MIXTA NIGERIA

DELIVERING VALUE

MIXTA REAL ESTATE PLC
2016 ANNUAL REPORT

RC 645036

Contents

Corporate Information

Directors	Hon. Justice George Oguntade (Rtd JSC), (CFR,CON) Mr Wale Odutola Mr. Kola Ashiru-Balogun Mr. Deji Alli (OFR) Mr. Bode Olaibi Mrs. Chioma Okigbo Mr. Dafe Akpedeye (SAN, OFR) Arc. Eddy Eguavoen Mr. Daniel Font (Spanish)
Registered office	8 Kasumu Ekemode Street Off Saka Tinubu Street Victoria Island P.O. Box 52290 Ikoyi Lagos
Auditors	KPMG Professional Services (Chartered Accountants) KPMG Tower Bishop Aboyade Cole Street Victoria Island PMB 40014, Falomo Lagos. www.ng.kpmg.com
Company Secretary	ARM Trustees Limited 1 Mekunwen Road Off Oyinkan Abayomi Drive P.O. Box 52290 Ikoyi Lagos
Registrars	Africa Prudential Registrars Plc 220B Ikorodu Road Palmgrove Lagos
Bankers	Access Bank Plc. Guaranty Trust Bank Plc. United Bank for Africa Plc. Zenith Bank Plc. First Bank of Nigeria
RC No.	645036

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 9th Annual General Meeting of Mixta Real Estate Plc. (the "Company") will be held at Darlington Hall, Plot CDE, Ilupeju, Lagos, Nigeria on, Tuesday, June 6, 2017 at 11.00 a.m. to transact the following businesses:

Ordinary Business

1. To receive the Audited Financial Statements for the year ended December 31, 2016 and the Reports of the Directors and Auditors thereon.
2. To declare a Dividend.
3. To re-elect Directors.
4. To authorize the Directors to fix the Remuneration of the Auditors.
5. To elect members of the Audit Committee.

Dated May 11, 2017

By Order of the Board

ARM TRUSTEES LIMITED

ARM Trustees Limited
COMPANY SECRETARY

NOTES

Proxy

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy in his stead. All instruments of proxy should be completed and deposited at the office of the Company's Registrars, Africa Prudential Registrars Plc, 220B, Ikorodu Road, Palmgrove, Lagos not later than 48 hours before the time of holding the meeting.

A proxy need not be a member of the Company. A proxy form is printed at the back of the Audited Financial Statements.

Dividend

The Board recommends a dividend of 18 kobo per ordinary share of 50 kobo each which will be subject to withholding tax at the appropriate rate.

Dividend Warrants

If the dividend proposed by Directors is approved by members at the Annual General Meeting, dividend warrants will be distributed to Shareholders whose names appear in the Company's Register of Members at the close of business on Monday May 22, 2017

Closure of Register & Transfer Books

NOTICE IS HEREBY GIVEN that the Register of Members and Transfer Books of the Company will be closed on Tuesday May 23, 2017.

Audit Committee

As stipulated by Section 359(5) of the Companies and Allied Matters Act, Cap C20, LFN, 2004, any member may nominate a Shareholder for election to the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting.

Audited Financial Statements

Copies of the Audited Financial Statements of the Company shall be available at www.mixtanigeria.com and the under listed locations:

i. Africa Prudential Registrars Plc, 220B, Ikorodu Road, Palmgrove, Lagos;
ii. ARM Investment Center, 86 Adeniran Ogunsanya, Surulere, Lagos;
iii. ARM Investment Center, 68C Coker Road, Ilupeju, Lagos;
iv. ARM Investment Center, 139 Murtala Mohammed Way, Onitsha;
v. Asset & Resource Management Holding Company Limited, 129 Adetokunbo Ademola Crescent Abuja; and
vi. Asset & Resource Management Holding Company Limited 12 Circular Road Presidential Estate, GRA Phase II, Port Harcourt.

MD's Foreword

It gives me great pleasure to welcome all our highly esteemed shareholders to the Company's 9th Annual General Meeting.

2016 was the start of our campaign towards ensuring the delivery of value across all our stakeholder levels. Amidst a challenging business and operating environment, we gained significant strides towards achieving our goals for the year.

We commenced our fund-raising exercise for the Group, streamlined our product offerings to focus on affordable housing, focused on building strategic partnerships for business expansion, and we also intensified sales and marketing efforts for all our products.

We remain confident in our capabilities to continually identify unique opportunities that will set us apart in the industry and further strengthen our business model.

We thank you for your continued support and belief in Mixta Real Estate Plc, and look forward to a successful 2017.

Kola Ashiru-Balogun
Managing Director

About Us

Mixta Real Estate Plc ("Mixta Nigeria"), formerly ARM Properties Plc, is a leading real estate development company in Nigeria. The company has a strong track record and diverse real estate portfolio, with operations spanning the residential, commercial, and retail sectors of the Nigerian real estate industry.

Established in 2006, Mixta Nigeria has successfully delivered close to 3,000 real estate assets, comprising homes, plots and retail outlets to end-buyers. Our success is built on the strength of our asset base-Mixta Nigeria has a Net Asset Value of over N61 billion, one of the largest in its sector in Nigeria.

Mixta Nigeria executes medium to large scale real estate development projects. By carefully and strategically selecting our real estate projects, we are able to contribute to viable community developments and bring about sustainable transformation of the real estate sector.

Mixta Nigeria is a subsidiary of Mixta Africa, an ARM company.

Our History

Mixta Real Estate Plc commenced operations in February 2006 as a real estate investment fund promoted by Asset & Resource Management Holding Company Limited (ARM), (an established asset management company headquartered in Lagos, Nigeria), to leverage ARM's advisory experience in real estate and capitalize on emerging opportunities in the fast growing Nigerian real estate market.

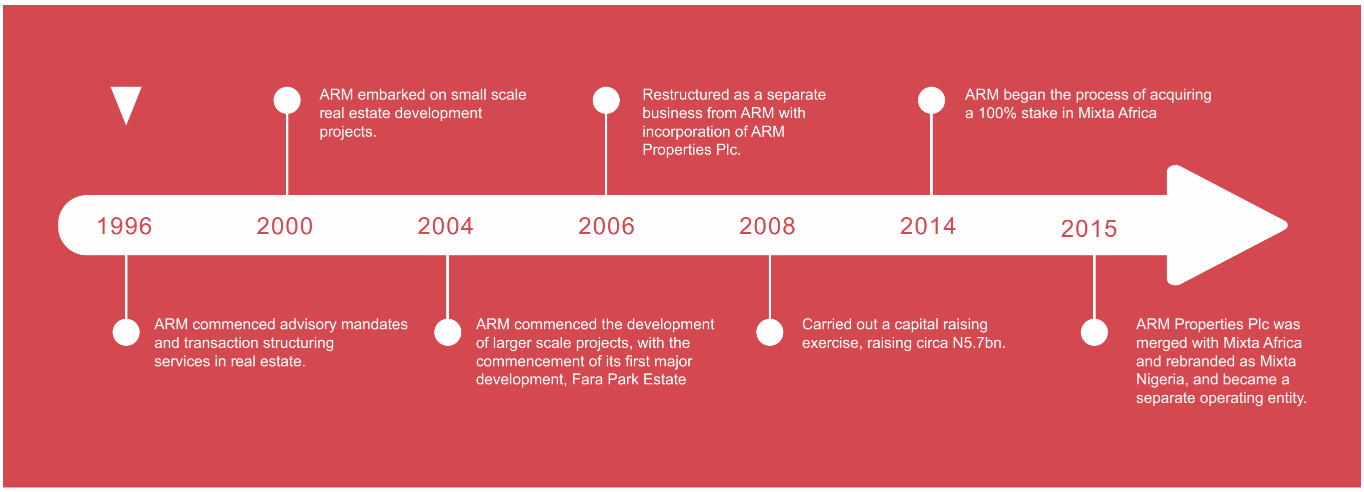
In 2006, ARM Real Estate Investment Plc was established. The name of the company was subsequently changed to ARM Properties Plc on the 9th of October 2007, as a result of operational and tax limitations encountered due to current legislation governing real estate investment funds in Nigeria. The Company successfully raised N5.675 billion by private placement in August 2008.

In 2015, ARM acquired Mixta Africa, an Africa-focused large scale property development company headquartered in Spain with subsidiary operations in several countries across North and sub-Saharan Africa. The integration of ARM Properties and Mixta Africa gave rise to Mixta Real Estate Plc, with Mixta Nigeria as the brand.

Going forward, Mixta Nigeria aims to leverage on the strong development expertise of its new parent company, as well as its own substantial land bank to scale up its delivery of homes and expand its focus to the affordable segment, thus cementing its position among the leading developers in the Nigerian real estate market.

Nigeria is ready for a global standard real estate company able to deliver on the huge needs of the market. Mixta Nigeria is already poised to face the challenge head on and take advantage of the remarkable opportunities that exist in the real estate market.

Key Milestones



Our People

"We chose the theme "Delivering value" for this report as it's the core of our operations. We recognize that we will stop being in business the minute we stop delivering value to our stakeholders – our shareholders, our customers, our people, and the communities in which we operate.

To our shareholders, we continue to outpace our competitive set by differentiating our business model. We have over the years successfully, solidified our asset-base which is critical for building a stronger company and allows us to immediately respond to different economic challenges. You will see our stellar performance this year in the body of this report.

To our customers, we strive to surpass their expectations by consistently offering products that fit their lifestyles and investment needs. We have process-driven units that spend significant time in planning our developments before execution, and monitor construction progress with the objective of delivering our products at higher quality levels.

We take a vested interest in the development of our people especially during these tougher economic cycles. We constantly provide training and ensure our compensation is at par, or better with our competitors so we can continue to retain our talent. We utilize an open-door policy that enables individual contributions regardless of the level of staff. We treat our people like real people and not just employees.

Apart from actively engaging the stakeholders in our communities, we ensure that our developments are provided in a contextually appropriate framework which speak to the present and future needs and aspirations of our society. Our developments are designed and implemented considering the impact to our future generations."

Kola Ashiru-Balogun
Managing Director, Mixta Real Estate Plc.

"Delivering value to our esteemed clients lies at the very core of what we do. From design to construction and fit outs, we constantly feel the pulse of our clients by delivering world class environmentally friendly properties at very attractive prices. Our team of design and Construction professionals ensure very high quality construction standards. Health, Safety and environmental standards are also strictly adhered to in our project delivery."

Udo Ukpai Aso
Head of Technical Services, Mixta Real Estate Plc.

Our People

"Mixta's corporate existence is anchored on value delivery. We deliver value to our shareholders and investors by ensuring that the financial statements of the company is easily accessible and it contains the requisite information that the investors need to know about the operations and the financial status of the company.
We also deliver value by ensuring that Client's investments in Mixta's properties today is worth a lot more in two to three years. The value we deliver is depicted in the amount of presales we receive on virtually all our projects."

Bukola Oyeboade
Senior Reporting Associate, Mixta Real Estate Plc.

"We are driven by the need to add value in the real estate sector. Our team ensures that accurate and appropriate information required by all stakeholders to commence projects financing are available, effectively disseminated and managed. We deliver value by engaging vendors and consultants to provide specified services as required for meeting projects which translates to client's satisfaction."

Juliet Nzelu
Project Support Officer, Mixta Real Estate Plc

"For me, this means the creation of long-term value for our stakeholders by developing products which meet the aspirations of our customers, are competitively specified and priced for the markets we operate in, and which crucially, do not compromise our brand standards."

Lantana Elhassan
Team Lead – Design & Construction Standards.

Mission & Vision

Vision

Mixta Nigeria's vision is to be Nigeria's foremost real estate developer

Mission

Creating value for our clients by delivering innovative solutions

Parent Company

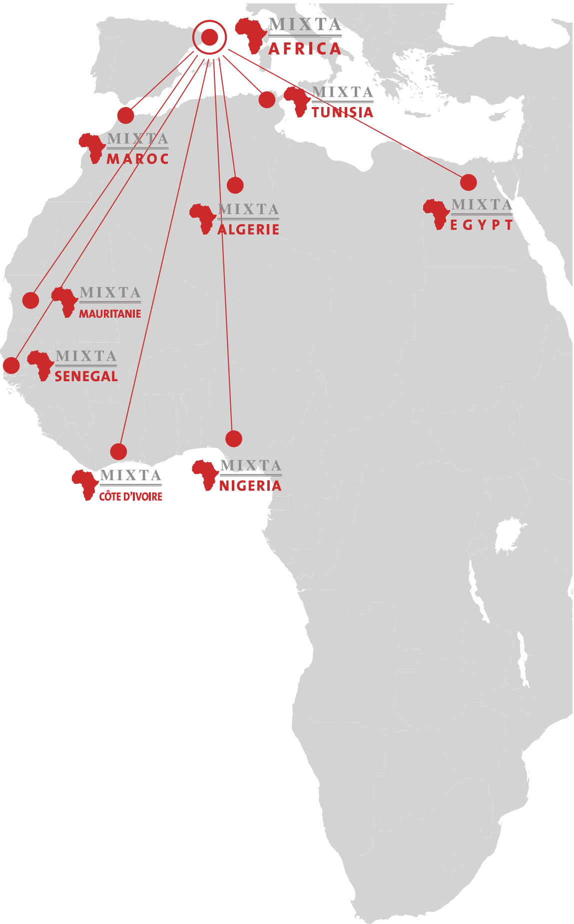
Mixta Africa is a leading real estate company with operations in North and Sub-Saharan Africa, specializing in the development of affordable residential properties.

With headquarters in Barcelona, Spain, Mixta Africa has existing subsidiary operations in 6 countries: Nigeria, Morocco, Tunisia, Senegal, Cote d'Ivoire and Mauritania, as well as past real estate developments in Algeria and Egypt.

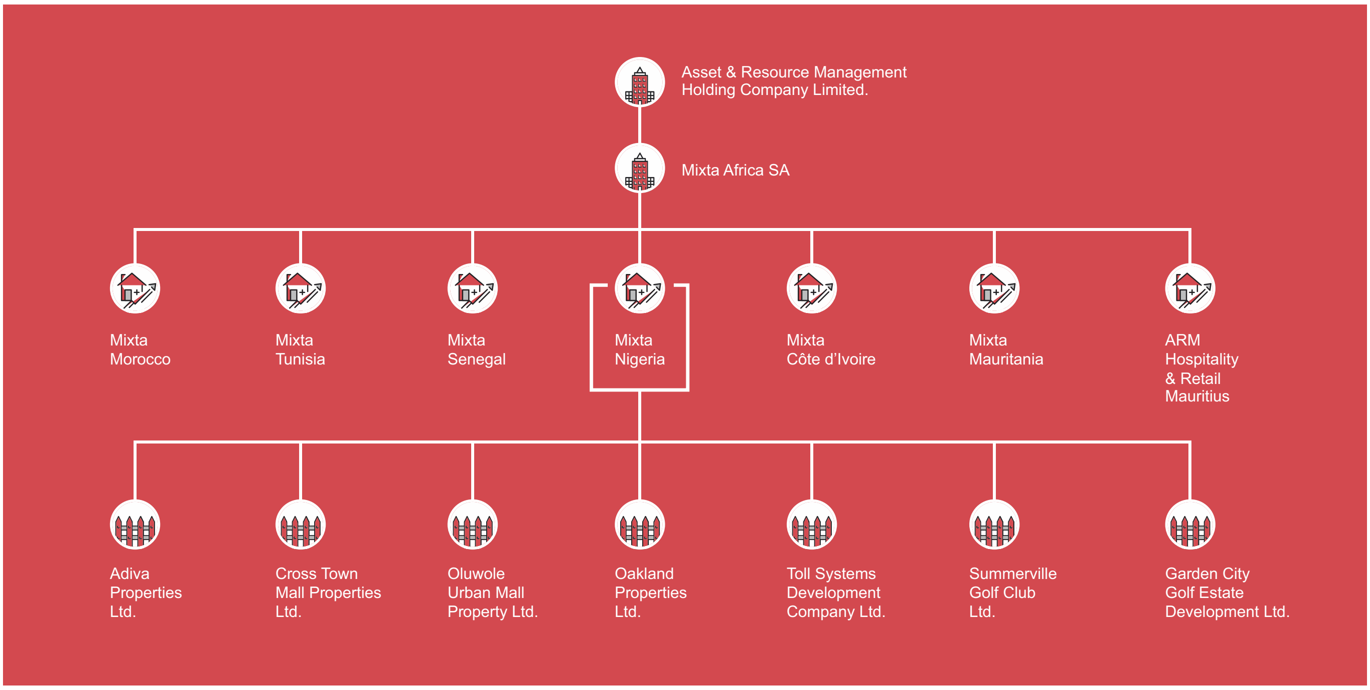
Since its inception in 2005, Mixta Africa has successfully delivered close to 10,000 housing units, plots and retail outlets, and 2 hotels across Africa and currently boasts a land bank of approximately 20 million square metres.

The Company plans to expand into other countries in the medium term, and has a vision to be Africa's foremost real estate developer, creating value for clients through the delivery of innovative solutions.

Geographical Footprint



Group Structure



Property Showcase

Lakowe Lakes Golf & Country Estate, Lagos

Lakowe Lakes Golf and Country Estate is an exclusive, secure and serene haven. The development occupies a land area of roughly 308 hectares, and overlooks a 55 hectare man-made lake, when completed, the development will have over 1000 homes located in different neighborhoods. The gated community comprises a championship standard 18-hole golf course with a clubhouse and other leisure facilities. The golf course opened in 2012 and currently has over 400 active members.

The Village at Lakowe

The Village is an exclusive 18 home development which features two distinctly styled homes (the Palm and Baobab) for residents who prefer a more private experience within Lakowe Lakes.

The Enclave at Lakowe

The Enclave is the first neighbourhood to be developed on the Lakowe Lakes Golf & Country Estate.

It features a collection of lofts, flats, terraces and villas in a range of 1 – 4 bedroom units. Delivery to commence from second quarter of 2017.

Property Showcase

Garden City Golf Estate, Port Harcourt

Garden City Golf Estate is a proposed 18-hole world class championship golf course and residential estate that will offer premium accommodation in the heart of Greater Port Harcourt City. Located five minutes from the Port Harcourt International Airport and within the Igwurutta-Alli/Aluu/Omagwa community of Ikwerre LGA, the golf estate property spans a total area of over 195.64 hectares. , and will present some of the most breathtaking views in Port Harcourt city.

Residence de la Paix

Residence de la Paix (RDP) is modelled after the successfully executed RDP development by Mixta Senegal, and is the first affordable housing development in Mixta Nigeria's portfolio. The development comprises 2 and 3 bedroom ready-to-move-in flats, and the first phase will deliver 608 units. The development was introduced in 2016, and delivery is scheduled to commence from fourth quarter 2017.

