and reversal of temporary differences	(319,237)	197,960
Income tax expense reported in profit or loss	260,448	207,497

Corporation tax is calculated at 30 per cent (2015: 30 per cent) of the estimated taxable profit for the year based on the provisions of the Companies Income Tax Act, CAP C21, LFN, 2004 as amended.

Also, the Company is not liable to minimum tax under Section 28A of the Company Income Tax Management Act because more than 25% of its share capital is imported.

The charge for education tax of 2 per cent (2015: 2 per cent) is based on the provisions of the Education Tax Act, CAPE4, LFN, 2004.

Reconciliation of income tax expense for the year to the accounting profit as per profit or loss:

	2016 N'000	2015 N'000
Accounting profit before taxation	326,938	226,107
Tax at Nigeria's statutory income tax rate of 30% (2015: 30%)	98,081	67,832
Non-deductible expenses	(391,259)	137,818
Non-taxable income	513,509	(7,690)
Education tax	40,117	9,537
Income tax expense reported in profit or loss	260,448	207,497
Effective tax rate	80%	92%

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

14b. Statement of financial position

	2016 N'000	2015 N'000
(i) Current tax payable		
At 1 January	9,537	4,961
Charge for the year	579,686	9,537
Payments during the year	(9,537)	(4,961)
At 31 December	579,686	9,537
(ii) Deferred tax asset/(liability)		
At 1 January	(33,376)	164,584
Credit/(charge) for the year	319,237	(197,960)
At 31 December	285,861	(33,376)

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. There was no deferred tax recognized on the retirement benefit obligation as the scheme is funded.

The following is the analysis of the deferred tax assets/ (liabilities) after offset presented in the statement of financial position:

	2016 N'000	2015 N'000
Deferred tax liabilities	(33,376)	(188,826)
Deferred tax assets	319,237	155,450
Net deferred tax asset/(liability)	285,861	(33,376)

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

The following are the major deferred tax assets/(liabilities) recognized by the Company and movements thereon during the year.

	Statement of financial position		Profit or loss	
	2016 N'000	2015 N'000	2016 N'000	2015 N'000
Property, plant and equipment	(87,074)	(188,826)	101,753	124,774
Exchange difference	329,753	15,722	(314,030)	(11,385)
Unrelieved losses	-	6,261	(6,261)	143,297
Allowance for impairment on receivable	26,093	69,749	(43,657)	(52,085)
Unutilized capital allowance	-	35,883	(35,883)	(7,690)
Allowance for slow moving inventory	17,089	27,835	(21,159)	1,049
Net deferred tax assets/(liability)	285,861	(33,376)		
Deferred tax (credit)/expense			(319,237)	197,960

15. Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The profit and share data used in the calculation of basic and diluted earnings per share are:

	2016 N'000	2015 N'000
Profit attributable to ordinary equity holders	66,490	18,610
	'000	'000
Weighted average number of ordinary shares for basic/diluted EPS	108,000	108,000
Basic /diluted earnings per ordinary share (Naira)	0.62	0.17

Basic and diluted EPS are the same because there are no dilutive instrument as at reporting date.

Notes to the Financial Statements Cont'd

FOR THE YEAR ENDED 31 DECEMBER 2016

16. Property, plant and equipment

	Furniture and fittings	Buildings	Computer equipment	Plant machinery & equipment	Work in Progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Cost:						
At 1 January 2015	28,606	664,895	32,289	117,112	-	842,902
Additions	-	-	16,072	-	37,844	53,916
Disposals	-	(4,815)	-	-	-	(4,815)
At 31 December 2015	28,606	660,080	48,361	117,112	37,844	892,003
Additions	1,070	-	8,982	21,196	5,339	36,587
Disposals	-	-	(573)	-	-	(573)
Reclassification	-	-	(5,780)	43,624	(37,844)	-
Write off*	-	-	-	(5,368)	-	(5,368)
At 31 December 2016	29,676	660,080	50,990	176,564	5,339	922,649
Depreciation :						
At 1 January 2015	24,870	84,777	16,942	84,031	-	210,620
Charge for the year	1,657	27,949	6,414	6,282	-	42,302
Disposals	-	(3,646)	-	-	-	(3,646)
At 31 December 2015	26,527	109,080	23,356	90,313	-	249,276
Charge for the year	999	20,310	10,072	21,505	-	52,886
Disposals	-	-	(404)	-	-	(404)
Reclassification	-	-	(385)	385	-	-
Write off*	-	-	-	(3,043)	-	(3,043)
At 31 December 2016	27,526	129,390	32,639	109,160	-	298,716
Carrying amount						
At 31 December 2016	2,150	530,689	18,351	67,404	5,339	623,933
At 31 December 2015	2,079	551,000	25,005	26,799	37,844	642,727

*This represents the cost of assets written off during the year. They were prototype equipment scrapped during the year.