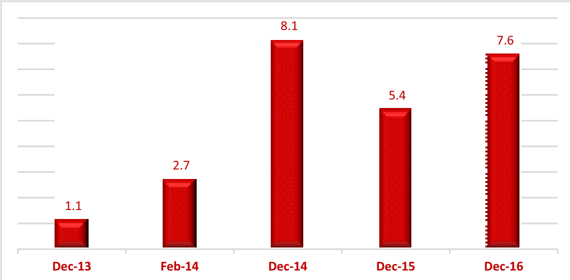
Fara Park II

In Fara Park II, we have created an exclusive, beautiful, new community that is modelled after our Fara Park. Fara Park II is located in a secure, gated neighbourhood with wide, paved roads, just behind Fara Park. Other amenities include power and exclusive water supply systems, as well as recreational facilities and commercial areas.

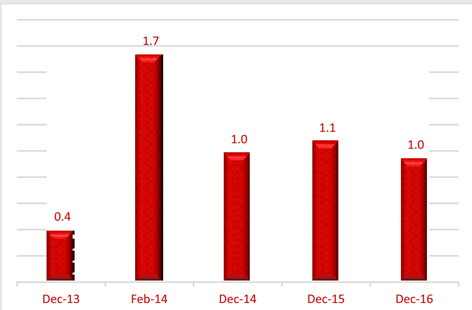
Financial Highlights

Financial Statement Caption	Dec-16 (Billion)	Dec-15 (Billion)	Dec-14 (Billion)	Feb-14 (Billion)	Dec-13 (Billion)
Gross Revenue	7.6	5.4	8.1	2.7	1.1
Profit After tax	1.0	1.1	1.0	1.7	0.4
Shareholders' Funds	28.7	28.1	27.4	30.0	36.8
Dividend per share	18.0	23.0	20.0	17.0	12.0
Total Assets	118.6	118.0	112.6	80.4	77.5

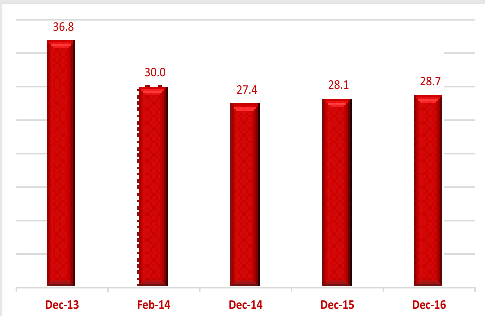
Gross Revenue (₦7.6 Billion)



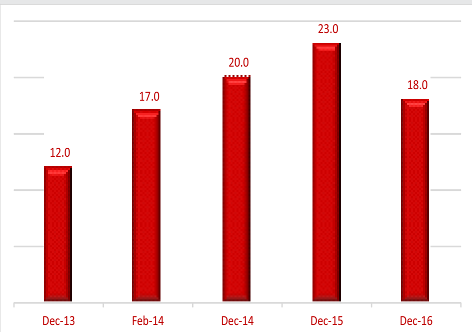
Profit After Tax (₦1.0 billion)



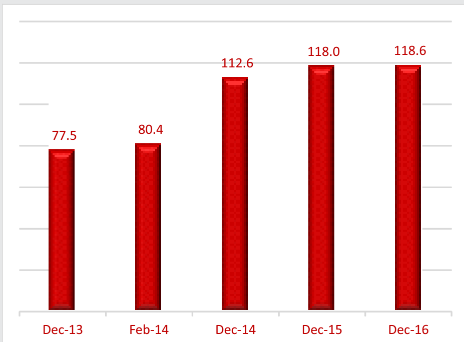
Shareholders' Fund (₦28.7 billion)



Dividend Per Share (18 Kobo)



Total Assets (₦118.6 billion)



Financial Highlights

In thousands of Naira

	Dec-16	Dec-15	Dec-14	Feb-14	Dec-13
	000	000	000	000	000
Gross Revenue	7,565,581	5,416,632	8,118,196	2,694,342	1,120,662
Profit Before tax	1,257,001	1,370,344	1,454,364	2,100,929	591,972
Taxation	291,566	299,725	477,138	371,438	205,705
Profit After Tax	965,435	1,070,619	977,226	1,729,491	386,267
Transfer to retained Earnings	754,070	607,191	891,557	1,274,308	347,731
Shareholders' Funds	28,705,048	28,126,831	27,392,923	30,004,276	36,819,886
Basic Earnings Per Share (kobo)	45	35	53	76	23
Dividend Per Share (kobo)	18	23	20	17	12
Dividend paid	387,218	336,711	286,205	202,027	202,027
Housing Units Delivered	292	67	606	-	-

Chairman's Report

My Fellow Shareholders,
I am pleased to welcome you to the 9th Annual General Meeting of our Company and present our financial results and operating performance for the financial year ended 31st December 2016, in the context of the operating environment.

For the first time in 25 years, our country experienced a recession. Reduced oil revenues, tight capital controls, and currency volatility combined to make 2016 a challenging year for Nigeria. With the economic uncertainty looming, the real estate industry also felt increased pressure as reduced production capacity fuelled increased demand for imported products.

However, the situation is not all bleak as indirect real estate opportunities, increased budget allocation geared towards infrastructure, and a government-planned social housing programme of which Mixta Nigeria is at the forefront of, are only but a few indicators that the market though currently suppressed, is still showing positive signals for a turnaround in the coming years.

Review of the 2016 Operating Environment

The global economy continued to grow at a disappointing pace, with growth held back by a lackluster performance in advanced economies and quite a number of political shocks across the globe. The UK's surprise vote to leave the EU leading to the resignation of Prime Minister David Cameron, followed by the election of Donald Trump to the US presidency in November are events that will continue to have ramifications well beyond the global borders in 2017 and beyond.

In 2016, global growth fell to 2.3%, the weakest performance since the global financial crisis. Advanced economies continued to struggle with subdued growth and low inflation due to increased uncertainty about policy direction, tepid investments, and sluggish productivity growth. As growth projections continue to be downgraded for both advanced and emerging economies, a moderate recovery is however expected in 2017 amid heightened uncertainty.

In our local terrain, the situation was not any better. The Nigerian economy plunged into recession as the nation's GDP contracted and yearly GDP growth rate fell to -1.6%. The sharp contractions were largely attributable to oil production woes amongst other macro-economic factors. The non-oil sector on the other hand sustained robust growth of 5.4% during the year which helped in ensuring resilience in overall output growth. The Country is however expected to exit its recessionary period by the 2nd quarter of 2017 due to anticipated stabilization in oil production and improvements in agricultural output.

The Real Estate Industry

Amidst rising inflation, declining GDP growth, a weakening currency, and an official recession declaration, 2016 was without a doubt, a year of further depression for the Nigerian real estate sector. Growth in the industry declined drastically to -1.51% in 2016 from 2.79% in 2015. Due to the country's

Chairman's Report (cont'd)

heavy dependence on oil and imports, as exchange rates increased in 2016, the price of goods, building materials inclusive sky rocketed, causing a decline in the contribution and activities of the construction and real estate sectors.

The impact of the Nigeria Mortgage Refinance Company (NMRC) is yet to be felt across the industry. Since it began operations in 2014, the Company has till date only managed to refinance a low volume of mortgages, and as a result not yet achieved the anticipated ripple effect of increased activities in the housing sector.

Our Performance

Our primary focus for 2016 was the completion and delivery of projects. We successfully recorded over 75% of pre-sales activities across all our projects and over 50% construction on all project sites. In 2016, we sold a total of 458 units, a 255% increase from the previous year as a result of intensified marketing efforts.

Mixta Nigeria completed the shelf registration of a N30billion Bond programme, and successfully tapped N4.2billion in the first tranche of the Programme. We also successfully registered a N10billion Commercial Paper Programme. However, prevailing adverse market conditions have negatively impacted the issuance of the notes and we hope to close out on all our fund-raising drives by mid-2017.

During the year, we continued to focus on building key strategic alliances and partnerships required for business expansion and technical capacity building. To this end, we successfully executed a bilateral agreement with the China Aerospace Construction Group Corporation to provide contractor financing to the tune of US$300million to finance a number of our projects in Nigeria.

I am pleased to report that despite the challenging local, micro and macro environments, the Group achieved revenues of N4.9billion and profit after tax of N937million in the financial year ended 31st December, 2016.

Company Outlook

It is without question that we continue to operate in a challenging micro and macro environment. Our resolve however is to ensure that Mixta Nigeria keeps its head afloat by consistently seeking out exciting and unique opportunities centered on the attainment of our goals. With our proposed participation in the Federal Government's social housing scheme aimed at providing a million affordable housing units around the country, this initiative together with the execution of our other planned projects will be sure to positively impact our performance in the coming year.

Hon. Justice George Oguntade (Rtd.), (CON, CFR)
Chairman

Corporate Governance Report

"Mixta Nigeria is committed to maintaining a high standard of corporate governance and practices the highest level of corporate governance across all business functions. The Company has in place a Board of astute and consummate individuals with strong professional track record who maintain the fundamental purpose of the creation and delivery of long term value for its shareholders. All directors exercise due diligence and independent judgement and make decisions objectively in the best interest of the Company. Corporate governance covers the whole systems of managing and monitoring the Group, the principles and guidelines that shape our business policy and the systems of internal and external control and monitoring mechanisms

BOARD OF DIRECTORS

The Board is a considered blend of experience and knowledge and is well-diversified, with members being distinguished individuals. All members are well abreast of their responsibilities and are conversant with the Company's business and its environment, bringing their valued perspectives and expertise to the Board's deliberations. Besides possessing the requisite academic qualifications and experience in Board affairs, Directors are also able to exercise sound judgement on matters relating to its business. The Board diversity is considered a significant strategy in achieving the Company's goals as they are responsible for driving the governance structure of the Company.

BOARD STRUCTURE

The Board is composed of seven (7) Non-Executive Directors including three (3) Independent Directors and two (2) Executive Directors, one of whom is the Managing Director. The Managing Director is responsible for the day to day running of the Company.

BOARD COMPOSITION

The Board is made up of the following members:

1. Hon. Justice George Oguntade (Rtd. JSC) (CFR, CON)) – *Chairman (Independent)*
   Hon. Justice Adesola Oguntade CFR is the Chairman of Mixta Real Estate Plc. He is a retired Justice of the Supreme Court of Nigeria after an illustrious career at the Bench spanning over 30 years. Justice Oguntade is a law graduate of Holborn College of Law, London and was called to the Nigerian Bar in January 1966.

2. Mr. Dafe Akpedeye (SAN)(OFR) – *Non-Executive Director (Independent)*
   Dafe Akapedeye is a Senior Advocate of Nigeria and a Partner at Akpedeye and Company, a Law Firm he founded in 1987. He also lectures at the Delta State University. He is a member of the International Bar Association and sits on the National Executive Committee of Nigerian Bar Association. He is a graduate of the University of Lagos and holds a Master of Law (LLM) degree from Harvard University.

3. Architect Eddy Eguavoen – *Non-Executive Director (Independent)*
   Eddy Eguavoen is the founding Principal Partner at Voen Associates, a multi-disciplinary real estate design firm. He is a Fellow of the Nigerian Institute of Architects with a career covering over 35 years in the industry and public service. He has a professional degree in Architecture from Ahmadu Bello University.

4. Mr. Deji Alli (OFR) – *Non-Executive Director*
   Deji Alli is the Chairman and CEO of Mixta Africa SA. Prior to this, he served as the founding CEO of Asset & Resource Management Company Limited (ARM). Deji's career also spans Prudential Portfolio Managers Limited, UK and the African Development Bank. He holds a B.Sc degree in Accounting and a post-graduate degree in Finance from the University of Lagos.

5. Mr. Daniel Font – *Non-Executive Director*
   Daniel Font is the Chief Operating Officer and Deputy CEO of Mixta Africa SA. Prior to joining the Firm in 2008, Daniel held several key positions in Group Diagonal and Bouygues Corp. He holds a Bachelor's Degree in Civil

Corporate Governance Report

Engineering from the Polytechnic School, an MBA from ESADE Business School and General Management Program from IESE Business School.

6. **Mr. Wale Odutola** – *Non-Executive Director*
Wale Odutola is the Managing Director of ARM Pension Managers (PFA) Limited. Prior to this, he served as the Managing Director of ARM Securities, ARM Properties Plc. and ARM Hospitality and Retail Fund and the Head of ARM's Research and Investment Management functions department at various times. Wale holds a B.Sc. in Accounting from the University of Lagos, and is an alumnus of the Harvard Business School.

7. **Mrs. Chioma Okigbo** – *Non-Executive Director*
Chioma Okigbo is the Managing Director of ARM Financial Advisers Limited. Prior to this, she served as the Managing Director of ARM's Asset Management business. She has also worked at Guaranty Trust Bank and Crest Mortgage Finance and Investments Ltd. Chioma holds a B.Sc. in Economics from the University of Nigeria, Nsukka, and is a pioneer alumnus of INSEAD's Transition to General Management Program.

8. **Mr. Kola Ashiru-Balogun** – *Managing Director*
Kola Ashiru-Balogun is the Managing Director of Mixta Real Estate Plc. Kola has also worked in various capacities in Harbor Point Limited, Schonbraun McCann Group, Stonehenge Real Estate Group, The Church Pension Group and Goldman Sachs. Kola holds a B.Sc in Business Administration from the Bernard Baruch College, Zicklin School of Business and MSc Real Estate with Finance Concentration from the New York University.

9. **Mr. Bode Olaibi** – *Executive Director*
Bode Olaibi is an Executive Director at Mixta Real Estate Plc. He was previously Group Head of ARM's Programme Management Office, with responsibility for the turnaround and delivery of challenged assets within the Group's real estate portfolio. Prior to this, he held various senior positions in the United Kingdom with Cap Gemini, British Telecom and North Atlantic Treaty Organisation (NATO), among others. Bode holds a Bachelor's degree in Economics from the University of Greenwich and is an Oracle ERP specialist.

THE ROLE OF THE BOARD

The Board leads and provides direction for the Management by setting strategy and overseeing its implementation. It is also responsible for ensuring an effective system of internal control is maintained and that the Management maintains an effective risk management and oversight process across the Company, so growth is delivered in a controlled and sustainable way. The Board seeks to ensure that, while the ultimate focus is long-term growth, the Management also delivers on short-term objectives, striking the right balance between the two objectives.

RESPONSIBILITIES OF THE BOARD

The Board is responsible for:

- Setting the strategic direction of the Company and approving strategic plan and annual operating budget;
- Approving major capital projects and changes to the nature of business operations;
- Approving major investments and divestments of the Company;
- Approval of Company's financial statements and changes to Company's accounting policies;
- Appointments to the Board or the Executive Management team;

The Board meets quarterly as a minimum and holds an Annual General Meeting (AGM) with the shareholders of the Company.

Corporate Governance Report

Attendance at Board Meetings

The Board met five times in 2016. The record of attendance is provided below:

S/N	Names	Designation	February 3, 2016	February 24, 2016	April 8 2016	August 12, 2016	November 17, 2016	
1	Hon. Justice Oguntade	Chairman	√	√	X	X	√	3/5
2	Mr. Dafe Akpedeye SAN	Non-Executive Director	√	√	√	√	√	5/5
3	Arc. Eddy Eguavoen	Non-Executive Director	√	√	√	√	√	5/5
4	Mr. Deji Alli	Non-Executive Director	√	√	√	√	√	5/5
5	Mr. Daniel Font	Non-Executive Director	√	X	X	X	X	1/5
6	Mrs. Chioma Okigbo*	Non-Executive Director	√	X	√	√	√	4/5
7	Mr. Wale Odutola	Non-Executive Director	√	√	X	√	√	4/5
8	Mr. Kola Ashiru-Balogun	Managing Director	√	√	√	√	√	5/5
9	Mr. Bode Olaibi*	Executive Director	√	√	√	X	X	3/5

**Mr Bode Olaibi resigned as a member of staff of Mixta Nigeria In June 2016 and resigned from the Board effective 31 March 2017*
**Mrs. Chioma Okigbo also resigned from the Board on 31 March 2017*

Board and Management Committees

The Board carries out its oversight functions using Board and Management Committees at Mixta Africa Group level. This makes for efficiency and allows for a deeper attention to specific matters for the Board. The Committees are set up in line with statutory and regulatory requirements, and are consistent with global best practice. The Committees' roles and responsibilities are set out in their Charters, which are reviewed periodically to ensure they remain relevant. In addition, the Committees' Charters set out the scope of authority, composition and procedures for reporting to the Board.

The Board and Management Committees are as follows:

AUDIT AND RISK COMMITTEE

This Committee provides oversight functions with regard to both the Company's financial statements and its internal control and risk management functions. The prime functions of the Committee are:

- To review the company's accounting policies, the contents of the financial reports, disclosure controls and procedures, management's approach to internal controls;
- To review the adequacy and scope of the external and internal audit functions;
- To ensure compliance with regulatory and financial reporting requirements; and
- To provide assurance to the Board that Executive Management's control assurance processes are implemented and are complete and effective.

Attendance at the Audit and Risk Committee meetings for the year is shown in the table below:

	Names	Designation membership	January 20, 2016	February 24, 2016	April 4, 2016	June 1, 2016	August 9, 2016	November 2, 2016	
1	Mr. Esan Ogunleye	Member	√	√	√	√	√	√	6/6
2.	Mrs. Chioma Okigbo	Member	√		√	√	√	√	5/6
3.	Mr. Deji Alli	Member	√		√	√	√	√	5/6
4.	Mr. Ralph Osayameh	Member	√	√	√	√	√	√	6/6
5.	Mrs. Adenike Ogunlana (Appointed June 2016)	Chairman					√	√	2/2
6.	Mr. Wale Odutola (Appointed June 2016)	Member					√	√	2/2

Corporate Governance Report

Note: A committee meeting was held subsequent to the end of the financial year to discuss matters relating to the final quarter of the financial year.

INVESTMENT COMMITTEE

The Investment Committee assists in fulfilling Management's responsibilities relating to the Company's investment activities. The Committee has oversight responsibility for the design, approval, and evaluation of the finance and investment strategies, policies and programs of the Company. It approves all significant investments and ensures a balance between risks and returns.

The functions of the Committee include:

- » Carry out extensive due diligence on significant investment decisions and recommend to the Board
- » Consult with Management when considering important transactions, such as acquiring other businesses, obtaining loans or issuing securities
- » Review and approve:
  - Investment strategies, policies and guidelines
  - Investment portfolio performance
  - Performance of investment manager(s)
  - Company's need for capital and how it is to be allocated
- » Assess the financial viability and execution mode for projects and transactions contemplated by core business units of the Company.

NOMINATION, REMUNERATION AND HUMAN RESOURCES COMMITTEE

The purpose of Nomination, Remuneration and Human Resources Committee is to assist the Board in ensuring that the Board's size, composition, skill set and experience are relevant and adequate for the needs of the Group and to ensure that proper processes are in place for the nomination, selection, training and evaluation of the Board of Directors and the Group's senior management. It is also responsible for recommending to the Board the compensation philosophy of the company as it affects staff and directors, as well as ensuring that appropriate and effective human resource policies, procedures and management are developed and followed by the company.

The functions of the Committee include:

- ❖ Identify and make recommendations regarding the necessary skills, knowledge, experience and competencies of directors;
- ❖ Develop and review the process for the selection, appointment and re-election of directors
- ❖ Fairly and responsibly evaluate, recommend and approve the level and structure of remuneration, compensation and benefits for key management to attract, retain and motivate key management personnel and ensure that they are provided with appropriate incentives to encourage enhanced performance
- ❖ Review and make recommendations regarding the adequacy of the Company's human resources framework and policies and performance management systems to ensure best practice and alignment to the Company's wider objectives and strategies;
- ❖ Approve policies with regard to pay and conditions of employment for all categories of staff to create a working environment that attracts, retains and motivates high performing employees of good calibre that will enhance the performance of the Company

Corporate Governance Report

- Ensure that the Company has appropriate strategies and plans for people management and establish and implement personal development plans for all levels of staff as well as succession plans for key executives and management personnel

PROJECT MONITORING COMMITTEE

The purpose of the Mixta Africa Project Steering Committee (PSC) is to review and approve annual project work plans, to monitor progress in the execution of all projects across the Group to ensure they adhere to agreed time, budget and quality deliverables, to provide strategic guidance and direction and address stakeholder issues and risks related to project.

The functions of the Committee include:

- Take on responsibility for the Group's business plan, feasibility of all Group projects and achievement of outcomes
- Review and approve annual project work plan and project deliverables, as well as any changes thereto;
- Ensure Project Managers are provided with all resources necessary to execute the projects;
- Ensure that projects are aligned with the organisational strategy and policies of the Group;
- Review, evaluate and monitor the status of the Company's projects, specifically construction progress, construction cost and sales progress, in relation to approved plans;
- Provide advice and feedback on scope, schedule, cost and quality concerns, as well as guidance on issues that arise during the planning, design and implementation of the project

BUSINESS REVIEW COMMITTEE

The purpose of the Mixta Africa Business Review Committee (BRC) is to drive and monitor financial performance of the Group and its individual subsidiaries and their projects, drive the realisation of business plans, assess and regulate the company's risk position and ensure efficient treasury and liquidity management.

The functions of the Committee include:

- Providing detailed scrutiny of consolidated financial performance of the Company to approved business plans and budgets, and liaise with Management to identify the reason for any divergences;
- Identify key issues with the businesses and projects and develop corrective actions to resolve issues, assigning responsibilities and timelines for their resolution;
- Monitor progress on all outstanding issues;
- Identify and promote opportunities to supplement and enhance income generation;
- Review standard treasury reports to ensure that financial obligations are being met as at when due and that fund use policies are adhered to.

Detailed terms of reference exist for each of the Committees and these committees meet quarterly and or on a regular and need basis.

SHAREHOLDER RIGHTS

Each share registered entitles the holder to one vote at General Meetings. The General Meeting passes resolutions and elections with the absolute majority of the votes represented at the meeting. Shareholders also have the right to receive dividends and appoint proxies and hold such rights as granted by Nigerian Law. The Managing Director engages with Shareholders as required.

Report of the Independent Consultant on the appraisal of the Board

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Phase II, Port Harcourt

May 9, 2017

REPORT OF THE EXTERNAL CONSULTANTS ON THE PERFORMANCE OF THE BOARD OF DIRECTORS OF MIXTA REAL ESTATE PLC ("MIXTA") FOR THE YEAR ENDED 31 DECEMBER 2016

DCSL Corporate Services Limited was engaged by the ARM Group to undertake an appraisal of the Board of Directors of Mixta Real Estate Plc ("Mixta"), a subsidiary of the Group, for the year-ended 31st December 2016. Our appraisal entailed a review of the Company's corporate and statutory documents, the Minutes of Board and Committee meetings, policies in place and other ancillary documents made available to us. We also administered Questionnaires, Board and Peer Review Surveys to the Directors.

The essence of the review was to ascertain the level of the Board's compliance with corporate governance practices, with particular reference to the provisions of the Securities and Exchange Commission (SEC) Code of Corporate Governance 2011 (SEC Code) and international best practices, and covered the following seven key corporate governance themes:

1. Board Structure and Composition
2. Strategy and Planning
3. Board Operations and Effectiveness
4. Measuring and Monitoring of Performance
5. Risk Management and Compliance
6. Corporate Citizenship; and
7. Transparency and Disclosure.

Following the conclusion of the evaluation exercise, we can confirm that the Board sufficiently complied with the provisions of the SEC Code and that the activities of the Board and the Company are in sync with corporate governance best practice. In our opinion, the Directors displayed significant commitment to enhancing the Company's growth and achieving improvement in its performance.

The above notwithstanding, we have advised the need for the Board to define a selection criteria for appointment unto the Board as stipulated in **Section 13.2 of the SEC Code,** and a clear-cut framework for the delegation of Board authority as required under **Section 2.4 of the SEC Code.**

We also recommend that the Board should consider appointing an additional Executive Director to provide some balance on the Board.

Details of other key findings and recommendations are contained in our Report.

Yours faithfully,
For: DCSL Corporate Services Ltd

Bisi Adeyemi
Managing Director

DCSL
DCSL Corporate Services Limited

Director's Report

The Directors have the pleasure of presenting their report on the affairs of Mixta Real Estate Plc formerly "ARM Properties Plc" ("Mixta Real Estate" or "the Company") and its subsidiary companies (together "the Group") together with the financial statements and auditor's report for the year ended 31 December 2016.

Principal activity

The Group provides property development and investment services. The Group undertakes real estate development projects with the aim of outright sale or lease of the properties to meet the needs of individuals and corporate bodies. The Company makes equity and debt investments in property development entities as part of its investment strategy. There have been no material changes to the nature of the Group's business from prior periods.

Legal form and business review

ARM Properties was initially incorporated as ARM Real Estate Investment Plc. on 6 February, 2006. Its name was changed to ARM Properties Plc on December 21, 2007. The name ARM Properties Plc was then changed to Mixta Real Estate Plc on 29 September 2015.

The Company currently has six (6) subsidiaries; Crosstown Mall Properties Limited (99.9%), Adiva Properties Limited (99.9%), Oluwole Urban Mall Property Limited (70%), Oakland Properties Limited (99.9%), Toll System Development Company Limited - TSD (88%) and Summerville Golf Club Limited (67.9%). The Company also has joint control and owns 51% of the interest in a joint arrangement, Garden City Golf Estate Development Limited ("Garden City"). Garden City is a Limited Liability Company whose primary business activity is the development of golf courses and ancillary amenities.

Operating results

The following is a summary of the Group and the Company's operating results for the year:

In thousands of naira	Group 31 Dec 2016	Group 31 Dec 2015	Company 31 Dec 2016	Company 31 Dec 2015
Profit before income tax	1,257,001	1,370,344	102,560	326,340
Income tax expense	(291,566)	(299,725)	(35,917)	(104,451)
Profit for the year	965,435	1,070,619	66,643	221,889
Non-controlling interest	(211,365)	(463,428)	–	–
Profit attributable to shareholders	754,070	607,191	66,643	221,889
Basic and diluted earnings per share (kobo)	45k	36k	4k	13k
Dividend per share - DPS in kobo	18k	23k	18k	23k

Director's Report

The directors have recommended the payment of N303 million as dividend representing 18kobo per share on the issued share capital of 1,683,558,000 shares of 50kobo each for the year ended 31 December 2016 (December 2015: 23k).

Directors and their interests:
The directors who served during the year were:

Hon. Justice George Oguntade (JSC Rtd) (CFR, CON)	-	Chairman
Mr Kola Ashiru-Balogun	-	Managing Director
Mr Bode Olaibi	-	Executive Director
Mr. Wale Odutola	-	Non-Executive Director
Mr. Deji Alli (OFR)	-	Non-Executive Director
Mrs. Chioma Okigbo	-	Non-Executive Director
Mr. Dafe Akpedeye (SAN) (OFR)	-	Non-Executive Director (Independent)
Arc. Eddy Eguavoen	-	Non-Executive Director (Independent)
Mr. Daniel Font (Spanish)	-	Non-Executive Director (Independent)

The direct interests of Directors in the issued share capital of the Company as recorded in the register of Directors shareholding and for the purposes of section 275 of the Companies and Allied Matters Act are as follows:

Names	December 2016	December 2015
Hon. Justice George Oguntade	Nil	Nil
Mr. Wale Odutola	2	2
Mr. Kola Ashiru-Balogun	40,000	40,000
Mr. Deji Alli	2	2
Mrs. Chioma Okigbo	300,000	300,000
Mr. Bode Olaibi	Nil	Nil
Mr. Dafe Akpedeye	Nil	Nil
Mr. Daniel Font	Nil	Nil
Arc. Eddy Eguavoen	Nil	Nil

The Directors have not notified the Company of any indirect interests they hold in the shares of the Company for the purpose of sections 275 and 276 of the Companies and Allied Matters Act of Nigeria.

Director's interest in contracts

For the purpose of section 277 of the Companies and Allied Matters Act, none of the existing directors had direct or indirect interests in contracts or proposed contracts with the Company during the period.

Substantial interest in shares

According to the register of members as at 31 December 2016, no shareholder held more than 5% of the issued share capital of the Company except the following:

Director's Report

Shareholders	31 December 2016 Number of shares held	31 December 2016 Percentage of Shareholding	31 December 2015 Number of shares held	31 December 2015 Percentage of Shareholding
Mixta Africa	644,009,407	38.25%	644,009,407	38.25%
Watford Properties Limited	409,784,975	24.34%	409,784,975	24.34%
Vetiva Capital Management Limited	239,818,025	14.24%	239,818,025	14.24%
ARM Nominees Limited*	108,277,577	6.43%	108,277,577	6.43%

** holds in trust shares on behalf of various investors*

Property and equipment

Information relating to changes in property and equipment is given in note 19 to the financial statements.

Health safety and welfare at work including employment of disabled persons

The Group enforces health and safety rules and practices at the work environment, which are reviewed and tested regularly. The Company retains top-class private hospitals where medical facilities are provided for staff and their immediate families at the Company's expense. Fire prevention and fire-fighting equipment are installed in strategic locations within the Company's premises.

The Group operates a Group Personal Accident Insurance cover for the benefit of its employees. It also operates a contributory pension plan in line with the Pension Reform Act 2014.

Applications from suitably qualified disabled persons are welcomed by the Group. Where an employee becomes disabled, every effort is made to ensure continued employment. At present, the Group has no disabled employee.

Subsequent event

There were no subsequent events which could have had a material effect on the state of affairs of the Company and Group as at 31 December 2016 or the profit for the year ended on that date, which have not been adequately provided for or disclosed.

Auditors

Messrs. KPMG Professional Services, having satisfied the relevant corporate governance rules on their tenure in office have indicated their willingness to continue in office as auditors to the Company. In accordance with Section 357 (2) of the Companies and Allied Matters Act of Nigeria therefore, the auditors will be re-appointed at the next annual general meeting of the Company without any resolution being passed.

BY ORDER OF THE BOARD

ARM TRUSTEES LIMITED

ARM Trustees Limited
Company Secretary
1, Mekunwen Road,
Off Oyinkan Abayomi Drive,
Ikoyi, Lagos.
31 March 2017

Statement of Directors' Responsibilities in Relation to the Financial Statements

The Directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act, Cap C.20, laws of the Federation of Nigeria, 2004 and Financial Reporting Council of Nigeria Act, 2011.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria, Cap C.20, laws of the Federation of Nigeria, 2004 and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made an assessment of the Group and Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Hon. Justice George Oguntade (Rtd JSC), (CFR,CON)
FRC/2013/NBA/00000003886
Chairman
31 March 2017

Kola Ashiru- Balogun
FRC/2016/IODN/00000015616
Managing Director
31 March 2017

Audit Committee Report

To the members of Mixta Real Estate Plc

In accordance with the provisions of Section 359 (6) of the Companies and Allied Matters Act, Cap C.20, laws of the Federation of Nigeria, 2004 the members of the Audit Committee of Mixta Real Estate Plc hereby report on the financial statements for the year ended 31 December 2016 as follows:

- We have exercised our statutory functions under Section 359 (6) of the Companies and Allied Matters Act, Cap C.20, laws of the Federation of Nigeria, 2004, and acknowledge the co-operation of management and staff in the conduct of these responsibilities.

- We are of the opinion that the accounting and reporting policies of the Company and Group are in accordance with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the period ended 31 December 2016 were satisfactory and reinforce the Group's internal control systems.

- We have deliberated on the findings of the external auditors, who have confirmed that necessary cooperation was received from management in the course of their statutory audit and we are satisfied with management's responses thereon to the external auditor's recommendations on accounting and internal control.

Mrs. Adenike Ogunlana
FRC/2015/ICAN/00000011613
Chairman, Audit Committee
23 March 2017

Members of the audit committee are:

1	Mrs. Adenike Ogunlana	Chairman
2	Mr. Deji Alli	Director
3	Mrs. Chioma Okigbo	Director
4	Mr. Ralph Osayameh	Member
5	Mr. Esan Ogunleye	Member
6	Mr. Wale Odutola	Director
7	Mr. Kola Ashiru-Balogun	Ex-officio member

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To the Members of **Mixta Real Estate Plc.**

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Mixta Real Estate Plc ("the Company") and its subsidiaries (together with the Company, "the Group"), which comprise the consolidated and separate statements of financial position as at 31 December 2016, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity, and the consolidated and separate statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 33 to 111.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Company and its subsidiaries as at 31 December 2016, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council of Nigeria Act, 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 Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report.

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

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

Key Audit Matters

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

The following Key Audit Matter applies to the consolidated and separate financial statements:

Measurement of trading properties

Properties acquired for resale of properties under construction for the purpose of sale in the ordinary course of business, are

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Registered in Nigeria No BN 986925

Abiola F. Bada
Adewale K. Ajayi
Ayobami L. Salami
Joseph O. Tegbe
Oladimeji I. Salaudeen
Oluwafemi O. Awotoye
Adebisi O. Lamikanra
Ajibola O. Olomola
Chibuzor N. Anyanechi
Kabir O. Okunlola
Olanike I. James
Oluwatoyin A. Gbagi
Adekunle A. Elebute
Ayodele A. Soyinka
Goodluck C. Obi
Mohammad M. Adama
Olumide O. Olayinka
Oguntayo I. Ogungbenro
Adetola P. Adeyemi
Ayodele H. Othihiwa
Ibitomi M. Adepoju
Oladapo R. Okubadejo
Olusegun A. Sowande
Victor U. Onyenkpa

Associate Partners:
Nneka C. Eluma
Temitope A. Onitiri

classified as trading properties by the Group and Company and are measured at the lower of cost and net realizable value. Net realizable value is determined based on current selling price of similar properties and on estimated selling prices for properties under construction.

The determination of the net realizable value involves estimation uncertainties and judgment in assessing whether the trading properties were carried at the lower of cost and net realizable value.

Our response:
Our audit procedures included:

Assessment of the reasonableness of the net realizable value per management with independent market information for similar properties.

Assessment of the net realizable value of landed property in trading properties, which was derived from the professional valuation report of similar investment property within the Group's property portfolio. We evaluated the qualification of the external expert engaged by management to determine if they are appropriately qualified to carry out the valuation exercise.

Refer to page 55 (Group accounting policies), page 73 (critical accounting policies) and page 93 (trading property)

The following Key Audit Matter applies to the consolidated financial statements only:

Valuation of investment property
The Group has investment in landed property, which is classified as investment property and is carried at fair value. The determination of the fair value involves management's estimate and exercise of significant judgment, which requires key subjective inputs and assumptions. The level of judgment involved in the determination of the fair value, makes Investment Property an area of significance in our audit.

Our response:
Our audit procedures included:

Evaluation of the qualification of the external experts engaged by management to ensure that they were qualified to carry out the valuation.

Assessment of the valuation results by the external expert engaged by management by comparing it to relevant independent property price information.

Evaluation of the reasonableness of the assumptions made for the valuation of the investment property of the Group.

Refer to page 55 (Group accounting policies), page 73 (critical accounting policies) and page 83 (investment properties)

Information Other than the Financial Statements and Audit Report thereon

The Directors are responsible for the other information.