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

- 16a. Impairment losses recognised in the year**
No impairment loss has been recognized as none of the property, plant and equipment has suffered impairment (2015: Nil).
- 16b. Assets pledged as security**
The company does not have any asset pledged as security for liabilities (2015: Nil).
- 16c. Contractual commitments**
There is no other contractual commitment for the purchase of items of property, plant and equipment that has not been accounted for.

	2016 N'000	2015 N'000
17. Inventories		
Finished equipment	886,972	1,707,974
Systems media accessories	5,779	15,032
Service parts (reworkable)	604,779	482,392
Service parts (non-reworkable)	242,309	136,041
	1,734,060	2,341,439
Allowance for slow moving inventory (Note 17a)	(119,705)	(92,783)
	1,620,134	2,248,656

The value of inventories recognized in profit or loss during the year ended 31 December 2016 amounted to N3, 635,027,635 (2015: N4, 971,466,606).

	2016 N'000	2015 N'000
17a. Allowance for slow moving inventory for components is as follows:		
Service parts (reworkable)	34,978	26,106
Service parts (non-reworkable)	84,727	66,677
	119,705	92,783

Movement in allowance for slow moving inventory during the year is as below:

At 1 January	92,783	96,281
Charge for the year	53,312	69,768
Scrapped during the year	(26,390)	(73,266)
At 31 December	119,705	92,783

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 N'000	2015 N'000
18. Trade and other receivables		
Trade receivables	2,088,657	1,679,152
Allowance for doubtful debts (Note 18b)	(52,641)	(46,426)
	1,956,016	1,632,726
Withholding tax receivable (Note 18c)	1,792,257	1,506,698
Rent receivable (Note 18d)	59,304	41,088
Due from related parties (Note 28c)	8,783	43,087
VAT recoverable	50,515	78,439
Other receivables	4,087	19,624
	3,870,962	3,321,662

Trade receivables disclosed above are carried at amortised cost less allowance for impairment losses.

Invoices are due for payment as soon as they are raised except when customers are pre-billed or allowed an extended credit period. No interest is charged on the overdue receivables. The company has recognised an allowance for doubtful debts of 100% against all receivables over 360 days because historical experience has been that receivables that are past due beyond 360 days are not likely to be recoverable. When trade receivable, or the oldest portion of an installment or sales receivable, has been due for 450 days (15 months); it is assumed to be uncollectible and the entire receivable is written off.

Before accepting any new customer, the Company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Credit limits are reviewed periodically by the Financial Controller.

Ageing of trade receivables at the reporting date was:

	2016 N'000	2015 N'000
Neither past due nor impaired:		
0 - 30 days	1,347,225	357,799
31 - 90 days	18,580	581,114
Past due not impaired:		
91 - 180 days	345,328	539,546
181 - 360 days	244,559	154,267
Above 360 days	324	-
	1,956,016	1,632,726

The amount provided above is stated after collective impairment.

18b. Allowance for doubtful debts

Allowances are made for credit losses on all receivables in order to reduce the Company's financial exposure to any losses on bad debts. There are no trade receivables which are past due at the reporting date against which an allowance has not been made. Allowance for credit losses are reversed if all amounts are recovered. The impairment recognized represents the difference between the carrying amount of these trade receivables and the amounts that are deemed recoverable by the Company. The company does not hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

In determining the recoverability of a trade receivable the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

See below for movement in allowance for doubtful receivables.

	Collectively impaired	
	2016	2015
	N'000	N'000
At 1 January	46,426	58,879
Impairment losses recognised	6,215	49,818
Amount written-off during the year as uncollectible	-	(62,271)
At 31 December	52,641	46,426

Concentration risk

The company's receivables are due from 17 Companies (2015: 29 Companies) operating in the banking sector and 79% (2015: 69%) of the receivables are due from 6 customers (2015: 5 customers). Concentration risk is minimized by ensuring that customers make over 50% deposit of entire project before placing order thereby reducing account receivable exposure. Effort is high on penetrating new accounts and dominating the account to neutralize the concentration on few larger customers.

18c. Withholding tax receivable

The utilization of the withholding tax receivable above is subject to the tax exposure during the year.

	2016	2015
	N'000	N'000
Pending Withholding tax Credit Notes	982,387	847,929
Withholding tax Credit Notes received	1,487,890	1,215,477
Withholding tax receivable	2,470,277	2,063,406
Allowance for withholding tax receivables	(678,020)	(556,708)
	1,792,257	1,506,698

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

Movement in allowance for withholding tax receivables is as below:

	2016 N'000	2015 N'000
At 1 January	556,708	340,605
Allowance for the year	121,312	186,072
Reclassification from accruals and other creditors	-	30,031
At 31 December	678,020	556,708
18d. Rent Receivable	77,289	48,301
Allowance for rent receivable	(17,985)	(7,213)
	59,304	41,088

Movement in allowance for rent receivables is as below:

At 1 January	7,213	7,213
Allowance for the year	10,772	-
At 31 December	17,985	7,213

19. Prepayments

Rent prepaid	4,282	21,047
Other prepaid expenses	17,733	7,924
	22,015	28,971

Prepayments represent payments made in advance for rent of office space and other expenses such as staff housing allowances, insurance premium, bond, APG fee etc.

20. Financial derivative

	2016 N'000	2015 N'000
Foreign currency forward	1,084,462	-

The company entered into a foreign exchange forward contract with a Nigerian Bank on 21 November 2016 for a sum of \$3,682,018 at the rate of N400/\$1 to be delivered on 23 August 2017. A fair value loss of N388 million has been recognized in the statement of profit or loss and other comprehensive income.

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 N'000	2015 N'000
21. Cash and cash equivalents		
Cash in hand	-	287
Cash at bank	4,057,465	1,407,388
Restricted cash	137,565	241,127
Cash and short term deposits	4,195,030	1,648,802

Cash and short term deposits in the Statement of financial position comprise cash in hand and cash at bank. The carrying amount of these assets is approximately equal to their fair value. The Company does not have bank overdrafts. At 31 December 2016, the Company had restriction on N138 million (2015: N241 million) in its Guarantee Collateral Account. The restrictions are in respect of Advance Performance Guarantees provided by some banks for some customers pending the performance of the contractual obligations by the Company.

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	2016 N'000	2015 N'000
Cash in hand	-	287
Cash at bank	4,057,465	1,407,388
Cash and cash equivalents	4,057,465	1,407,675

22. Issued share capital and other reserve

22a. Issued share capital

Authorised share capital: 200,000,000 ordinary shares of 50k each	100,000	100,000
Issued and fully paid: 108,000,000 ordinary shares of 50k each	54,000	54,000

	2016 N'000	2015 N'000
22b. Other reserve	(2,542)	(21)

This represents re-measurement gain or loss on defined benefit plan.

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 N'000	2015 N'000
23. Trade and other payables		
Trade payables	99,476	44,273
Accruals and other payables	724,387	424,935
Unclaimed dividend	105,149	113,117
Due to related companies (Note 28c)	9,512,035	6,755,104
	10,441,047	7,337,429
Less:		
Non-current portion	(4,886,846)	(2,004,867)
Current portion	5,554,201	5,332,562

Accruals and other payables relate to statutory liabilities such as VAT, Withholding tax, PAYE and accrued expenses.

Terms and Conditions

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. No interest is charged on the trade payables. The Company has financial risk management policies in place to ensure that all payables are settled within the pre-agreed credit terms.

	2016 N'000	2015 N'000
24. Other liabilities		
Deferred income (Note 24a)	156,336	103,362
Deposit by customers (Note 24b)	241,452	171,645
	397,788	275,007

	2016 N'000	2015 N'000
24a. Deferred income		
At 1 January	103,362	172,495
Utilised during the year	(361,136)	(172,495)
Additions during the year	414,110	103,362
At 31 December 2016	156,336	103,362

Deferred income represents accrued income on advances received from customers in respect of projects that are still on-going as at the reporting date and obligations resulting from the income received in advance from customers which risks and rewards have not been transferred to customers. This is a non-interest bearing liability.

24b. Deposit by customers

This represents advances received from customers in respect of projects that have not been carried out. This is a non-interest bearing liability.

25. Retirement benefit plan

25a. Defined contribution plan

The company makes provision for retirement benefits in accordance with the Pension Reform Act of 2014. The contribution by the employer and employee is 12.5% and 8% respectively of the employees' basic salary, housing and transport allowances. The total expense recognized in profit or loss of N34million (2015: N24.7 million) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

25b. Defined benefit plan

The company operates a staff gratuity scheme for all its confirmed staff. The scheme provides for gratuity benefits at exit of the staff as described below;

Years of service	Benefits
Less than 5 years	Nil
5 years and above	1 month gross salary for each year of service

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 31 December 2016 by O. O Okpaise, FRC/2012/NAS/00000000738 of HR Nigeria Limited, Associate, Society of Actuaries, America and Fellow, Institute of Actuaries, England.

The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method. Defined benefit plan is not mandated by Nigerian law; it is a voluntary plan for the Company. ARM Pension Fund Administrator is designated for the management of the fund. There is no deferred tax on the Defined Benefit Plan because the scheme is adequately funded. The current service cost and the interest on the obligation is tax allowable as these are fully funded.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Financial assumptions

	31 December 2016	31 December 2015
Long term average		
Discount Rate (p.a.)	15.8%	12%
Average Pay Increase (p.a.)	13%	10%

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

25b. Defined benefit plan - Continued

The company assumes that salaries will increase at a real rate of 12% (2015: 9%) per annum above inflation rate. Amount recognised in profit or loss in respect of these defined benefit plans are as follows:

	2016 N'000	2015 N'000
Current service cost	15,577	11,685
Interest on obligation	8,858	7,295
Plan amendments	-	11,183
Interest return on plan assets	(13,172)	(13,835)
	11,263	16,328

The expense for the year is included in the retirement benefits expense in administration expenses.