The other information comprises the Directors' report, Statement of Directors' responsibilities, Report of the Audit Committee, value added statement, financial summary, which we obtained prior to the date of this report, and the Annual

Report, which is expected to be made available to us after that date. Other information does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

When we read the outstanding reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the Directors for the Consolidated Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act Cap C.20, Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council (FRC) of Nigeria, 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 consolidated financial statements, the directors are responsible for assessing the group'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 group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit group. 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 audit committee 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 audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period 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

Compliance with the requirements of Schedule 6 of the Companies and Allied Matters Act of Nigeria

In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books and the Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of accounts.Signed:

Kabir O. Okunlola
FRC/2012/ICAN/00000000428
For: KPMG Professional Services
Chartered Accountants
18 May 2017
Lagos, Nigeria

Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income

In thousands of Naira	Notes	Group 31 Dec 2016	Group 31 Dec 2015	Company 31 Dec 2016	Company 31 Dec 2015
Revenue-sales of trading properties	9	4,923,515	3,683,410	1,024,631	-
Cost of sales- trading properties	10	(3,251,370)	(2,244,396)	(718,213)	-
Profit on sale of trading properties		1,672,145	1,439,014	306,418	-
Fair value gain on investment property	11	1,884,400	976,420	-	-
Interest income	12	536,934	586,448	942,256	935,497
Other income	13	220,732	170,354	582,016	528,435
Other operating income		2,642,066	1,733,222	1,524,272	1,463,932
Net impairment (loss)/reversal on financial assets	14	(83,137)	(105,816)	(9,937)	16,073
Personnel expenses	15	(290,561)	(216,476)	(290,561)	(196,396)
Depreciation	19	(239,180)	(223,241)	(25,900)	(7,631)
Operating expenses	16	(625,038)	(577,409)	(501,112)	(448,675)
Total expenses		(1,237,916)	(1,122,942)	(827,510)	(636,629)
Operating profit before finance costs		3,076,295	2,049,294	1,003,180	827,303
Finance costs	17	(1,840,303)	(649,389)	(900,620)	(500,963)
Share of profit /(loss) of equity-accounted investment	22(c)	21,009	(29,561)	–	–
Profit before income tax		1,257,001	1,370,344	102,560	326,340
Income tax expense	30(b)	(291,566)	(299,725)	(35,917)	(104,451)
Profit for the year		965,435	1,070,619	66,643	221,889
Other comprehensive income		-	-	-	-
Other comprehensive income net of tax		-	-	-	-
Total comprehensive income for the year		965,435	1,070,619	66,643	221,889
Profit attributable to:					
Equity holders		754,070	607,191	66,643	221,889
Non-controlling interests		211,365	463,428	-	-
		965,435	1,070,619	66,643	221,889
Total comprehensive income attributable to:					
Equity holders		754,070	607,191	66,643	221,889
Non-controlling interests		211,365	463,428	-	-
		965,435	1,070,619	66,643	221,889
Basic and Diluted Earnings per share for profit attributable to the equity holders of the Company during the year (expressed in kobo per share):					
– Basic and Diluted Earnings per share (in kobo)	18	45k	36k	4k	13k

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

Consolidated and Separate Statements of Financial Position

In thousands of naira	Notes	Group 31 Dec 2016	Group 31 Dec 2015	Company 31 Dec 2016	Company 31 Dec 2015
Non-current assets					
Property and equipment	19	11,612,648	12,335,978	101,924	98,144
Investment property	20	57,575,884	55,589,800	-	-
Investment in subsidiaries	21	-	-	31,608,026	31,608,026
Equity-accounted investment	22	2,497,798	2,476,789	2,505,100	2,505,100
Loans to related entities	23	-	165,635	-	7,457
Total non-current assets		71,686,330	70,568,202	34,215,050	34,218,727
Current assets					
Loan to related entities	23	4,988,251	5,039,017	9,764,896	8,891,337
Trading properties	24	32,961,970	32,179,040	4,496,283	4,566,445
Debtors and prepayments	25	8,333,064	9,317,543	14,133,133	7,627,301
Cash and cash equivalents	26	656,838	848,438	522,463	713,296
Total current assets		46,940,123	47,384,038	28,916,775	21,798,379
Total assets		118,626,453	117,952,240	63,131,825	56,017,106
Non-current liabilities					
Borrowings	29	15,796,409	5,963,421	3,243,445	152,322
Deferred tax liabilities	27	5,701,756	5,510,525	12,554	9,763
Deposit for shares	28	31,855,488	31,856,738	31,606,738	31,606,738
Total non-current liabilities		53,353,653	43,330,684	34,862,737	31,768,823
Current liabilities					
Borrowings	29	9,370,098	14,299,251	2,834,012	2,784,968
Current income tax liability	30	2,179,277	2,344,456	414,371	640,463
Other liabilities and accruals	31	15,216,852	19,871,368	18,838,960	15,243,180
Deferred revenue-deposit from customers	32	7,467,146	9,012,103	882,519	126,787
Provisions	33	2,334,379	967,547	166,916	-
Total current liabilities		36,567,752	46,494,725	23,136,778	18,795,398
Total liabilities		89,921,405	89,825,409	57,999,515	50,564,221
Equity					
Share capital	34	841,779	841,779	841,779	841,779
Share premium	35	5,819,185	5,819,185	5,819,185	5,819,185
Common control acquisition deficit	36(a)	(2,920,407)	(2,920,407)	(2,156,000)	(2,156,000)
Retained earnings	36(b)	18,110,362	17,743,510	627,346	947,921
		21,850,919	21,484,067	5,132,310	5,452,885
Non-controlling interest	37	6,854,129	6,642,764	-	-
Total equity		28,705,048	28,126,831	5,132,310	5,452,885
Total liabilities and equity		118,626,453	117,952,240	63,131,825	56,017,106

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Hon. Justice George Oguntade (Rtd.), (CON,CFR)
FRC/2013/NBA/00000003886
Chairman

Kola Ashiru- Balogun
FRC/2016/IODN/00000015616
Managing Director

Rahman Akinwonmi
FRC/2013/ICAN/00000002759
Chief Financial Officer

Approved by the Board of Directors on 31 March 2017

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

Consolidated and Separate Statements of Changes in Equity

GROUP

For the year ended 31 December 2016

In thousands of naira	Share capital	Share premium	Retained earnings	Common control acquisition deficit	Non controlling Interest	Total equity
Balance at 1 January 2016	841,779	5,819,185	17,743,510	(2,920,407)	6,642,764	28,126,831
Total comprehensive income for the year:						
Profit for the year	-	-	754,070	-	211,365	965,435
Other comprehensive income, net of tax	-	-	-	-	-	-
	-	-	754,070	-	211,365	965,435
Transactions with equity holders						
Dividend paid	-	-	(387,218)	-	-	(387,218)
	-	-	(387,218)	-	-	(387,218)
Balance at 31 December 2016	**841,779**	**5,819,185**	**18,110,362**	**(2,920,407)**	**6,854,129**	**28,705,048**

For the year ended 31 December 2015

In thousands of naira	Share capital	Share premium	Retained earnings	Common control acquisition deficit	Non controlling Interest	Total equity
Balance at 1 January 2015	841,779	5,819,185	17,473,030	(2,920,407)	6,179,336	27,392,923
Total comprehensive income for the year:						
Profit for the year	-	-	607,191	-	463,428	1,070,619
Other comprehensive income, net of tax	-	-	-	-	-	-
	-	-	607,191	-	463,428	1,070,619
Transactions with equity holders						
Dividend paid	-	-	(336,711)	-	-	(336,711)
	-	-	(336,711)	-	-	(336,711)
Balance at 31 December 2015	841,779	5,819,185	17,743,510	(2,920,407)	6,642,764	28,126,831

Consolidated and Separate Statements of Changes in Equity

COMPANY

For the year ended 31 December 2016

In thousands of naira	Share capital	Share premium	Retained earnings	Common control acquisition deficit	Total equity
Balance at 1 January 2016	841,779	5,819,185	947,921	(2,156,000)	5,452,885
Total comprehensive income for the year:					
Profit for the year	-	-	66,643	-	66,643
	-	-	66,643	-	66,643
Transactions with equity holders					
Dividend paid	-	-	(387,218)	-	(387,218)
Balance at 31 December 2016	841,779	5,819,185	627,346	(2,156,000)	5,132,310

For the year ended 31 December 2015

In thousands of naira	Share capital	Share premium	Retained earnings	Common control acquisition deficit	Total equity
Balance at 1 January 2015	841,779	5,819,185	1,062,743	(2,156,000)	5,567,707
Total comprehensive income for the year:					
Profit for the year	-	-	221,889	-	221,889
	-	-	221,889	-	221,889
Transactions with equity holders					
Dividend paid	-	-	(336,711)	-	(336,711)
	-	-	(336,711)	-	(336,711)
Balance at 31 December 2015	841,779	5,819,185	947,921	(2,156,000)	5,452,885

Consolidated and Separate Statements of Cash Flows

In thousands of naira	Notes	Group 31-Dec-16	Group 31-Dec-15	Company 31-Dec-16	Company 31-Dec-15
Operating activities:					
Profit for the year		965,435	1,070,619	66,643	221,889
Income tax expense	30(b)	291,566	299,725	35,917	104,451
Profit before income tax		1,257,001	1,370,344	102,560	326,340
Adjustments to reconcile profit before taxation to net cash flow from operating activities:					
Depreciation	19	239,180	223,241	25,900	7,631
Net impairment loss/(reversal) in financial assets	14	83,137	105,816	9,937	(16,073)
Fair value gain on investment property	11	(1,884,400)	(976,420)	-	-
Interest income earned	12	(536,934)	(586,448)	(942,256)	(935,497)
Interest expense incurred	17	1,817,627	642,165	898,387	499,333
Provision	38(f)	1,366,832	967,548	166,916	-
Exchange loss/(gain)	13/16	37,790	36,030	(10,127)	2,146
Share of (profit)/loss of equity-accounted investment	22((c(I))	(21,009)	29,561	-	-
Net cash flow from operating activities before changes in operating assets and liabilities		2,359,224	1,811,837	251,317	(116,120)
Changes in:					
- Loan to related entities	38(a)	742,097	(240,148)	(1,252,328)	3,312,754
Trading properties	38(b)	1,062,094	(3,207,381)	70,162	(1,230,000)
- Debtor and prepayments	38(c)	900,651	(696,802)	(5,293,536)	(3,485,454)
- Other liabilities and accruals	38(d)	(4,685,512)	1,772,121	3,602,586	2,320,114
- Deposit for shares		(1,250)	-	-	-
- Deferred revenue- customer deposits	38(e)	(1,544,957)	(1,171,385)	755,732	42,278
		(1,167,653)	(1,731,758)	(1,866,067)	843,572
Interest received		11,998	33,200	116,376	126,535
Income tax paid	30(a)	(265,514)	(50,000)	(259,218)	(50,000)
VAT paid		(6,806)	(15,309)	(6,806)	(15,309)
Interest paid	29(d)	(818,409)	-	(284,202)	(23,717)
Net cash (used in)/generated from operating activities		(2,246,384)	(2,482,165)	(2,299,917)	881,081
Investing activities:					
Additional investment in investment properties	20b	(101,684)	-	-	-
Acquisition of property and equipment	19	(29,980)	(106,074)	(29,680)	(105,775)
Net cash used in investing activities		(131,664)	(106,074)	(29,680)	(105,775)
Financing activities:					
Dividend paid		(387,218)	(336,711)	(387,218)	(336,711)
Proceeds from borrowings	29(d)	3,015,444	1,665,859	2,575,982	50,000
Repayment of borrowings	29(d)	(441,779)	-	(50,000)	-
Net cash generated from /(used in) financing activities		2,186,447	1,329,148	2,138,764	(286,711)
Net (decrease) /increase in cash and cash equivalents		(191,601)	(1,259,091)	(190,833)	488,595
Cash and cash equivalent as at beginning of the year	26	848,438	2,107,529	713,296	224,701
Cash and cash equivalent as at year end	26	656,838	848,438	522,463	713,296

Notes to the Consolidated and Separate Financial Statements

1 Reporting entity

Mixta Real Estate Plc is a Company domiciled in Nigeria. The registered address of the Company's office is 8 Kasumu Ekemode Street, Off Saka Tinubu Street, Victoria Island, Lagos. The consolidated financial statements of the Company as at and for the year ended 31 December 2016 includes the Company and its subsidiaries (together, referred to as the "Group" and individually as "Group entities"). The Group offers real estate services to meet clients' needs.

Mixta Real Estate Plc is a subsidiary of Mixta Africa Group, which is the parent Company. Mixta Africa Group is primarily involved in residential construction, and the purchase, development and sale of land. The address of Mixta Africa's registered office is Calle Tavern 40, Barcelona Spain

2 Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and in the manner required by CAP C 2.0 Laws of the Companies and Allied Matters Act of Nigeria, and the Financial Reporting Council of Nigeria Act, 2011.

3 Basis of preparation

(a) Functional and presentation currency

These consolidated and separate financial statements are presented in Naira, which is the Company's functional currency. Except otherwise indicated, financial information presented in Naira have been rounded to the nearest thousands.

(b) Basis of measurement

These consolidated and separate financial statements are prepared on the historical cost basis except for:

i) investment property which is measured at fair value

ii) trading properties measured at the lower of cost and net realizable value.

iii) loans and receivables and other financial liabilities measured at amortized cost using the effective interest rate.

(c) Use of estimates and judgments

The preparation of the consolidated and separate financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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. Judgments made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment are discussed in the note 8 to the account.

(d) New standards and interpretations not yet adopted

A number of new standards, amendment to standards and interpretations are effective for annual periods beginning after 1 January 2017 and earlier application is permitted; however, the Group and Company have not applied the following new or amended standards in preparing these consolidated and separate financial statements. The Group and Company do not plan to early adopt these standards. These will be adopted in the period that they become mandatory unless otherwise indicated:

Notes to the Consolidated and Separate Financial Statements

Those which may be relevant to the Group and Company are set out below.

Standard/Interpretation	Date issue by IASB	Effective date Periods beginning on or after	Summary of the requirements and assessment of impact
Amendments to IAS 7 *Disclosure Initiative*	January 2016	1 January 2017 Early adoption is permitted	The amendments provide for disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. This includes providing a reconciliation between the opening and closing balances arising from financing activities. The Group will adopt the amendments for the year ending 31 December 2017.
Amendments to IAS 12 *Recognition of Deferred Tax Assets for Unrealised Losses*	January 2016	1 January 2017 Early adoption is permitted	The amendments provide additional guidance on the existence of deductible temporary differences, which depend solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments also provide additional guidance on the methods used to calculate future taxable profit to establish whether a deferred tax asset can be recognised. Guidance is provided where an entity may assume that it will recover an asset for more than its carrying amount, provided that there is sufficient evidence that it is probable that the entity will achieve this. Guidance is provided for deductible temporary differences related to unrealised losses are not assessed separately for recognition. These are assessed on a combined basis, unless a tax law restricts the use of losses to deductions against income of a specific type The amendment is not expected to have any significant impact on the (consolidated) financial statements of the Group. The Group will adopt the amendments for the year ending 31 December 2017.

Notes to the Consolidated and Separate Financial Statements

Standard/Interpretation	Date issued by IASB	Effective date Periods beginning on or after	Summary of the requirements and assessment of impact
IFRS 15 Revenue from contracts with customers	May 2014	1 January 2018 Early adoption is permitted	This standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC-31 Revenue – Barter of Transactions Involving Advertising Services. The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. This new standard will most likely have a significant impact on the Group, which will include a possible change in the timing of when revenue is recognized and the amount of revenue recognized. The Group is yet to carry-out an assessment to determine the impact that the initial application of IFRS 15 could have on its business; however, the Group will adopt the standard for the year ending 31 December 2018.
IFRS 9 Financial Instruments	July 2014	1 January 2018 Early adoption is permitted	On 24 July 2014, the IASB issued the final IFRS 9 Financial Instruments Standard, which replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The Group is yet to carry-out an assessment to determine the impact that the initial application of IFRS 9 could have on its business; however, the Group will adopt the standard for the year ending 31 December 2018.

Standard/Interpretation	Date issued by IASB	Effective date Periods beginning on or after	Summary of the requirements and assessment of impact
IFRS 16	January 2016	1 January 2019 Early Adoption is permitted only for entities that adopt IFRS 15 Revenue from contracts with customers, at or	IFRS 16 *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.* The standard set out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). IFRS 16 eliminates the classification of leases as operating leases or finance lease as required by IAS 17 and introduces a single lessee accounting model. Applying the model, a lessee is required to recognize: a) assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value and b) depreciation of lease assets separately from interest on lease liabilities in the profit or loss For the lessor, IFRS 16 substantially carries forward the lessor accounting requirements of IAS 17. Accordingly, a lessor continues to classify its leases as operating lease or finance leases, and to account for these two types of leases differently. The Group is yet to carry out an assessment to determine the impact that the initial application of IFRS 16 could have on its business; however, the Group will adopt the standard for the year ending 31 December 2019.
IFRIC 22 *Foreign currency transactions and advance consideration*	December 2016	1 January 2018 Early adoption is permitted	The amendments provide guidance on the transaction date to be used in determining the exchange rate for translation of foreign currency transactions involving an advance payment or receipt. The amendments clarifies that the transaction date is the date on which the Company initially recognises the prepayment or deferred income arising from the advance consideration. For transactions involving multiple payments or receipts, each payment or receipt gives rise to a separate transaction date.

Standard/Interpretation	Date issued by IASB	Effective date Periods beginning on or after	Summary of the requirements and assessment of impact
			The interpretation applies when a Company: • pays or receives consideration in a foreign currency; and • recognises a non-monetary asset or liability – eg. non-refundable advance consideration – before recognising the related item. The Group/Company will adopt the amendments for the year ending 31 December 2018.
Amendments to IAS 40 *Transfers of Investment Property*	December 2016	1 January 2018 Early adoption is permitted	The IASB has amended the requirements of IAS 40 Investment Property on when a Company should transfer a property to, or from, investment property. The amendments state that a transfer is made when and only when there is a change in use – i.e. an asset ceases to meet the definition of investment property and there is evidence of a change in use. A change in management intention alone does not support a transfer. A company has a choice on transition to apply: • the prospective approach – i.e. apply the amendments to transfers that occur after the date of initial application – and also reassess the classification of property assets held at that date; or • the retrospective approach – i.e. apply the amendments retrospectively, but only if it does not involve the use of hindsight. The Group will adopt the amendments for the year ending 31 December 2018.

(e) The following new or amended standards are not expected to have a significant impact on the Group's consolidated financial statements.

Accounting for Acquisition of Interests in Joint Operations (Amendments to IFRS 11)
Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)
Equity Method in Separate Financial Statements (Amendments to IAS 27)
Annual Improvements to IFRSs 2012–2014 Cycle – various standards
Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)
Disclosure Initiative (Amendments to IAS 1)

4 Changes in accounting policies

There has been no changes in the accounting policies of the Group during the year ended 31 December 2016 as the amendments to IFRS in 3(e) above which became effective for annual period beginning on 1 January 2016 had no impact on the Group's reporting.

5 Significant accounting policies

The Group consistently applied the following accounting policies presented in the financial statements.

(a) Basis of consolidation

(I) Subsidiaries

The Group consolidates the annual financial statements of investees which it controls. The Group controls an investee when:

- it has power over the investee;
- has exposure or rights to variable returns from its involvement with the investee; and
- has the ability to use its power to affect the returns from its involvement with the investee.

The annual financial statements of the investee are consolidated from the date on which the group acquires control up to the date that control ceases. Control is assessed on a continuous basis.

The proportion of comprehensive income and changes in equity allocated to the group and non-controlling interests are determined on the basis of the group's present ownership interest in the subsidiary.

Investments in subsidiaries are accounted for at cost less accumulated impairment losses (where applicable) in the separate financial statements. The carrying amounts of these investments are reviewed annually and impaired when necessary.

(ii) Business combinations

The Group applies IFRS 3 Business Combinations in accounting for business combinations.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognized in profit or loss immediately.

The Group measures goodwill at the acquisition date as the total of:
- the fair value of the consideration transferred, which is generally measured at fair value; plus
- the recognized amount of any non-controlling interests in the acquiree; plus if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Transactions costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

In the separate financial statements of the Company, investments in subsidiaries are accounted for at cost.

(iii) Transactions eliminated on consolidation

Intra-group transactions, balances and any unrealized incomes and expenses on transactions between companies within the Group (except for foreign currency transactions gains or losses) are eliminated in preparing the consolidated financial statements. Unrealised losses are also eliminated in the same manner as unrealized gains, but only to the extent that there is no evidence of impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(iv) Transactions with non-controlling interests

Transactions with non-controlling interests that do not result in the gain or loss of control, are accounted for as transactions with equity holders of the group. For purchases of additional interests from non-controlling interests, the difference between the purchase consideration and the group's proportionate share of the subsidiary's additional net asset value acquired is accounted for directly in equity.

Gains or losses on the partial disposal (where control is not lost) of the group's interest in a subsidiary to non-controlling interests are also accounted for directly in equity.

(v) Common control transactions

Common control transactions, in which the Company is the ultimate parent entity both before and after the transaction, are accounted for at book value.

The assets and liabilities acquired are recognized at the carrying amounts recognized previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity and any gain/loss arising is recognized directly in a capital reserve account in equity called common control acquisition deficit.

(vi) Non controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date.

NCI is subsequently measured at the initial recognised amount plus the share of profit and other comprehensive income attributable to the non-controlling shareholders.

(vii) Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost. Subsequently, that retained interest is accounted for as an equity-accounted investee or as an available for sale financial asset depending on the level of influence retained.

(viii) Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control for strategic financial and operating decisions. The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries

The Group's investments in joint ventures are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

The income statement reflects the Group's share of the results of operations of the joint ventures. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the joint ventures, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint ventures are eliminated to the extent of the interest in the joint ventures.

The financial statements of the joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in joint ventures. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint ventures is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint ventures and its carrying value, then recognizes the loss in the profit or loss.

Investments in joint venture is carried at cost in the separate financial statements.

(b) Foreign currency transactions

Transactions denominated in foreign currencies are recorded in Naira at the rate of exchange ruling at the date of each transaction. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included in the statement of profit/(loss).

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from translation of available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss) are recognised in OCI.

(c) Interest income and expense

Interest Income is made up of interest income on loans to related entities and cash and cash equivalent while interest expense is made up of interest on borrowings. Interest income and expense are recognized in the statement of comprehensive income using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

The calculation of the effective interest rate includes all fees and points paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

(d) Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Interest is capitalized as from the commencement of the development work until the date of practical completion, i.e., when substantially all of the development work is completed. The capitalization of finance costs is suspended if there are prolonged periods when development activity is interrupted.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(e) Income Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, regardless of when the payments is being made. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment and excluding taxes or duty. The Group has concluded that it is the principal in all of its revenue arrangement since it is the primary obligor in most of the revenue arrangements, it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of trading properties

Revenue from the sale of trading properties is recognized by the entity where an insignificant risk of ownership is retained i.e.;

i) when a significant portion of the risks and rewards of ownership have been transferred to the customer

ii) all managerial responsibilities and control are completely devolved to the customer

ii) where the costs and income on sale can be measured reliably.

iv) all significant performance obligations have been met.

Risks and rewards are transferred when the legal title or possession is passed to the customer.

Rental income

Rental income from property leased out under an operating lease is recognized in the profit or loss on a straight-line basis over the term of the lease.

Services fees

Revenue from services rendered (such as project and development management) is recognized in the profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due.

Dividends

Income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Other income

Other income represents income generated from sources other than rental income, sale of trading properties, services fees and dividend. It includes income realized from legal fees charged by the company on the sale of real estate products to third party customers. Income is recognized when the right to receive income is established.

(f) **Income tax expense**

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in Other Comprehensive Income or equity respectively.

Current tax

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

The current taxes include: Company Income Tax at 30% of taxable profit; Tertiary education tax at 2% of assessable profit; Capital Gain Tax at 10% of chargeable gains.

The Company is subject to the Companies Income Tax Act (CITA). Total amount of tax payable under CITA is determined based on the higher of two components namely Company income tax (based on taxable income (or loss) for the year; and Minimum tax (determined based on the sum of the highest of 0.25% of revenue of N500,000, 0.5% of gross profit, 0.25% of paid up share capital and 0.5% of net assets and 0.125% of revenue in excess of N500,000). Taxes based on taxable profit for the period are treated as current income tax in line with IAS 12; whereas taxes which is based on gross amounts is outside the scope of IAS 12 and therefore are not treated as current income tax.

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

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

Deferred tax

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment property held for sale that are measured using the fair value model, the carrying amount of such properties are presumed to be recovered entirely through the sale unless the presumption is rebutted. The presumption is rebutted when the investment property held for sale is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Management has reviewed the Group's investment property held for sale portfolio and concluded that none of the Group's investment property held for sale are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. Management has also determined that the 'sale' presumption set out in the amendments to IAS 12 is not rebutted. The Group has elected to recognize deferred tax on changes in fair value of the investment property held for sale as the Group is subject to capital gains taxes on disposal of its investment property.

(g) Financial assets and liabilities

Classification

The Group classifies cash and cash equivalents, debtors and receivables and loans to related parties as loans and receivables financial assets. Deposit for shares, borrowings and other liabilities are classified as other financial liabilities.

Recognition

The Group initially recognizes financial assets and liabilities on the trade date at which the Group becomes a party to the contractual provisions of the instrument except for loans and advances and long term borrowing which are recognized on the date that they are originated.

De-recognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or has assumed an obligation to pay those cash flows to one or more recipients, subject to certain criteria. Any interest in transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability.

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Group enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognized from the balance sheet. In transactions where the Group neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, it derecognizes the asset if control over the asset is lost.

The rights and obligations retained in the transfer are recognized separately as assets and liabilities as appropriate. In transfers where control over the asset is retained, the Group continues to recognize the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

Initial measurement

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement

(i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those classified by the Group as at fair value through profit or loss or available-for-sale.

Loans and receivables are measured at amortized cost using the effective interest rate method, less any impairment losses. Transaction costs that are integral to the effective rate are capitalized to the value of the loan and amortized through interest income as part of the effective interest rate. All of the Group's advances are included in the loans and receivables category.

Loans and receivables - Shareholders loan is a debt-like form of financing provided by shareholders. There are usually no stated terms of repayment. This complicates the measurement of the loan if it is not clear when repayment will take place, what the value of such repayment will be and what the term of the loan is. In such cases, they are considered repayable on demand, classified as current and measured at face value because it expects to realise the asset in its normal operating cycle.

(ii) *Financial liabilities*

The Group classifies its financial liabilities as measured at amortized cost.

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized as finance cost over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the date of the statement of financial position.

Deposit for shares are monies paid in by subscribers for subscription to the equity shares of the Group. Deposit for shares are recognised as financial liabilities as the Group has an obligation to deliver equity or the cash amounts deposited by the counterparties.

Deposit for shares can only be classified as capital if it is certain that the depositors have relinquished their rights to withdraw their application and the Group has allotted shares to such depositors for an amount equivalent to the value deposited. Also, any regulatory requirements in respect of allotment should have been fulfilled before any deposit for shares can be classified as capital. The Group has classified deposit for shares as non-current liabilities as the conversion and issuance of shares would not take place within 12 months. Deposit for shares is measured at carrying amount.

(iii) *Amortized cost measurement*

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

(iv) *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 in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximizes the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is the transaction price, i.e. the fair value of the consideration paid or received. If the Group determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price.

Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, the Group measures the assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk are managed by the Group on the basis of the net exposure to either market or credit risk. The net exposure is measured on the basis of a price that would be received to see a net long position (or paid to transfer a net short position) for a particular exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The Group recognizes transfers between levels of fair value hierarchy as of the end of the reporting period during which the change has occurred.

(v) *Identification and measurement of impairment*

Assets carried at amortized cost

The Group assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired.

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

The following factors are considered in assessing objective evidence of impairment:

- whether the customer is more than 90 days past due;
- the Group consents to a restructuring of the obligation, resulting in a diminished financial obligation demonstrated by a material forgiveness of debt or postponement of scheduled payments; or
- there is an observable data indicating that there is a measurable decrease in the estimated future cash flows of a group of financial assets, although the decrease cannot yet be identified with specific individual financial assets.

The Group assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the Group concludes that no collective allowance is required because all possible risks have been considered in the individual impairment tests.

If there is objective evidence that an impairment loss on a loan and receivable asset has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in profit or loss.

The calculation of the present value of the estimated future cash flows of a collateralized financial asset reflects the cash flows that may result from foreclosure, less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

To the extent that a loan is irrecoverable, it is written off against the related allowance for loan impairment.

Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the allowance for loan impairment in profit or loss. 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 recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognized in profit or loss.

Amounts reported as other assets are tested for impairment on an individual basis at the reporting date. In testing for impairment, the Group assess whether there is objective evidence that a loss event has occurred. If it is established that a loss event has occurred and the loss event has an impact on the recoverable amount of the asset, an impairment charge is taken against the asset's carrying amount.

(h) Offsetting financial instruments

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

Income and expenses are presented on a net basis only when permitted by accounting standards, or for gains and losses arising from a group of similar transactions.

(I) Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand, unrestricted balances held with Deposit Money Banks and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

Cash and cash equivalents are carried at amortized cost in the statement of financial position.

(j) Property and equipment

I Recognition and measurement

Items of property and equipment are carried at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

ii *Subsequent costs*

The cost of replacing part of an item of property or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

iii *Depreciation*

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognized or classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations.*

The estimated useful lives for the current and comparative period are as follows:

Leasehold land	Over the unexpired lease term
Building	50 years
Golf course improvements	50 years
Motor vehicles	4 years
Plant & Machinery	5 years
Furniture & fittings	5 years
Computer and office equipment	5 years
Leasehold Improvements	5 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

iv *De-recognition*

An item of property and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognized.

v *Other requirements*

Construction cost and improvements in respect of offices is carried as capital work-in-progress. On completion of construction or improvements, the related amounts are transferred to the appropriate category of property and equipment. Payments in advance for items of property and equipment are included as prepayments in "other assets" and upon delivery and availability for use, are classified as additions in the appropriate category of property and equipment.

(k) Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs (see Note 5 (d)). After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable.

Investment property under construction for which the fair value cannot be determined reliably, but for which the Company expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed - whichever is earlier. Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections.

Valuations are performed as of the reporting date by professional valuers who hold recognized and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the consolidated financial statements.

Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value. The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Changes in fair values are recognized in profit or loss. Investment property are derecognized when they have been disposed.

Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its fair value at the date of change in use.

(l) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment property, deferred tax assets and trading property) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Reversals of impairment losses are recognized in profit or loss.

(m) Leases

Group is the lessee

(i) Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(n) Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided for. A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

(o) Contingent liability

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefit is remote. A provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable is recognized, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent liabilities are assessed continually to determine whether an outflow of economic benefit has become probable.

(p) Share capital and reserves

(I) Share issue costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments. All other share issue costs are expensed.

(ii) *Dividend on ordinary shares*
Dividends on the ordinary shares are recognized in equity in the period in which they are paid or, if earlier, approved by the shareholders.

(iii) *Share premium*
The excess of the issue price proceeds over the nominal par value from the issue of shares are reported in share premium reserve.

(iv) *Retained earnings*
Retained earnings comprise the undistributed profits from previous periods which have not been reclassified to any specified reserves.

(v) *Common control acquisition deficit*
This represents the difference between the consideration paid and the capital of the company acquired under common control acquisitions whereby the Company and the investee entity remain under control of the ultimate parent entity both before and after the transaction.

(vi) *Treasury shares*
Where the Company or any member of the Group purchases the Company's shares, the consideration paid is deducted from the shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

(vii) *Earnings per share*
The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(q) Trading properties

(i) Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as trading property.

Where there is a change in use of investment property evidenced by the commencement of development with a view to sale, a reclassification is made to trading properties at their deemed cost which is the fair value at the date of reclassification. This would normally comprise expenditure incurred in acquiring the properties, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Trading properties acquired or being constructed for sale are initially recognised at cost. Trading properties are subsequently measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of trading property recognized in profit or loss on disposal is determined with reference to the carrying amount of such property at the date of disposal.

(ii) *Provisions:* This relates to cost of further works which may be required or performed on real estate already delivered to the buyer. The amount recognized as a provision represents the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provision is reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision shall be reversed.

(r) Employee benefits

(I) Short-term benefits

Short-term benefits consist of salaries, accumulated leave allowances, profit share, bonuses and any non-monetary benefits.

Short-term employee benefits are measured on an undiscounted basis and are expensed as the related services are provided.

A liability is recognized for the amount expected to be paid under short-term cash benefits such as accumulated leave and leave allowances if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be measured reliably.

(ii) Post-employment benefits

The Group has a defined contribution plan. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to the employee service in the current and prior periods. For defined contribution plans, the Group makes contributions on behalf of its employees to a mandatory scheme under the provisions of the Pension Reform Act. The Group has no further obligations once the contributions have been paid.

The contributions are recognized as employee benefit expenses when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or deduction in the future payment is available. For entities operating in Nigeria, the contribution by employees and the employing entities are 8% and 10% respectively of the employee's basic salary, housing, and transport allowances. Entities operating outside Nigeria contribute in line with the relevant pension laws in their jurisdictions.

(iii) Termination benefits

The Group recognizes termination benefits as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal dedicated plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. The Group settles termination benefits within twelve months and are accounted for as short-term benefits.

(s) Operating expense

Expenses are decreases in economic benefits during the accounting period in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Expenses are recognized on an accrual bases regardless of the time of spending cash. Expenses are recognized in the income statement when a decrease in future economic benefit related to a decrease in an assets or an increase of a liability has arisen that can be measured reliably.

Expenses are measured at historical cost except for fair value changes which represents the movement in fair value of investment property. Assets are recorded at the amount of cash or cash equivalents paid or their fair value of consideration given. Liabilities are recorded at the amount of proceeds received in exchange for the obligation. Only the portion of cost of a previous period that is related to the income earned during the reporting period is recognized as an expense. Expenses that are not related to the income earned during the reporting period, but expected to generate future economic benefits, are recorded in the financial statement as assets. The portion of assets which is intended for earning income in the future periods shall be recognized as an expense when the associated income is earned.

(t) Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes subsidiaries, associates, joint ventures as well as key management personnel.

Transactions between the Group and its subsidiaries meet the definition of related party transactions. These transactions are eliminated on consolidation and not disclosed in the consolidated financial statements.

In general, transactions with related parties are accounted for in accordance with the standards applicable to such transactions.

6 Financial risk management

(a) Introduction

Mixta Real Estate Plc continues to transform its business model to align with the changing real estate development landscape, while positioning itself to best take advantage of future opportunities, as it seeks to attain a leadership role within the industry.

As the African continent continues to experience socio-political advancement, Mixta Real Estate Plc, in the financial year ending December 2015, became a part of a property development Group with footprints in some African countries. Having become part of a Group that has positioned itself as an African player, seeking to bridge the housing gap that exists within Nigeria and across a number of other African countries, Mixta Real Estate Plc seeks to act as a growth catalyst in the Nigerian housing development landscape.

As we evolve towards attaining a leadership position within the Nigerian and, as a Group, the African real estate development landscape, we recognize that a variety of business risks is introduced into our operations. Therefore, we have built our business around sound risk management practices, so that as we actively seek opportunities to create value for our clients and stakeholders, we equally take a deliberate, concerted effort to preserve value.

A culture of risk management permeates all that we do and is applied across all business functions. A disciplined approach to risk taking ensures that we seek to understand our products and markets before taking investment decisions. Therefore, business decisions go through defined approval processes, including a thorough assessment of the risk-return trade-off.

With a strong risk management culture, we are building an enduring business model. One that will serve our ambition of delivering housing and other commercial real estate needs to Nigeria, while delivering optimal value to our shareholders.

(b) Objectives of Risk Management

Risk Management practices at Mixta Nigeria centre around building a sustainable business where acceptable risk profile is maintained. Therefore, our approach is driven by the following key objectives.

Business Sustainability: This represents resiliency over time. It involves our organisation's ability to survive significant internal and external shocks.

Accountability: This represents our organisation's and business manager's obligations to account for our activities, accept responsibility for them, and to disclose the results in a transparent manner.

Operational Efficiency: This represents our ability to deliver services in the most cost-effective manner possible while maintaining the highest feasible quality standards.

Risk/Reward Alignment: This is an optimization concept that seeks to achieve maximum possible return for each unit of risk taken.

(c) Key Developments in 2016

The Group took certain decisions in the course of the 2016 financial year that were aimed at improving our risk profile, while also positioning our business for sustainable future growth. Below are some of these decisions:

- Loan Acquisition of N2.5billion from First Bank of Nigeria to fund execution of new and existing projects
- Institution of a robust process to raise funds through the issuance of corporate bonds. The first phase was concluded in January 2017 with a total of N4.5billion raised

(d) Key & Emerging Risk Factors

Below are some risks that could adversely affect the Group. The Group has employed different measures in addressing these risks; however, this summary should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties.

1 The Group actively pursues development opportunities; hence, unsuccessful developments or a slowdown in development activities could adversely impact the Group's reputation, revenue growth and profitability.

2 Inadequate market demand for the Group's products – commercial and residential real estate - would result in higher inventory of home units; and would impact the Group's revenues and profitability.

3 The challenge of securing long-term borrowing that could match investment in medium to long-term projects and assets remains, as we continue to see shortage of long-term liquidity and minimal financing participation from local banks.

4 Difficulties in obtaining long-term funding would negatively impact corporate growth, speed of project execution, could result in increased cost of funds, and ultimately reduced profitability.

5 As deposit for home purchases is a key financing source, the inability or unwillingness of property buyers to meet their instalmental payment obligations for properties they have committed to purchase could significantly impact completion timelines, project cost and quality, corporate revenues, and ultimately profitability.

6 As a result of significant holdings in a number of strategic, long-term assets, the Group carries a liquidity gap in its books.

7 Adverse changes in regulatory or government policies could significantly affect the Group's businesses.

8 In the light of current macro-economic uncertainties, we expect that demand for luxury homes would remain subdued, thereby, impacting the Firm's high-end real estate product offering.

9 Due to the illiquid nature of real estate investments, the Group could be unable to alter the investment portfolio at an acceptable return in response to changes in economic conditions.

10 The value of the Group's real estate asset could be impacted by factors that could drive property prices within locations where these assets exist.

11 Loss of talents could result in an inability to operate efficiently and to deliver the required level of service that is promised to our clients. The Group continues to adopt different strategies to attract and retain quality personnel.

12 Given that we are a real estate development company, there is the risk that inadequacies or failures of project contractors would adversely impact project completion timelines, project cost and project quality.

13 The Group is exposed to various operational risks such as failed or inadequate processes, controls, systems, and the risk that its staff, vendors or other third party business partners may deliberately seek to breach established controls or to act in ways that are inconsistent with the Group's guidelines. In the event that any of the major risks should crystallize, it could adversely impact the Group's reputation and, hence, customer loyalty.