Amount recognised in other comprehensive income:

	2016 N'000	2015 N'000
Actuary (loss)/gains on benefit obligation during the year	(2,333)	5,045
Actuary losses on plan assets during the year	4,854	9,880
Actuary losses recognized in Other Comprehensive Income, Net of tax	2,521	14,925
Deferred tax	-	-
	2,521	14,925

The amount included in the statement of financial position arising from the entity's obligation in respect of its defined benefit plans is as follows:

	2016 N'000	2015 N'000
Present value of funded defined benefit obligation	(80,914)	(74,535)
Fair value of plan assets	124,634	102,693
Net asset arising from defined benefit plan	43,720	28,158

Movements in the present value of the defined benefit obligation in the current year were as follows:

	2016 N'000	2015 N'000
At 1 January	74,535	49,403
Current service cost	15,577	11,685
Interest cost	8,858	7,295
Plan amendments	-	11,183
Actuarial (gains) / losses- change in financial assumption	(6,308)	7,797
Actuarial losses / (gains)- experience	3,975	(2,752)
Benefits paid from plan/company	(15,723)	(10,076)
At 31 December	80,914	74,535

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

Movements in the fair value of the plan assets in the current year were as follows.

	2016 N'000	2015 N'000
At 1 January	102,693	87,155
Interest return on plan assets	13,172	13,835
Actuarial losses on plan assets	(4,854)	(9,880)
Contributions from the employer	29,346	21,659
Benefits paid	(15,723)	(10,076)
At 31 December	124,634	102,693

The company expects to make a contribution of N29million (2015: N27million) to the defined benefit plans during the next financial year. Plan assets represent investment in an unquoted investment fund which has been invested in debt instruments such as Bonds, Treasury bills and Money Market Securities.

Funded status of defined benefit plan

	2016 N'000	2015 N'000
Present value of defined benefit obligation	(80,914)	(74,535)
Fair value of plan assets	124,634	102,693
Funded status - surplus	43,720	28,158

The company is entitled to full refund of the surplus.

Reconciliation of Net Plan Asset recognised in the statement of financial position

	2016 N'000	2015 N'000
At 1 January	28,158	37,752
Benefit expense recognized in profit or loss	(11,263)	(16,328)
Employer contribution made during the year	29,346	21,659
Actuarial gains recognised in OCI	(2,521)	(14,925)
At 31 December	43,720	28,158

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

Demographic assumptions

Life expectancy

The rates of life expectancy assumed for employees are the rates published in the A67/70 Ultimate Tables, published jointly by the Institute and Faculty of Actuaries in the UK. We have rated this down by one year to more accurately reflect mortality in Nigeria.

Sample age	Number of deaths in year of age out of 10,000 lives	
	2016	2015
25	7	7
30	7	7
35	9	9
40	14	14
45	26	26

Withdrawal from service:

Age Band	Rate	2016	2015
Less than or equal to 30		3%	3%
31 - 39		2%	2%
40 - 44		2%	2%
45 - 50		0%	0%
51 - 60		0%	0%

		2016 N'000	2015 N'000
Sensitivity Analysis on Accrued liability on Defined Benefit Obligation			
Base		80,914	74,535
Discount rate	+1%	72,415	(8,829)
	-1%	90,992	10,627
Salary Increase	+1%	91,521	11,119
	-1%	71,879	(9,348)
Life Expectancy	-1 Year	81,011	(69)
	+1 Year	80,826	63

Expected benefit payment for the future years

Within the next one year	1,305	1,435
Between 2 to 5 years	7,727	23,605
More than 5 years	78,950	51,972

	87,982	77,012
--	--------	--------

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 N'000	2015 N'000
26. Operating activities		
Net Profit after taxation	66,490	18,610
Adjustments for:		
Depreciation	52,886	42,302
(Gain)/loss on disposal of property, plant and equipment	(74)	361
Write off of property, plant and equipment	2,325	-
Fair value gain on non-current intercompany payable	(1,264,413)	-
Net foreign exchange difference	(2,198,357)	-
	(3,341,143)	61,273
Change in assets and liabilities		
Decrease/ (increase) in inventories	628,522	(931,377)
Increase in trade and other receivables	(549,301)	(22,611)
Decrease/ (increase) in prepayments	6,956	(3,373)
Increase in trade and other payables	4,368,031	1,493,914
Increase in financial derivative	(1,084,462)	-
Decrease/ (increase) in restricted cash	103,563	(9,127)
Increase in income tax liabilities	570,149	4,576
(Increase)/ decrease in deferred tax assets	(319,237)	197,961
Increase in retirement benefit assets	(18,083)	(5,331)
Increase/(decrease) in other liabilities	122,781	(286,085)
Net cash flows from operating activities	487,776	499,820

27. Financial Instruments

27a. Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. There were no changes in the Company's approach to capital management during the year.

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of its capital structure.

The capital structure of the Company consists of equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained earnings. The company is not subject to any externally imposed capital requirements.