The Group reviews its strategic business risks on a continuous basis. The key risks are monitored and presented to Management and the Board Audit & Risk Committee from time to time. This process assists business managers in understanding the possible impact of each risk event and in defining mitigating actions relevant to each. In assessing possible impact, the Group considers both quantitative and qualitative outcome of a risk event, including possible reputational damage.

(e) Risk Management Framework

The Group's risk management framework is built around core components such as Governance, Strategy and Policies, on the one hand, and Systems, Tools and People, on the other. The framework allows for the Group's risk exposure to be proactively managed through a continuous process of identification, evaluation, monitoring and reporting.

Our governance structure defines the responsibilities for managing, monitoring and reporting risks. An independent Risk Management function, which monitors risk exposures across the Group, works closely with business managers in identifying and addressing risks in a timely manner and within acceptable corporate risk profile.

In order to sufficiently capture the interrelationships among the various risk exposures, our risk management approach fits in an encompassing Enterprise Risk Management (ERM) framework which addresses the risks we assume while conducting our business, in broad risk categories as summarized below:

Risk Type	Risk Description	Loss Characteristics
Market & Investment Risk	The risk of loss due to unfavourable movements in the value of assets.	This could result in loss of value to the Firm's property investment holdings
Project Risk	The risk of a negative impact on project quality, cost and/or completion timelines arising from failed or inadequate pre-defined scope, unexpected changes in project schedule or inadequate project resources.	This could result in significant project cost overruns; thereby resulting in eroded profit margins on such projects
Liquidity Risk	The risk that the Firm will not be able to meet its financial obligations as they fall due.	This could result in significant business disruption, delays in project completion or could hinder normal operations of the Firm
Operational Risk	The risk of loss arising from inadequate or failed internal processes, people, systems and external events.	This could result in business disruption, litigation costs and/or regulatory penalties

Risk Type	Risk Description	Loss Characteristics
Compliance Risk	The risk of loss arising from violations of, or non-conformance with laws & regulations	This could result in adverse reputational impact, significant financial losses arising from regulatory penalties; and in severe cases, loss of business licence
Credit Risk	The risk of loss arising from counterparty's inability or unwillingness to fulfill contractual obligations to the Group.	This could result in impairment in the Group's credit assets and could invariably affect its short to long-run liquidity needs.
Strategic Risk	The risk of loss due to adverse or improper implementation of business decisions, or lack of responsiveness to industry changes.	This could result in a significant loss of market share.
Reputational Risk	The risk of brand damage due to the failure to meet stakeholders' expectations with respect to the Firm's performance and behaviour.	This could result in a significant loss of market share; loss of key employees and costly litigation.

6.1 Market Risk and Investment Risk

Market risk is the risk of loss from unfavourable changes in the fair values of financial instruments caused by adverse moves in market variables, such as foreign exchange rates, interest rates, equity prices, commodity prices, credit spreads and implied volatilities of the market rates.

The Group is exposed to Market and investment risk due to possible fluctuations in factors such as foreign exchange rates and interest rates, and in changes in property value.

The objective of market risk management is to ensure that exposures are kept within acceptable limits, while optimizing returns. The Group's market and investment risk management practice seeks to achieve this through identifying the appropriate balance between risk and return in its investment decisions.

Therefore, investment decisions go through different levels of authorization before execution, and only after enhanced risk assessments and due diligence exercises.

6.1.1 Interest rate risk

Interest rate risk is the risk of loss to Net Interest Income (NII) arising from changes in market interest rates on rate sensitive assets and liabilities. The Group carries some interest rate sensitive assets and liabilities which are priced with fixed rates, but reprice at varying frequencies.

The analysis below describes reasonably possible movements in interest rates with all other variables held constant, showing likely impact of the gap between interest sensitive assets and liability:

(a) Repricing period of financial assets and liabilities

The table below analyses the Group's interest rate risk exposure on financial assets and liabilities. The financial assets and liabilities are included at carrying amount and categorised by the earlier of contractual repricing or maturity dates.

Group

As at Dec 31, 2016

In thousands of naira

	Note	Carrying Amount	Interest bearing instruments Up to 3 months	4 - 6 months	7 - 12 months	Over 12 months	Non-interest bearing instruments
Cash and cash equivalents	26	656,838	656,838	-	-	-	-
Loans to related entities	23	4,989,011	4,262,377	559,927	166,707	-	-
		5,645,849	4,919,215	559,927	166,707	-	-
Borrowings	29	25,166,507	2,513,073	5,302,117	1,561,428	15,789,889	-
Gap		(19,520,658)	2,406,142	(4,742,190)	(1,394,721)	(15,789,889)	-
Cumulative Gap			2,406,142	(2,336,048)	(3,730,769)	(19,520,658)	

Interest Rate Shock				
1%	24,061	(23,360)	(37,308)	(195,207)
2%	48,123	(46,721)	(74,615)	(390,413)
-1%	(24,061)	23,360	37,308	195,207
-2%	(48,123)	46,721	74,615	390,413

As at Dec 31, 2015

In thousands of naira

	Note	Carrying Amount	Interest bearing instruments Up to 3 months	4 - 6 months	7 - 12 months	Over 12 months	Non-interest bearing instruments
Cash and cash equivalents	26	848,438	654,978	-	-	-	193,460
Loans to related entities	23	5,204,652	-	1,066,892	-	4,137,760	-
		6,053,090	654,978	1,066,892	-	4,137,760	193,460
Borrowings	29	20,262,672	7,057,753	2,584,171	3,165,211	7,455,537	-
Gap		(14,209,582)	(6,402,775)	(1,517,279)	(3,165,211)	(3,317,777)	193,460
Cumulative Gap			(6,402,775)	(7,920,054)	(11,085,265)	(14,403,042)	(14,209,582)

Interest Rate Shock				
1%	(64,028)	(79,201)	(110,853)	(144,030)
2%	(128,056)	(158,401)	(221,705)	(288,061)
-1%	64,028	79,201	110,853	144,030
-2%	128,056	158,401	221,705	288,061

Company

As at Dec 31, 2016

In thousands of naira

			Interest bearing instruments				Non-interest
	Note	Carrying Amount	Up to 3 months	4 - 6 months	7 - 12 months	Over 12 months	bearing instruments
Cash and cash equivalents	26	522,463	522,463	-	-	-	-
Loans to related entities	23	9,764,896	8,437,877	1,327,019	-	-	-
		10,287,359	8,960,340	1,327,019	-	-	-
Borrowings	29	6,077,457	2,540,405	188,140	105,468	3,243,444	-
Gap		4,209,902	6,419,935	1,138,879	(105,468)	(3,243,444)	-
Cumulative Gap			6,419,935	7,558,814	7,453,346	4,209,902	
Interest Rate Shock							
1%		64,199	75,588	74,533	42,099		
2%		128,399	151,176	149,067	84,198		
-1%		(64,199)	(75,588)	(74,533)	(42,099)		
-2%		(128,399)	(151,176)	(149,067)	(84,198)		

As at Dec 31, 2015

In thousands of naira

			Interest bearing instruments				Non-interest
	Note	Carrying Amount	Up to 3 months	4 - 6 months	7 - 12 months	Over 12 months	bearing instruments
Cash and cash equivalents	26	713,296	604,457	-	-	-	108,839
Loans to related entities	23	8,898,794	-	1,066,892	-	7,831,902	-
		9,612,090	604,457	1,066,892	-	7,831,902	108,839
Borrowings	29	2,937,290	-	2,540,661	244,308	152,321	-
Gap		6,674,800	604,457	(1,473,769)	(244,308)	7,679,581	108,839
Cumulative Gap			604,457	(869,312)	(1,113,620)	6,565,961	6,674,800
Interest Rate Shock							
1%		6,045	(8,693)	(11,136)	65,660		
2%		12,089	(17,386)	(22,272)	131,319		
-1%		(6,045)	8,693	11,136	(65,660)		
-2%		(12,089)	17,386	22,272	(131,319)		

6.1.2 Foreign Exchange Risk

Foreign exchange risk is the risk of loss due to adverse movements in the exchange rates applicable to foreign currency denominated assets and liabilities. These are assets and liabilities which are denominated in a currency other than the Group's functional currency, Naira.

An adverse movement in applicable exchange rate would result in losses in foreign currency denominated assets, and increased exposures in unmatched foreign currency denominated liabilities. In addition, a foreign exchange liquidity mismatch could arise as a result of a mismatch in the maturity profile or liquidation timing of obligations or assets denominated in a foreign currency.

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The Group's exposure to foreign exchange risk arises from its debt obligations denominated in US Dollars (Note 29b(v & viii)). Foreign exchange risk exposure also arises from foreign currency obligations due to project contractors, consultants and other vendors from time to time.

- *Foreign Currency Concentration Risk*
The table below shows the Group and Company's structural foreign currency exposures for the period/year.

Group
As at Dec 31, 2016

In thousands of naira	Naira	USD	GBP	Total
Cash and cash equivalents	651,335	5,503	-	656,338
Loans to related entities	4,989,366	-	-	4,989,366
Debtors and receivables	8,673,734	-	-	8,673,734
	14,314,435	5,503	-	14,319,938

In thousands of naira	Naira	USD	GBP	Total
Deposit for shares	31,855,488	-	-	31,855,488
Borrowings	23,421,502	1,745,005	-	25,166,507
Other liabilities	14,498,352	-	-	14,498,352
	67,775,342	1,745,005	-	71,520,347
Net open position	(55,460,907)	(1,739,502)	-	(57,200,409)

Sensitivity analysis: Foreign Exchange	Naira	USD	GBP
10%	-	(173,950)	-
20%	-	(347,900)	-
-10%	-	173,950	-
-20%	-	347,900	-

As at Dec 31, 2015

In thousands of naira	Naira	USD	GBP	Total
Cash and cash equivalents	794,962	53,476	-	848,438
Loans to related entities	5,204,652	-	-	5,204,652
Debtors and receivables	9,618,870	-	-	9,618,870
	15,618,484	53,476	-	15,671,960

In thousands of naira	Naira	USD	GBP	Total
Deposit for shares	31,856,738	-	-	31,856,738
Borrowings	19,240,697	1,021,975	-	20,262,672
Other liabilities	19,564,563	-	-	19,564,563
	70,661,998	1,021,975	-	71,683,973
Net open position	(55,043,515)	(968,499)	-	(56,012,902)

Sensitivity analysis: Foreign Exchange	Naira	USD	GBP
10%	-	(96,850)	-
20%	-	(193,700)	-
-10%	-	96,850	-
-20%	-	193,700	-

Company
As at Dec 31, 2016

In thousands of naira	Naira	USD	GBP	Total
Cash and cash equivalents	518,958	3,505	-	22,463
Loans to related entities	9,764,896	-	-	9,764,896
Debtors and receivables	14,185,244	-	-	14,185,244
	24,469,097	3,505	-	24,472,602
Deposit for shares	31,606,738	-	-	31,606,738
Borrowings	6,039,199	38,258	-	6,077,457
Other liabilities	18,219,309	-	-	18,219,309
	55,865,246	38,258	-	55,903,504
Net open position	(31,396,149)	(34,753)	-	(31,430,902)

Sensitivity analysis: Foreign Exchange

	Naira	USD	GBP
10%	-	(3,475)	-
20%	-	(6,951)	-
-10%	-	3,475	-
-20%	-	6,951	-

Company

As at Dec 31, 2015

In thousands of naira	Naira	USD	GBP	Total
Cash and cash equivalents	659,820	53,476	-	713,296
Loans to related entities	8,898,794	-		8,898,794
Debtors and receivables	7,560,601	-		7,560,601
	17,119,215	53,476	-	17,172,691
Deposit for shares	31,606,738	-	-	31,606,738
Borrowings	2,937,290	-	-	2,937,290
Other liabilities	14,973,123	-	-	14,973,123
	49,517,151	-	-	49,517,151
Net open position	(32,397,936)	53,476	-	(32,344,460)

Sensitivity analysis: Foreign Exchange

	Naira	USD	GBP
10%	-	5,348	-
20%	-	10,695	-
-10%	-	(5,348)	-
-20%	-	(10,695)	-

6.2 Credit Risk

Credit Risk is the risk of loss arising from a counterparty's inability or unwillingness to fulfill contractual obligations to the Group. The Group is exposed to credit risk through the following transactions; Credit risk arises from cash and cash equivalents, deposits and placement with banks and other financial institutions as well as loans to related entities and receivables.

Credit risk from balances with banks and financial institutions is managed in accordance with the Group's Counterparty policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Group's maximum exposure to credit risk is provided below:

In thousands of naira	Cash and cash equivalents		Loans to Related Entities		Other receivables (excluding Prepayment)	
	Dec 2016	Dec 2015	Dec 2016	Dec 2015	Dec 2016	Dec 2015
Carrying amount	656,838	848,438	4,988,251	5,204,652	8,673,734	8,772,437
Assets at amortised cost						
Neither past due nor impaired	656,838	848,438	4,988,251	5,204,652	8,673,734	8,772,437
Impaired	-	-	760	760	512,661	429,523
Gross amount	656,838	848,438	4,989,011	5,204,412	9,186,395	9,201,960
Allowance for impairment (individual)	-	-	(760)	(760)	(512,661)	(429,523)
Carrying amount	656,838	848,438	4,988,251	5,204,652	8,673,734	8,772,437

The maximum exposure to credit risk the Company has is as follows:

In thousands of naira	Cash and cash equivalents		Loans to Related Entities		Other receivables (excluding Prepayment)	
	Dec 2016	Dec 2015	Dec 20156	Dec 2015	Dec 2016	Dec 2015
Carrying amount	522,463	713,296	9,764,896	8,898,794	14,185,244	7,560,601
Assets at amortised cost						
Neither past due nor impaired	522,463	713,296	9,764,896	8,898,794	14,185,244	7,560,601
Impaired	-	-	-	-	193,356	183,419
Gross amount	522,463	713,296	9,764,896	8,898,794	14,378,600	7,744,020
Allowance for impairment (individual)	-	-	-	-	(193,356)	(183,419)
Carrying amount	522,463	713,296	9,764,896	8,898,794	14,185,244	7,560,601

Management believes that the neither past due nor impaired amounts are still collectible in full based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

6.2.1 Credit Concentration

The table below breaks down the Group's main credit exposure at their carrying amounts, as categorized by the geographical region as at 31 December 2016 and 31 December 2015. For this table the Group has allocated exposure to regions based on the region of the of domiciliation of the counterparties.

Group

In thousands of naira	Cash and cash equivalents		Loans to Related Entities		Other receivables (excluding Prepayment)	
	Dec 2016	Dec 2015	Dec 2016	Dec 2015	Dec 2016	Dec 2015
In Nigeria						
South-west	656,838	848,438	472,439	1,341,208	8,341,975	8,883,508
South-south	-	-	4,171,633	3,864,204	303,478	279,815
Rest of West Africa	-	-	-	-	22,911	22,911
Europe	-	-	344,939	-	637,595	15,726
Gross amount	656,838	848,438	4,989,011	5,205,412	9,305,959	9,201,960
Allowance for specific impairment	-	-	(760)	(760)	(440,564)	(429,523)
Carrying amount	656,838	848,438	4,988,251	5,204,652	8,865,395	8,772,437

Company

In thousands of naira	Cash and cash equivalents		Loans to Related Entities		Other receivables (excluding Prepayment)	
	Dec 2016	Dec 2015	Dec 2016	Dec 2015	Dec 2016	Dec 2015
In Nigeria						
South-west	522,463	713,296	5,248,324	5,034,590	13,261,583	6,004,259
South-south	-	-	4,171,633	3,864,204	303,478	279,815
Rest of West Africa	-	-	-	-	22,911	1,421,091
Europe	-	-	344,939	-	637,595	38,855
Gross amount	522,463	713,296	9,764,896	8,898,794	14,225,567	7,744,020
Allowance for specific impairment	-	-	-	-	(193,356)	(183,419)
Carrying amount	522,463	713,296	9,764,896	8,898,794	14,032,211	7,560,001

6.3 Liquidity Risk Management

Liquidity Risk is the risk that the Group will be unable to efficiently meet both expected and unexpected current and future cash flow and collateral obligations as they fall due.

Prudent liquidity risk management includes maintaining a stock of high quality liquid assets, while at the same time securing long-term funding to ensure the availability of adequate funds to meet the Group's obligations as they fall due.

Liquidity Risk Profile

The key measure used in monitoring liquidity risk is the Maturity Gap Ratio, which is calculated as the ratio of maturity gap to maturing liabilities, across all currencies of exposure. The maturity gap is the difference between maturing assets and maturing liabilities within each maturity band.

The Maturity Gap Ratio displays the extent of mismatch between maturing assets and maturing liabilities. We review our Maturity Gap Ratio on a monthly basis, with closer attention to the 30-day gap.

In assigning maturing liabilities to each maturity band, the Group allocates a significant portion of its maturing liabilities to the earliest possible period in which such liabilities could be called. We believe that this is a more conservative approach to liquidity management which better prepares us for a stress situation. However, the actual experience is such that these liabilities have longer effective maturity, in some instances, greater than 12 months, such that should the maturity gap below be assessed using these effective maturity profiles, positive gaps would be observed in the short term, up to 12months. Therefore, in a normal business condition, and under a mild stress scenario, where market liquidity tightens and it is more difficult to raise short to medium term funds, the firm remains well able to meet its obligations as and when due.

Of note also is a significant financial liability item of N31.87b in Deposit for Shares, which represents amount to be converted to preference shares (See Note 29a(i)). Given this intent, therefore, an exclusion of this single financial liability item from the liquidity risk analysis would improve overall maturity gap in both the Company and Group's positions, resulting in overall gap of (N25bn) and (N0.74bn) in the Group and Company respectively.

The Group continues to adopt a number of strategies in managing short-term liquidity position, while also implementing activities aimed at improving long-term balance sheet structure.

The tables below analyzes the Group's and Company's financial liabilities and assets into relevant maturity groupings.

Group
31 December 2016

In thousands of naira	Carrying Amount	Gross Nominal (outflow) /inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Deposit for shares	31,856,738	(31,856,738)	-	-	-	(31,856,738)
Borrowing	25,166,503	(25,166,303)	(2,513,073)	(5,302,117)	(1,561,424)	(15,789,889)
Other liabilities and accruals	14,498,352	(14,343,945)	(306,293)	-	(3,698,096)	(10,339,556)
Total Financial Liabilities	71,521,593	(71,367,186)	(2,819,366)	(5,302,117)	(5,259,520)	(57,986,183)

Assets held for managing liquidity risk

In thousands of naira	Carrying Amount	Gross Nominal (outflow) /inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Loan to related entities	4,989,366	4,993,028	-	822,155	4,170,873	-
Debtors	8,673,734	6,949,123	745,997	210,809	1,972,947	4,019,370
Cash and cash equivalent	656,838	656,838	656,838	-	-	-
Total assets held for managing liquidity risk	14,319,938	12,598,989	1,402,835	1,032,364	6,143,820	4,019,370
Net liquidity (Gap)/Surplus	(57,201,655)	(58,768,197)	(1,416,531)	(4,269,153)	884,300	(53,966,813)
Cumulative Liquidity (Gap)/Surplus			(1,416,531)	(5,685,684)	(4,801,384)	(58,768,197)

Notes to the Consolidated and Separate Financial Statements

31 December 2015

In thousands of naira Gross	Carrying Amount	Nominal (outflow) /inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Deposit for shares	31,856,738	(31,856,738)				(31,856,738)
Borrowing	20,262,672	(20,262,672)	(8,523,125)	(2,584,171)	(3,159,249)	(5,996,127)
Other liabilities and accruals	19,564,563	(19,564,563)	(121,864)		(2,031,314)	(17,411,385)
Total Financial Liabilities	71,683,973	(71,683,973)	(8,644,989)	(2,584,171)	(5,190,563)	(55,264,250)

Assets held for managing liquidity risk

In thousands of naira	Carrying Amount	Gross Nominal (outflow) /inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Loan to related entities	5,204,652	5,204,652	-	1,066,132	-	4,138,520
Debtors	8,772,437	9,318,054	224,535	70,762	5,113,775	3,908,981
Cash and cash equivalent	848,438	848,438	848,438	-	-	-
Total assets held for managing liquidity risk	14,825,527	15,371,144	1,072,973	1,136,894	5,113,775	8,047,501
Net liquidity (Gap)/Surplus	(56,858,447)	(56,312,830)	(7,572,016)	(1,447,277)	(76,788)	(47,216,749)
Cumulative Liquidity (Gap)/Surplus			(7,572,016)	(9,019,293)	(9,096,081)	(56,312,830)

Company
31 December 2016

In thousands of naira	Carrying Amount	Gross Nominal (outflow) /inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Deposit for shares	31,606,738	(31,606,738)				(31,606,738)
Borrowings	6,077,457	(6,077,457)	(2,540,405)	(188,140)	(105,468)	(3,243,444)
Other liabilities and accruals	8,219,309	(18,219,309)	-	-	(18,219,309)	-
Total Financial Liabilities	55,903,504	(55,903,504)	(2,540,405)	(188,140)	(18,324,777)	(34,850,182)

In thousands of naira	Carrying Amount	Gross Nominal (outflow) /inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Loans and receivables	9,764,896	9,764,896	-	1,327,019	8,437,877	-
Debtors	14,185,244	10,409,213	893,038	19,064	5,399,150	4,097,961
Cash and cash equivalents	522,463	522,463	522,463	-	-	-
Total assets held for managing liquidity risk	24,472,603	20,696,572	1,415,501	1,346,083	13,837,027	4,097,961
Net liquidity (Gap)/Surplus	(30,430,901)	(35,206,932)	(1,124,904)	1,157,943	(4,487,750)	(30,752,221)
Cumulative Liquidity (Gap)/Surplus			(1,124,904)	33,039	(4,454,711)	(35,206,932)

. 31 December 2015

Financial Liabilities

In thousands of naira	Carrying Amount	Gross Nominal (outflow) /inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Deposit for shares	31,856,738	(31,608,026)				(31,608,026)
Borrowings	2,937,290	(3,140,430)	(398,700)	(2,291,904)	(290,726)	(159,100)
Other liabilities and accruals	14,973,123	(14,973,123)	(71,190)	(77,676)	(189,094)	(14,635,163)
Total Financial Liabilities	49,767,151	(49,721,579)	(469,890)	(2,369,580)	(479,820)	(46,402,289)

In thousands of naira	Carrying Amount	Gross Nominal (outflow) /inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Loans and receivables	8,898,794	13,259,951	116,309	-	11,810	13,131,832
Debtors	7,560,601	9,733,589	2,975,137	19,345	3,876,915	2,862,192
Cash and cash equivalents	713,296	713,296	713,296	-	-	-
Total assets held for managing liquidity risk	17,172,691	23,706,836	3,804,742	19,345	3,888,725	15,994,024
Net liquidity (Gap)/Surplus	(32,594,460)	(26,014,743)	3,334,852	(2,350,235)	3,408,905	(30,408,265)
Cumulative Liquidity (Gap)/Surplus			3,334,852	984,617	4,393,522	(26,014,743)

6.4Operational Risk

Operational risk is the risk of loss arising from inadequate or failed internal processes, people, systems and external events. Operational risk could result from erroneous transactions, fraudulent acts, performance failure of vendors, or business disruption, which could result in financial losses and/or reputational damage to the Group.

Mixta Real Estate manages operational risk using a well-established control framework, and tools such as Risk and Control Self Assessment (RCSA), Internal Loss Data Collection (LDC), Issues Management and Whistleblowing. The Company uses a bespoke system, Operation Risk Manager, as well as other excel based templates for collecting, managing, monitoring and reporting operational risk.
Operational risk loss events are escalated and managed using a four level escalation matrix depending on the amount of loss that may occur.

The Internal Loss Data Collection is the process with which the Group collects data on operational risk losses as they occur. This data collection is facilitated with the use of an Operational Risk System that has been tailored to the Group's operations, The OpRisk Manager. Risk events can be identified by any member of staff at any location within the Group. Once identified, the risk event is assigned to a member of staff with sufficient knowledge and authority to perform a causal analysis; and to recommend remedial actions.

RCSA is a forward looking evaluation of both potential and current risks faced within the Group on a daily basis. It also involves assessing the controls implemented to prevent, detect or mitigate the occurrence of the risks; as well as recommending actions for improving deficiencies, or designing new controls within the process. It is conducted in a workshop attended by business experts within the Group.

An issue is an observed gap, which has not necessarily resulted in a risk event, but has the potential to. Possible issues could include process flaws, control deficiencies, system deficiencies, observed misconducts of vendors and/or employees, lack of knowledge of relevant policies and procedures by staff, amongst others. Issue Management, therefore, is a proactive process of identifying, assessing, managing and monitoring issues that have a potential to result in risk events within the Group. The objective is to resolve these issues before they result in actual losses. The Risk Management team identifies and assesses issues; while staff members are trained on an on-going basis on the ability to identify risk issues and proffer possible solutions to mitigate or eliminate any observed issue. Risk issues are monitored until they are addressed and closed out.

Our Whistleblowing system enables anonymous as well as confidential reporting of observed misconduct within the Group. Stakeholders such as Regulators, Shareholders, Clients and Staff can make use of the Whistleblowing portal on the corporate website or call the Whistleblowing hotline for seamless reporting of misconducts. All information obtained via the Whistleblowing channels are thoroughly investigated, and disciplinary actions are applied when necessary. In addition to the benefit of early identification of misconducts, the Whistleblowing system serves as a preventive control for fraud, bribery and other forms of misconduct within the Group.

Overlaying these forward looking, as well as event specific approach in managing operational risk is an active action management approach aimed at preventing occurrence, reducing possibility of occurrence, as well as mitigating the impact of operational risk events. Actions are assigned to risk owners or to delegated officers, known as Action Owners, who have sufficient knowledge and the authority to perform such remedial actions, within specified timelines. Action completion status is constantly monitored by the Risk Management Unit and reported to Unit Heads.

Reports generated from data collected from these operational risk management processes provide business managers, Executive Management and the Board with information to help maintain operational risk at appropriate levels within each business line.

The ultimate aim of the operational risk management activities is to improve operational efficiency as well as the quality of service delivery to clients through:

- Improved processes and operational guidelines
- Minimising occurrence of avoidable risk events
- Creating Group-wide risk awareness that guides behaviours and creates a careful approach to transaction handling and execution

6.5 Strategic and Reputational Risk

Strategic Risk is the risk of loss to earnings or capital arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to industry changes. Some strategic risk factors that the Group is exposed include: activities of competitors, political terrain; the economy; laws and regulations; changes in customer preferences and strategic business decisions.

Reputational Risk is the risk of loss to earnings or capital arising from damage to the Group's reputation. This damage could be as a result of poor communication; crisis mismanagement; poor service delivery; regulatory non-compliance; poor financial performance; poor corporate governance & leadership; inadequate Corporate Social Responsibility; or a lack of a strong workplace culture.

The Group's Strategic & Reputational Risk is managed closely with the Corporate Strategy Unit and the Marketing & Corporate Communication Unit respectively.

6.6 Capital Management

Our capital management objective is to maintain a strong capital base that is backed with high quality assets with stable valuations in a manner that sustains future development of business activities and creates sustainable value to our Shareholders.

In doing this, we focus on optimising the use of available capital, and in ensuring proper capital allocation amongst the different businesses, according to the Group's business and investment strategy, but in consideration of the level of risk, and return expectation from each business area. Our focus is to safeguard Shareholders' funds and to ensure that it is not jeopardised through unguarded risk taking.

The capital of the group is managed with a view of maintaining a controlled relationship between equity and debt in order to maintain an optimal capital structure which reduces the cost of capital.

The Gearing Ratio for the Group and the Company as at 31 December 2015 is shown below:

In thousands of naira	Group		Company	
	31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015
Borrowings (current and non-current)	25,166,507	20,262,672	6,077,457	2,937,290
Total Equity	28,705,048	28,126,831	5,132,310	5,452,885
Gearing Ratio	87.67%	72.04%	118.42%	53.87%

7 Financial assets and liabilities

The table below sets out the classification of each class of financial assets and liabilities. It does not include information on fair values as the carrying amounts are reasonable approximation of the fair values.

Group

31 December 2016 *In thousands of naira*	Note	Loans and receivables	Other financial liabilities	Total carrying amount
Cash and cash equivalents	26	656,838	-	656,838
Loans to related entities	23	4,988,251	-	4,988,251
Debtors and receivables	25	8,673,734	-	8,673,734
		14,318,823	-	14,318,823
Deposit for shares	28	-	31,855,488	31,855,488
Borrowings	29	-	25,166,507	25,166,507
Other liabilities	31	-	14,498,352	14,498,352
		-	71,520,347	71,520,347

31 December 2015 *In thousands of naira*	Note	Loans and receivables	Other financial liabilities	Total carrying amount
Cash and cash equivalents	26	848,438	-	848,438
Loans to related entities	23	5,204,652	-	5,204,652
Debtors and receivables	25	9,618,870	-	9,618,870
		15,671,960	-	15,671,960
Deposit for shares	28	-	31,856,738	31,856,738
Borrowings	29	-	20,262,672	20,262,672
Other liabilities	31	-	19,564,563	19,564,563
		-	71,683,973	71,683,973

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Company
31 December 2016

In thousands of naira	Note	Loans and receivables	Other financial liabilities	Total carrying amount
Cash and cash equivalents	26	522,463	-	522,463
Loans to related entities	23	9,764,896	-	9,764,896
Debtors and receivables	25	14,185,244	-	14,185,244
		24,472,603	-	24,472,603
Deposit for shares	28	-	31,606,738	31,606,738
Borrowings	29	-	6,077,457	6,077,457
Other liabilities	31	-	18,219,309	18,219,309
		-	55,903,504	55,903,504

31 December 2015

In thousands of naira	Note	Loans and receivables	Other financial liabilities	Total carrying amount
Cash and cash equivalents	26	713,296	-	713,296
Loans to related entities	23	8,898,794	-	8,898,794
Debtors and receivables (excluding prepayments and deposit for land)	25	7,560,601	-	7,560,601
		17,172,691	-	17,172,691
Deposit for shares	28	-	31,606,738	31,606,738
Borrowings	29	-	2,937,290	2,937,290
Other liabilities	31	-	14,973,123	14,973,123
		-	49,517,151	49,517,151

8 Critical accounting estimates and judgement.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the consolidated financial statements:

(i) Determination of significant influence over investees

Management applies its judgement to determine whether the control indicators set out in Note 5(a) indicate that the Group controls an entity. According to IAS 28, a 20% or more interest in an investee leads to a rebuttable presumption that the investor has significant influence over the investee.

The Group holds an indirect interest of 29.3% in Lakowe Lakes Golf Club Limited ("Lakowe"). (i.e. Mixta Real Estate Plc has an 88% stake in Toll Systems Development Company which in turn holds a 33.3% stake in Lakowe). However, having considered the fact and circumstances, including the non-representation of Mixta

Real Estate Plc on the board of Lakowe, management has concluded that the Group does not have significant influence over Lakowe and the entity is not an associate of Mixta Real Estate Plc.

(ii) Classification of property

The Group determines whether a property is classified as investment property or trading property (inventory).

Investment property comprises land that is not for sale in the ordinary course of business, but are held primarily to earn capital appreciation.

Trading properties comprises properties that are held for sale in the ordinary course of business. Principally, this is residential property that the Group develops and intends to sell before or on completion of construction.

Management has classified the land bank held by Toll Systems Development Company Limited as investment property as it is primarily being held for capital appreciation and for investment in new subsidiaries through exchange for equity interest and/or debt finance.

(iii) Considerations on joint arrangement

The Group acquired a 51% equity interest in Garden City Golf Estate Development Limited ("Garden City"). Garden City is a structured separate vehicle established as a Limited Liability Company to carry on business generally as developers of golf courses and ancillary amenities.

The Group has (after considering the structure and form of the arrangement, the terms agreed by the parties in the executed memorandum of understanding, and the Group's rights and obligations arising from the subsequent acquisition from ARM Company from the arrangement) classified its interests as joint ventures and accounted for the acquisition in line with the policies disclosed in note 5(a)(viii).

(iv) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

On the sale of trading properties, revenue is recognised when Mixta Real Estate Plc retains only an insignificant risk of ownership and it meets significant performance obligations due to the customer.

The Group recognises revenue on customers who have made deposits equal to or more than 70% of the value of the property or when it transfers to the buyer, control and the significant risks and rewards of ownership of the property. It however, retains the legal title to the property solely to protect the collectibility of the balance outstanding.

In addition, when Mixta Real Estate Plc has met significant performance obligations, it may be required to perform further work on real estate already delivered to the buyer. In such cases, it recognises a liability and an expense in accordance with its revenue policy.

(b) Critical accounting estimates and assumptions

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and management judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(i) Fair value of financial instruments

The Company's policy on fair value measurements is discussed under note 5(g)(iv).

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 : Quoted market price(unadjusted) in an active market for an identical instrument.

Level 2 : Valuation techniques based on observable inputs, either directly - i.e. , as prices - or indirectly - i.e. derived from prices. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3 : Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data. Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally determined based on inputs of a similar nature, historic observations on the level of the input or analytical techniques.

The Group did not have any financial instruments measured and carried at fair value as at the end of the reporting period.

The financial instruments were not analyzed by the level in the fair value hierarchy into which each fair value measurement is categorised because the carry amounts of these instruments are reasonable approximation of fair value.

(ii) Investment property

Investment property is measured at fair value in line with the Group's accounting policy disclosed in note 5(k). The Group's investment property is valued at each reporting date by independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment property valued. For all investment property, their current use equates to the highest and best use.

Management reviews the valuations performed by the independent valuers for financial reporting purposes. Discussions of valuation processes and results are also held with the independent valuers to:

- verify all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation report.

Further details of the judgements and assumptions made in the valuation of investment property are disclosed in note 20(d)

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(iii) Estimation of net-realisable value for trading properties

Trading properties are stated at the lower of cost and net realisable value (NRV).

NRV for completed trading property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions identified by the Group for properties in the same geographical market serving the same real estate segment.

NRV in respect of trading property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction, estimated costs to complete construction and an estimate of the time value of money to the date of completion.

(iv) *Impairment losses on loans*

Loans to related parties accounted for at amortized cost are evaluated for impairment on a basis described in note 5(g)(v).

The Group reviews its outstanding loan balances to assess impairment on an annual basis. In determining whether a specific impairment loss should be recorded in profit or loss, the Group makes judgements as to whether there is any observable data indicating an impairment trigger. The trigger may include observable data indicating that the borrower is unable to fulfil the repayment obligations as per contractual terms e.g. significant financial difficulty being experienced by the borrower, occurrence of default/delays in interest or principal repayments, restructuring of the credit facilities by giving extraordinary concessions to borrower etc.

The specific component of the total allowances for impairment applies to facilities evaluated individually for impairment and is based upon management's best estimate of the present value of the cash flows that are expected to be received. In estimating these cash flows, management makes judgements about a debtor's financial situation and the net realisable value of any underlying collateral. Each impaired facility is assessed on its merits, and the workout strategy and estimate of cash flows considered recoverable are independently approved by the risk management function.

9 Revenue-sales of trading properties

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Sales of trading properties	4,923,515	3,683,410	1,024,631	-
	4,923,515	3,683,410	1,024,631	-

10 Cost of sales- trading properties

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Carrying value of land sold (see note (24(b))	2,379,250	2,244,396	551,297	-
Provision for future Cost	872,120	-	166,916	-
	3,251,370	2,244,396	718,213	-

11 Fair value gain on investment property

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Gain on fair valuation of investment property	1,884,400	976,420	-	-
	1,884,400	976,420	-	-

The total gains for the year which has been included in profit or loss is attributable to the increase in the fair value of investment property held at the end of the reporting period (see note 20(b).

12 Interest income

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Interest income on instruments measured at amortized cost				
Loans to related entities (see note 24(b))	524,936	553,248	930,258	933,497
Cash and cash equivalents	11,998	33,200	11,998	-
Total income	536,934	586,448	942,256	935,497

(a) The following are the sources of the interest income from related entities:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Farapark Properties Limited*	-	5,470	-	5,470
Summerville Golf Club Limited	-	-	404,122	436,120
Oceanwinds Hospitality*	145,215	171,139	145,215	171,139
Oakland Properties Limited	-	-	-	30,394
Adiva properties limited	-	-	28,014	-
Oluwole Urban Malls Property Limited	-	-	-	55
ARM Investment Managers Limited	9,219	-	-	-
Beachwood Properties Development Company*	818	634	-	-
Lakowe Lakes Golf Club Limited*	17,316	85,166	539	1,480
Mixta Africa S.A	44,939	-	44,939	-
Garden City Golf Estate Development Limited*	307,429	290,839	307,429	290,839
	524,936	553,248	930,258	935,497

** represents entities that are not controlled by the Group*

13 Other income

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Management fee (see (a) below)	92,819	74,022	353,415	334,618
Development fee (see (b) below)	-	-	106,920	106,920
Other income (see (b) below)	162,708	73,664	108,559	64,229
Rental Income (see (d) below)	2,995	22,668	2,995	22,668
Exchange (loss)/gain	(37,790)	-	10,127	-
Total income	220,732	170,354	582,016	528,435

a Management fee

This represents fees earned with respect to the provision of overall project supervision for management of real estate construction projects ("The Village" and "Enclave") being undertaken by Summerville Golf Club Limited ("Summerville") as well as the "Garden City Golf Estate" project being undertaken by Garden City Golf Estate Development Limited ("Garden City").