At the reporting date, the Company's debt to adjusted capital ratios is as below:

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 N'000	2015 N'000
Total Liabilities	11,418,521	7,655,349
Less: Cash and short term deposits	(4,195,030)	(1,648,802)
Net debt	7,223,491	6,006,547
Total capital	327,596	263,627
Total capital and net debt	7,551,087	6,270,174

Debt to adjusted capital ratio	0.96	0.96
---------------------------------------	-------------	-------------

27b. Categories of financial instruments

The company's financial assets and financial liabilities as at the reporting date is tabulated below:

	2016 N'000	2015 N'000
Financial assets		
Trade and other receivables**	2,028,190	1,736,525
Financial derivative	1,084,462	-
Cash and short term deposits	4,195,030	1,648,802
	7,307,682	3,385,327
Financial liabilities		
Trade and other payables	10,441,047	7,337,429

** This is trade and other receivables excluding VAT and Withholding tax receivables.

27c. Financial risk management objectives

The company is exposed to market risk, credit risk and liquidity risks. The company's senior management team is responsible for monitoring its exposure to each of the mentioned risks. The risk framework comprises a treasury policy approved by the Board. This policy provides guidance over all treasury and finance-related matters and is underpinned by delegated authority guidelines and detailed procedures. The main objective of the policy are to ensure that sufficient liquidity exists to meet the operational needs of the business and the impact of foreign exchange on the Company's net profit.

27c.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks affecting the entity are foreign exchange risk.

Foreign exchange risk management

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters. The company's exposure to the risk of changes in foreign exchange rates is high as some of its transactions are carried out mostly in US dollar with other related parties.

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

Foreign exchange exposure is monitored by the Company's treasury unit. During the year, the Company entered into a forward contract with a Nigerian Bank to manage foreign exchange risk.

The Naira carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	2016 N'000	2015 N'000
Monetary assets (USD)		
Trade receivables	8,783	43,087
Bank balance	30,610	4,313
	39,393	47,400
Monetary liabilities (USD)		
Trade payables	(9,512,035)	(6,755,104)

Foreign currency sensitivity analysis

The company undertakes transactions denominated in foreign currencies with related sister companies; consequently, exposures to exchange rate fluctuations arise. The company is mainly exposed to the US Dollars.

The following table details the Company's sensitivity to a 10%, increase and decrease in Naira against US Dollars. 10 percent is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonable possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items. A positive number below indicates an increase in profit where Naira strengthens by 10% against the relevant currency, there would be comparable impact on the profit, where naira weakens by 10% and the balances below would be negative.

	2016 N'000	2015 N'000
Naira strengthens by 10% against the US Dollar	947,264	670,770
Naira weakens by 10% against the US Dollar	(947,264)	(670,770)

The exposure to dollar is mainly due to outstanding trade receivables and trade payables. The trade receivables and payables are mainly amounts due from and to related entities to NCR.

27c.2 Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company.

The company is exposed to credit risk from its operating activities primarily trade receivables and deposits with banks and other financial institution. The company has a credit control function that weekly monitors trade receivables and resolves credit related matters. Weekly collection report is also done at the country level to the Financial Controller representing its parent company.

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

Maximum exposure to credit risks

The carrying value of the Company's financial assets represents its maximum exposure to credit risk. The maximum exposure to credit risk at the reporting date was:

	2016 N'000	2015 N'000
Trade receivables	1,956,016	1,632,726
Other receivables	72,174	103,799
Cash at bank	4,195,030	1,648,515
	6,223,220	3,385,040

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. The company has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. A sales representative is attached to each customer and outstanding customer receivables are regularly monitored by the representative. The requirement for impairment is analysed at each reporting date on an individual basis for all customers. The company evaluates the concentration of risk with respect to trade receivables as Medium as customers consists of large and reputable financial institutions that are subjected to financial scrutiny by various regulatory bodies.

Deposits with banks and other financial institutions

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Surplus funds are spread amongst reputable commercial banks and funds must be within treasury limits assigned to each of the counterparty. Counterparty treasury limits are reviewed by the Company's Financial Controller periodically and may be updated throughout the year subject to approval of the Financial Controller. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty's failure. The company's maximum exposure to credit risk for the components of the statement of financial position is its carrying amount.

27c.3 Liquidity risk management

Liquidity risk is the risk that the Company is unable to meet its current and future cash flow obligations as and when they fall due, or can only do so at excessive cost. The Company has access to a sufficient funding that can be rolled over with its related parties.

27d. Maturity analysis of financial liabilities

The company monitors its risk to a shortage of funds by maintaining a balance between continuity of funding and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. To manage liquidity risk, bills of collection are used for trade purchases and most of the purchases are from related entities who can allow an extended credit period if necessary.

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

Maturity analysis of financial instruments

The maturity profile of the Company's recognised financial liabilities is detailed below:

31 December 2016	0 - 3 months N'000	3 - 6 months N'000	6 months - 1 year N'000	1-5 years N'000	Over 5years N'000	Total N'000
Financial liabilities						
Trade payables	99,476	-	-	-	-	99,476
Other payables	5,454,725	-	-	4,886,846	-	10,341,571
	5,554,201	-	-	4,886,846	-	10,441,047

31 December 2015	0 - 3 months N'000	3 - 6 months N'000	6 months to 1 year N'000	1-5 years N'000	Over 5years N'000	Total N'000
Financial liabilities						
Trade payables	44,273	-	-	-	-	44,273
Other payables	7,293,156	-	-	-	-	7,293,156
	7,337,429	-	-	-	-	7,337,429

27e. Fair value of financial instruments carried at amortised cost

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values except for trade and other payables.

	2016		2015	
	Carrying Amount N'000	Fair Value N'000	Carrying Amount N'000	Fair Value N'000
Financial assets				
Trade receivables	1,956,016	1,956,016	1,632,726	1,632,726
Financial derivative	1,084,462	1,084,462	-	-
Other receivables	72,174	72,174	103,799	103,799
Cash and shortterm deposits	4,195,030	4,195,030	1,648,802	1,648,802
	7,307,682	7,307,682	3,385,040	3,385,327
Financial liabilities				
Trade and other payables	10,441,047	8,290,440	7,337,429	7,017,252
	10,441,047	8,290,440	7,337,429	7,017,252

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

Fair value hierarchy As at 31 December 2016

Asset / Liabilities measured at fair value	Total	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		N'000	N'000	N'000
Asset measured at fair value				
Financial derivative	1,084,462	-	1,084,462	-
Liability measured at fair value				
Trade and other payables	8,290,440	-	-	8,290,440

The fair value of the financial derivative has been determined using proprietary and third party valuation models and market data obtained from independent market data providers (Such as Bloomberg, Super derivatives, Central Bank of Nigeria and FMDQ) for the year ended 31 December 2016.

The fair value of the financial liabilities has been determined using a market related interest rate and a discounted cash flow valuation technique.

28. Related party information

28a. Ultimate controlling party

NCR Corporation USA

NCR Corporation USA holds 61.76% of the Company's equity and it is the ultimate controlling party.

28b. Nature of related party transactions

During the year, the Company purchased goods from NCR Corporation and its affiliates. The Company recorded total revenue of N7.06 billion (2015: N6.3 billion). Out of this amount, N5.2 billion (2015: N3.8 billion) related to the supply and installation of Automated Teller Machines (ATMs) which were purchased from NCR Global Solution, the parent Company. The Company realized a gross profit of N2.6 billion (2015: N829 million gross loss) from the transaction during the year.

The Company also transacts with fellow subsidiaries in respect of exchange of spare parts and other service functions. The values of these transactions for the year and the related balances as at the reporting date are as follows:

	2016 N'000	2015 N'000
Purchase of goods		
NCR Global solutions - Hardware	3,174,976	4,611,743
NCR Global Holdings Limited - Consumables	61,924	29,656
	3,236,900	4,641,399

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

28c. Related party outstanding balances

Analysis of the outstanding to/from fellow subsidiaries at the reporting date are:

	2016 N'000	2015 N'000
Due to related parties		
NCR Global Solutions	6,463,995	5,780,880
NCR GHANA	-	55,096
NCR WSPC Peachtree	16,234	13,743
NCR Dubai	77,609	62,412
NCR Middle East	46,171	62,820
NCR Egypt	116,278	117,972
NCR Shajar	654,320	497,166
NCR Pakistan	85,084	41,348
NCR European Logistics Centre	-	21,353
NCR North Africa	100,940	52,578
NCR Dundee	3,464	4,619
Other related companies	317,312	45,117
	9,512,035	6,755,104

	2016 N'000	2015 N'000
Due from related parties		
NCR Ghana	6,762	11,365
NCR Egypt	-	7,217
NCR South Africa	1,642	-
Other related companies	379	24,506
	8,783	43,087

Due from related parties arises as a result of support services rendered by the Company for implementation and installation requiring special engineering expertise as well as cost of shipping ATM machines to meet urgent customer demands by related parties.

The above entities are all affiliates of NCR Corporation USA, the entity's parent Company and ultimate controlling party.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

There are no outstanding loans to key management personnel as at the reporting date.

28d. Identity of key management personnel

The directors (both executive and non-executive) and key management personnel are:

Otunba Adekunle Ojora OFR, CON, FNIM, JP	Chairman
Ambassador Hamzat Ahmadu CON (WALIN SOKOTO) (Deceased)	Non-Executive Director
Mr. George Flouros	Non-Executive Director
Mr. Ahmed Abdel Aziz Hamada	Executive Director/ Chief Executive Officer
Mr. Micheal Vallier	Non-Executive Director
Mrs. Hussain Olufunke	Company Secretary
Mr. Matthew Akinlade, FCA	Independent Non-Executive Director

The table below shows the number of Directors of the Company (excluding the Chairman) whose emoluments during the year, excluding pension contributions, fell within the bands shown below:

Range (N)	Number	Number
1,000,000 - 2,000,000	-	-
12,000,000 and above	1	1

1 1

29. Remuneration of key management personnel

The remuneration of the Directors, who are the key management personnel of the Company, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

	2016 N'000	2015 N'000
The director's emoluments comprise:		
Fees	1,500	2,500
Short-term benefits	30,670	22,284
Post-employment benefit	3,662	3,681
	35,832	28,465

Chairman	1,500	1,500
Highest paid Directors	28,688	25,965

30. Commitments and contingencies

The directors are of the opinion that all known commitments and liabilities which are relevant in assessing the Company's state of affairs have been taken into consideration in the preparation of these financial statements.

The Company had an Advance Payment Guarantee of N138 million as at 31 December 2016 from a Bank in favour of a customer for the supply and upgrade of Automated Teller Machines (2015: N241 million).

Notes to the Financial Statements *Cont'd*

FOR THE YEAR ENDED 31 DECEMBER 2016

31. Events after the reporting date

No events or transactions have occurred since the reporting date, which would have a material effect upon the financial statements at that date or which need to be mentioned in the financial statements in order to make them not misleading as to the financial position or results of operations.

32. Information relating to employees

- (a) The average number of persons employed full time by the Company during the year, excluding Directors were as follows:

	2016 Numbers	2015 Numbers
Controllership	5	3
Financial Service Group	5	3
Worldwide Customer Services	86	49
Professional Services	8	7
Interactive Printers Solutions	-	-
	104	62

	2016 N'000	2015 N'000
Salaries and wages including staff bonuses	519,255	468,295
Contributions to pension scheme	33,979	24,684
	553,234	492,979

- (b) Employees of the Company, other than Directors, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension contributions) in the following ranges:

N	N	2016 Numbers	2015 Numbers
420,001 - 900,000		2	-
900,001 - 2,000,000		49	22
2,000,001 - 4,000,000		37	28
4,000,001 - 6,000,000		8	5
6,000,001 - 8,000,000		3	4
Above 8,000,001		5	3
		104	62

Value Added Statement

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 N'000	%	2015 N'000	%
Revenue	7,058,196		6,303,787	
Bought-in-materials and services - Local	(6,176,818)		(5,575,015)	
	881,378		728,772	
Investment income	51,680		32,616	
Value added	933,058		761,388	
Applied as follows:				
To pay employees:				
- as salaries, wages and other benefits	553,234	59	492,979	65
To pay Government:				
- as Company taxes	579,685	62	9,537	1
To provide for enhancement of assets and expansion:				
- for assets replacement (depreciation)	52,886	6	42,302	6
- deferred tax	(319,237)	(34)	197,960	26
- profit for the year	66,490	7	18,610	2
	933,058	100	761,388	100

The value added represents the wealth created through the use of the Company's assets by its own and its employees' efforts. This statement shows the allocation of wealth amongst employees, government and that retained for future creation of wealth.

Five-Year Financial Summary

	31 December				
	2016	2015	2014	2013	2012
	N'000	N'000	N'000	Restated N'000	Restated N'000
STATEMENT OF FINANCIAL POSITION					
ASSETS					
Non-current assets					
Property, plant and equipment	623,933	642,727	632,282	647,292	665,688
Retirement benefit assets	43,720	28,158	37,752	30,479	4,380
Deferred tax assets/(liabilities)	285,861	(33,376)	164,584	217,262	195,695
Trade and other payables- non current	(4,886,846)	(2,004,867)	(1,123,883)	-	-
Net Current assets/(liabilities)	4,260,928	1,630,985	549,207	(786,060)	(724,083)
Net assets	327,596	263,627	259,942	108,973	141,680
SHAREHOLDERS FUNDS:					
Issued share capital	54,000	54,000	54,000	54,000	54,000
Retained earnings	276,138	209,648	191,038	33,650	82,347
Other reserve	(2,542)	(21)	14,904	21,323	5,333
Total equity	327,596	263,627	259,942	108,973	141,680
STATEMENT OF PROFIT OR LOSS:					
Revenue	7,058,196	6,303,787	6,642,862	6,107,931	6,463,898
Profit/ (loss) before taxation	326,938	226,107	215,027	(66,785)	(1,148,910)
Income tax (expense)/credit	(260,448)	(207,497)	(57,639)	18,088	83,734
Profit/ (loss) for the year	66,490	18,610	157,388	(48,697)	(1,065,176)
Dividend proposed	-	-	-	-	-
PER 50K SHARE DATA: Naira					
Basic earnings/ (loss)	0.62	0.17	1.46	(0.45)	(9.86)
Diluted earnings/ (loss)	0.62	0.17	1.46	(0.45)	(9.86)
Dividend	-	-	-	-	-

NOTES

Earnings/ (loss) per share are based on the profit/ (loss) after taxation and the number of issued and fully paid ordinary shares at the end of each financial year.

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

I. SHARE CAPITAL HISTORY

The capital of the company is One Hundred Million Naira (N 100,000,000) divided into Two Hundred Million (200,000,000) ordinary shares of fifty kobo (50 kobo) each

1. The capital of the Company at incorporation in 1949 was £10,000.
2. The capital of the Company was increased from £10,000 to £25,000 in shares of £1 each by Special Resolution passed on 15th November, 1954.
3. The capital of the Company was increased from £25,000 to £35,000 in shares of £1 each by Special Resolution passed on 10th September, 1956.
4. The capital of the Company was increased from £35,000 to £70,000 in shares of £1 each by Special Resolution passed on 17th October, 1959.
5. The capital of the Company was increased from £70,000 to £170,000 in shares of £1 each by Special Resolution passed on 16th June, 1964.
6. The capital of the Company was increased from £170,000 to £200,000 in shares of £1 each by Special Resolution dated 29th, October, 1965.
7. The capital of the Company was increased from £200,000 to £400,000 in shares of £1 each by Special Resolution passed on 12th August, 1967.
8. Each of the existing shares of the N2 (£1) each in the capital of the Company was sub-divided into four shares of 50K each by Special Resolution passed on 19th , September, 1977.
9. The capital of the Company was increased from N 800,000 to N 4,500,000 in shares of 50 kobo each by Special Resolution passed on 19th, September, 1977.
10. The capital of the Company was increased from N 4,500,000 to N 9,000,000 in shares of 50 kobo each by Special Resolution passed on 28th June, 1990.
11. The capital of the Company was increased from N 9,000,000 to N 27,000,000 in shares of 50 kobo each by Special Resolution passed on 5th August, 1993.
12. The capital of the Company was increased from N 27,000,000 to N 100,000,000 in shares of 50 kobo each by Special Resolution passed on 16th July, 1996.

II. BONUS HISTORY

Since becoming a Public Company in 1990, the Company had declared and issued a number of Script Shares

S/N	DATE ISSUED	NARRATION	RATIO
1	November 7, 1990	BONUS	1:1
2	March 3, 1994	BONUS '93	1:3
3	July 4, 1996	BONUS '96	5:4
4	July 6, 1998	BONUS '98	1:1

III. TEN YEAR DIVIDEND HISTORY

S/No	Div. Pmt. No.	Div. Year	Dividend declared/ share
1	NIL	2004	NIL
2	NIL	2005	0.05k
3	24	2006	NIL
4	NIL	2007	NIL
5	NIL	2008	NIL
6	NIL	2009	0.05k
7	25	2010	300k
8	26	2011	300k
9	27	2012	NIL
10	NIL	2013	NIL

III. UNCLAIMED DIVIDENDS

Our records show that some dividend warrants have not been presented to the Bank for payment while others have been returned to the Registrar as unclaimed because the addresses could not be traced. Members affected are advised to contact the Company Secretary or the registrars, Apel Capital & Trust (Registrars) Limited, 8, Alhaji Bashorun Street, Off Norman Williams Crescent, South West Ikoyi, Lagos State. Tel: 01293 2121 & 0704 612 6698

Affix
Current
Passport

(To be stamped by Bankers)

Write your name at the back of
your passport photograph

E-DIVIDEND MANDATE ACTIVATION FORM

Instruction

Only Clearing Banks are acceptable

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

The Registrar,

Apel Capital & Trust Ltd.
8, Alhaji Bashorun Street
Off Norman Williams Str, S.W Ikoyi Lagos.

I\We hereby request that henceforth, all my\our 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

Account Opening Date

Shareholder Account Information

Surname / Company's Name First Name Other Names

Address :

City

State

Country

Previous Address (If any)

CHN (If any)

Mobile Telephone 1


Mobile Telephone 2

Email Address

Signature(s)

Company Seal (If applicable)

Joint\Company's Signatories

TICK	NAME OF COMPANY	SHAREHOLDER'S ACCOUNT NO.
	ABACUS MONEY MARKET FUND	
	ANINO INT'L PLC	
	CHAPEL HILL DENHAM MONEY MARKET FUND	
	EQUITY ASSURANCE PLC	
	FIRST ALUMINUM PLC	
	INTERLINKED TECHNOLOGIES PLC	
	LASACO ASSURANCE PLC	
	LEAD UNIT TRUST SCHEME	
	MBA MUTUAL TRUST SCHEME	
	MASS TELECOM INNOVATION PLC	
	NCR (NIGERIA) PLC	
	NEM INSURANCE PLC	
	PARAMOUNT EQUITY FUND	
	PHARMA DEKO PLC	
	THE INITIATES PLC	

86

BACK OF S/H INFO



Contact

Head Office

NCR House
6 Broad Street,
P. O. Box 509,
Lagos.
Website: www.ncr.com
Tel: 01-2793970

Abuja Office

NCR Nigeria Plc,
2nd Floor,
Nicon Insurance Plaza
Central Business District,
Abuja.

Port Harcourt Office

70 Haven Road, GRA Port Harcourt,
Phase 2,
Port Harcourt,
Rivers State.