A flat fee is charged monthly for the provision of overall project supervision for management of real estate construction projects ("The Village" and "Enclave") being undertaken by Summerville Golf Club Limited

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("Summerville") while a fee of 1% of the overall project cost is charged on project being undertaken by Garden City Golf Estate Development Limited ("Garden City").

b Development fee

This represents fees earned with respect to the provision of overall project supervision for the development of real estate construction projects ("The Village" and "Enclave") being undertaken by Summerville. A flat fee is charged monthly for the provision of overall project supervision for management of real estate construction projects ("The Village" and "Enclave") being undertaken by Summerville Golf Club Limited ("Summerville"). Development fee is eliminated on consolidation.

c Other income

This represents income realised from legal fees charged by the Company on the sale of real estate products to third party customers. The Company engages the services of the Legal Unit of ARM Investment Limited to provide necessary legal services with respect to these sales. The portion of the overall legal fees not used for the execution of title deed is recognized as income while the remaining is used to fund title documentation of such properties sold.

d Rental Income

This represents income earned with respect to sub- lease of office space This income however does not form part of the Group's revenue in its ordinary course of business.

14 Net impairment loss/(reversal) on financial assets

Allowance for losses comprise:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Loans from related parties				
Impairment charge/(credit) on loans to related parties (Note 23 (c))	-	-	-	(75,217)
	-	-	-	(75,217)
Debtors and Prepayments				
Specific impairment charge for doubtful receivables (Note 25(d))	80,854	105,816	9,937	62,862
Allowance for unsubstantiated bank balance	2,283	-	-	-
Write back during the period (Note 25 (d))	-	-	-	(3,718)
	83,137	105,816	9,937	59,144
Total	83,137	105,816	9,937	(16,073)

15 Personnel expenses

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Wages and salaries	254,701	194,861	254,701	175,037
Contributions to defined contribution plans	20,657	15,518	20,657	15,267
Other staff costs	15,203	6,097	15,203	6,092
	290,561	216,476	290,561	196,396

ii The number of employees of the Company other than directors, who received emoluments in the following ranges (excluding pension contributions) were:

	Group 2016 Number	Group 2015 Number	Company 2016 Number	Company 2015 Number
Below N2,000,000	2	2	2	2
N2,000,001 - N4,000,000	17	2	17	2
N4,000,001 - N6,000,000	7	-	7	-
N6,000,001 - N8,000,000	4	3	4	3
N8,000,001 - N10,000,000	4	2	4	2
Above N10,000,000	6	5	6	5
	40	14	40	14

iii The average number of persons employed by the Group/Company during the period was as follows:

	Group 2016 Number	Group 2015 Number	Company 2016 Number	Company 2015 Number
Management staff	4	4	4	4
Senior staff	6	3	6	3
Non-management staff	30	7	30	7
	40	14	40	14

(b) Directors

I. Directors' remuneration was paid as follows:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Short-term benefits:				
- Executive compensation	13,773	18,364	13,773	18,364
- Other allowances	42,477	56,368	42,477	56,368
Sitting allowances	7,100	4,150	7,100	4,150
Other fees and allowances	5,650	5,650	5,650	5,650
	69,000	84,532	69,000	84,532

i Directors' remuneration shown above (excluding pension contributions and certain benefits) includes:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Chairman	2,000	2,000	2,000	2,000
Highest paid director	2,000	2,000	2,000	2,000

ii The emoluments of all other directors were within the following ranges as follows:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
N100,000 - N600,000	-	-	-	-
N600,001 - N1,100,000	-	-	-	-
N1,100,001 - N1,500,000	-	-	-	-
N1,500,001 - N2,000,000	2	2	2	2

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16 Operating expenses:

(a) Operating expenses comprise:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Management fee expenses (see (b) below)	139,258	174,500	139,258	174,500
Audit fees	24,628	22,443	14,000	14,000
Professional fees	105,047	120,770	66,897	87,541
Travel and accommodation costs	26,313	20,902	25,633	20,486
Advertising costs	32,332	8,427	32,203	7,767
Subscriptions	2,898	4,594	1,701	2,239
Operating lease expense (see (c) below)	70,423	56,097	70,423	54,431
Insurance	13,089	7,544	12,785	6,834
Repairs and maintenance	19,760	15,576	17,148	6,787
Computer and telecommunication expenses	40,164	10,896	30,320	10,896
Directors Expenses	7,818	9,903	7,818	9,903
AGM Expense	6,540	4,641	6,540	4,641
Business promotions and gifts	8,192	20,992	6,893	20,992
Utility	18,269	8,112	16,494	7,920
Transportation Expenses	20,934	3,689	20,453	3,379
Security expenses	33,119	18,066	-	-
Administrative expenses	50,693	34,227	28,801	14,213
General expenses	5,561	-	3,745	-
Exchange loss	-	36,030	-	2,146
Total operating expenses	625,038	577,409	501,112	448,675

(b) Management fee expenses represent expenses incurred for administrative support services provided by Mixta Africa S.A. The Company's share was based on the Management Service Agreement ("MSA") dated 31 December 2015. The services detailed in the Management Service Agreement includes:

(I) Development and monitoring of specific real estate projects

(ii) Administrative, financial, legal, tax and accounting services

This covers human resource functions particularly in the area of staff training, legal support services, internal audit, financial and accounting services

It also covers the provision of regular economic and market research required for the Company for its day-to-day operations particularly investment activities and general advisory services.

(c) Operating lease expense represents rent expense incurred by the Company. The Company entered into a 5year lease agreement with ARM Life Plc for use of the office premises located at 8 Kasumu Ekemode Street, off Saka Tinubu Street Victoria Island Lagos. The lease commenced on the 1st of June 2015 and the Company is to expire on 30th May 2020. During the year, the Company paid rent for six(6) months for five(5) and there maining six(6)months was paid on floors for three(3) floors. This caused the total to be N70 million as opposed to the N93million per the agreement.

As at 31 december, the future minimum lease payments under non-cancellable leases were payable as follows

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Less than one year	91,911	93,311	91,911	93,311
Between one and five years	214,459	373,244	214,459	373,244
More than five years		-		-
	306,370	466,555	306,370	466,555

Notes to the Consolidated and Separate Financial Statements

17 Finance costs
Finance costs comprise:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Borrowings (See note 29(b) below)	1,817,627	642,165	898,387	499,333
Bank charges	4,015	7,224	2,233	1,630
Others	18,661			
Total interest expense	1,840,303	649,389	900,620	500,963

The following are the sources of interest on borrowings:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
ARM Trustees *	5,732	1,046	5,732	1,046
Townsville Properties Limited *	65,828	44,978	27,681	23,394
Beachwood Property Development Company Limited*	68,774	49,020	-	-
Oluwole Urban Mall Limited	-	-	-	269
Oakland Properties Limited	-	-	-	114
Adiva Properties Limited	-	-	-	34,176
First Bank Merchant*	394,646	-	394,646	-
MODD Family*	4,829	-	4,829	-
Hospitality and Retail Fund*	132	-	132	-
Shelter Afrique*	-	89,226	-	-
ARM Investment Managers Limited*	1,194,277	451,680	465,367	440,334
Others	83,409	6,215	-	-
	1,817,627	642,165	898,387	499,333

* represents entities that are not controlled by the Group.

18. Earnings and Dividend per share

(a) Earnings per share (EPS)
Basic and diluted earnings per share has been computed based on profit after taxation and the number of ordinary shares of 1,683,558,000 (2015: 1,683,558,000) in issue during the year.

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Profit attributable to Group shareholders	754,070	607,191	66,643	221,889
Number of ordinary shares in issue at year end	1,683,558	1,683,558	1,683,558	1,683,558
Earnings per share - EPS in kobo	45k	36k	4k	13k

The Group does not have any dilutive potential ordinary shares. Therefore, Basic EPS and Diluted EPS are the same for the Group.

(b) Dividend per share (DPS)
Dividend per share has been computed based on the dividend proposed and the number of ordinary shares of 1,683,558,000 (2015:1,683,558,000) in issue during the year.

Dividend proposed	303,040	387,218	303,040	387,218
Dividend per share - DPS in kobo	18k	23k	18k	23k

19(a)Property and equipment

Group
In thousands of Naira

	Leasehold Land	Building	Golf Course Improvements	Plant and Machinery	Motor Vehicle	Furniture & Fittings	Computer and Office Equipment	Work In Progress	Total
Balance at 1 January 2015	7,319,793	277,891	5,087,265	20,614	21,525	27,612	332	40,571	12,795,603
Additions	-	-	-	-	1,491	94,739	9,844	-	106,074
Reclassification from trading properties		-	47,208	-	-	-	-	-	47,208
Balance at 31 December 2015	7,319,793	277,891	5,134,473	20,614	23,016	122,351	10,176	40,571	12,948,885
Balance at 1 January 2016	7,319,793	277,891	5,134,473	20,614	23,016	122,351	10,176	40,571	12,948,885
Transfers			40,757	61,577	10,510	24,210	810	(40,571)	97,293
Additions	-	-	-	300	6,850	15,797	7,033	-	29,980
Reclassification to trading properties	(538,262)	-	-	-	-	-	-	-	(538,262)
Balance at 31 December 2016	6,781,531	277,891	5,175,230	82,491	40,376	162,358	18,019	-	12,537,896
ACCUMULATED DEPRECIATION									
Balance at 1 January 2015	164,490	11,116	203,490	-	3,852	6,718	-	-	389,666
Charge for the year	82,245	5,558	102,693	11,401	6,346	14,340	658	-	223,241
Balance at 31 December 2015	246,735	16,674	306,183	11,401	10,198	21,058	658	-	612,907
Balance at 1 January 2016	246,735	16,674	306,183	11,401	10,198	21,058	658	-	612,907
Transfer			1,897	61,577	10,512	22,564	801	-	97,351
Charge for the year	82,245	5,550	102,693	9,179	7,770	28,892	2,851	-	239,180
Reclassification to trading properties	(24,191)								(24,191)
Balance at 31 December 2016	304,789	22,224	410,773	82,157	28,480	72,514	4,310	-	925,247
Net book value at 31 December 2015	7,073,058	261,217	4,828,290	9,213	12,818	101,293	9,518	40,571	12,335,978
Net book value at 31 December 2016	6,476,742	255,667	4,764,457	334	11,896	89,844	13,709	-	11,612,648

Included in leasehold land is the golf course parcel of land measuring 150 hectares located at Km35 Lekki Epe Expressway Lakowe, Ibeju Lekki, Lagos being developed by Summerville Golf Club Limited ("Summerville").

This land has been pledged as collateral for the N5 Billion term loan obtained by Summerville from Access Bank Plc (See note 29).

There were no contractual commitments for the acquisition of property and equipment as at 31 December 2016 (2015 : nil)

19(b)Property and equipment

Company *In thousands of Naira*	Computer Hardware- Others	Furniture & Fittings	Office Equipment	Motor Vehicles	Total
COST					
Balance at 1 January 2015	-	-	-	-	-
Additions	4,218	94,739	5,328	1,490	105,775
Balance at 31 December 2015	4,218	94,739	5,328	1,490	105,775
Balance at 1 January 2016	4,218	94,739	5,328	1,490	105,775
Additions	3,802	15,797	3,231	6,850	29,680
Disposal	-	-	-	-	-
Balance at 31 December 2016	8,020	110,536	8,559	8,340	135,455
ACCUMULATED DEPRECIATION					
Balance at 1 January 2015	-	-	-	-	-
Charge for the year	128	6,394	422	687	7,631
Balance at 31 December 2015	128	6,394	422	687	7,631
Balance at 1 January 2016	128	6,394	422	687	7,631
Charge for the year	1,039	20,862	1,647	2,352	25,900
Disposal	-	-	-	-	-
Balance at 31 December 2016	1,167	27,256	2,069	3,039	33,531
Net book value at 31 December 2015	**4,090**	**88,345**	**4,906**	**803**	**98,144**
Net book value at 31 December 2016	6,853	83,280	6,490	5,301	101,924

There were no contractual commitments for the acquisition of property and equipment as at 31 December 2016 (2015 : nil)

20 Investment property

(a) Investment property comprises

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Land at Lakowe Village, Lekki (see note (C) below)	57,575,884	55,589,800	-	-
	57,575,884	55,589,800	-	-

(b) The movement in investment property is as follows:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance, beginning of year	55,589,800	54,613,380	-	-
Unrealized fair value gain (See note 11)	1,884,400	976,420	-	-
Additions during the year	101,684	-	-	-
Balance, end of year	57,575,884	55,589,800	-	-

(c) This represents 941.61 hectares of land bank held by Toll Systems Development Company Limited (TSD). The land bank is held for the capital appreciation and for the purpose of investing in Special Purpose Vehicles in exchange for equity and quasi equity in those entities The land bank is located at Lakowe Village, Lekki, Lagos. The property is carried at fair value.

(d) Valuation techniques used for fair valuation of investment property

Investment property is stated at fair value and has been determined based on valuations performed by Messrs Ubosi Eleh & Co., Estate Surveyors and Valuers (FRC/2013/NIESV/0000000/1493) as at 31 December 2016.

The fair value is supported by market evidence and represents the amount that would be received to sell the properties in an orderly transaction between market participants at the measurement date in the principal market to which the Group has access at the date of valuation, in accordance with standards issued by the International Valuation Standards Committee. Valuations are performed on an annual basis and the fair value gains and losses are reported in profit or loss. The profits or losses on disposal are also reported in profit or loss as they occurred.

The fair values of the Group's investment property are categorized into Level 3 of the fair value hierarchy.

Notes to the Consolidated and Separate Financial Statements

20(d) The details of valuation techniques and significant observable inputs used in determining the fair value of investment property are presented below :

Location of properties	Valuation (N'000)	Valuation technique	Property description	Significant unobservable input	Estimate	Sensitivity on management's estimates Impact Lower (N'000)	Impact Higher (N'000)
Land bank at Lakowe Village, Lekki	57,575,884	Sales comparison: The basis of valuation is the Market Value that is, the price, which an interest in a property might reasonably be expected to realize in a sale by Private Treaty assuming: a. a willing buyer; b. a reasonable period within which to negotiate the sale taking into account the nature of the property and the state of the market; c. values will remain static throughout the period; d. the property will be freely exposed to the market; e. no account is to be taken of an additional bid by a special purchaser; f. no account is to be taken of expenses of realization, which may arise in the event of a disposal.	The property consists of a large expanse of undeveloped land, surrounded by distinct and adjoining schemes namely Lakowe Lakes, Golf and Country Estate to the West, Adiva Plain fields and Adiva East to the NorthEast and Townsville to the East. Site: The site, which is slightly irregular in shape, appears level and well drained. It has a total area of approximately 941. 61hectares. Situation: Access to the property is vide the Lekki-Epe Expressway, which takes its route from Lekki first roundabout and terminates at Epe Lagos State.	Price per square meter	Sales price per square meter +/- 10%	5,558,980	5,558,980

The fair values of the Group's investment property are categorized into Level 3 of the fair value

Notes to the Consolidated and Separate Financial Statements

21 Investment in subsidiaries

(a) *Investment in subsidiaries all of which are measured at cost comprise:*

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Adiva Properties Limited	-	-	10	10
Cross Town Mall Limited	-	-	10	10
Oluwole Urban Mall Property Limited	-	-	7	7
Oakland Properties Limited	-	-	10	10
Toll System Development Company Limited		-	31,606,739	31,606,739
Summerville Golf Club Limited	-	-	1,250	1,250
	-	-	31,608,026	31,608,026

(b) The subsidiary companies' country of incorporation, nature of business, percentage equity holding and year consolidated with Mixta Real Estate Plc is as detailed below:

Subsidiaries	Country of Incorporation	Nature of Business	Year end	Percentage Holding 31 Dec 2016	31 Dec 2015
Adiva Properties Limited	Nigeria	Real estate	31 December	99.9%	99.9%
Cross Town Malls Properties Limited	Nigeria	Real estate	31 December	99.9%	99.9%
Oluwole Urban Mall Property Limited	Nigeria	Real estate	31 December	70.0%	70.0%
Oakland Properties Limited	Nigeria	Real estate	31 December	99.9%	99.9%
Toll System Development Company Limited	Nigeria	Real estate	31 December	88.0%	88.0%
Summerville Golf Club Limited	Nigeria	Real estate	31 December	67.9%	67.9%

Notes to the Consolidated and Separate Financial Statements

(c)The condensed financial data of the consolidated entities are as follows:

Condensed profit or loss

31 December 2016 *In thousands of Naira*	Group	Elimination	Mixta Real Estate Plc	Adiva Properties Limited	Cross Town Mall Properties Limited	Oluwole Urban Mall Property Limited	Oakland Properties Limited	Toll Systems Development Company Limited	Summerville Golf Club Limited
Gain on sale of trading properties	1,672,145	101,517	306,418	-	-	-	-	-	1,264,210
Fair value gain on investment property	1,884,400	-	-		-	-	-	1,884,400	-
Interest income	536,934	(432,024)	942,256	7,119	-	3,393	-	-	16,190
Other income	220,732	(415,433)	582,016	199	140	21,251	-	30,799	1,760
Net impairment (loss)/credit on financial assets	(83,137)	-	(9,937)	-	-	(70,814)	(2,283)	-	(104)
Operating expenses	(1,154,779)	47,705	(817,573)	(42,797)	(3,004)	(9,624)	(1,597)	(38,902)	(288,786)
Finance costs	(1,840,303)	27,902	(900,620)	(86,239)	(1)	(18,694)	(40)	(48,672)	(813,939)
Share of profit of equity-accounted investment	21,009	21,009	-	-	-	-	-	-	-
Profit/(loss) before income tax	1,257,001	(649,525)	102,560	(121,718)	(2,865)	(74,488)	(3,920)	1,827,625	179,331
Income tax expense	(291,566)	-	(35,917)	(3,100)	-	-	-	(188,440)	(64,109)
Profit/(loss) for the year	965,435	(649,525)	66,643	(124,818)	(2,865)	(74,488)	(3,920)	1,639,185	115,222

Condensed financial position

31 Dec 2016 *In thousands of Naira*	Group	Elimination	Mixta Real Estate Plc	Adiva Properties Limited	Cross Town Mall Properties Limited	Oluwole Urban Mall Property Limited	Oakland Properties Limited	Toll Systems Development Company Limited	Summerville Golf Club Limited
Property and equipment	11,612,648	-	101,924	-	-	-	-	-	11,510,724
Investment property	57,575,884	-	-	-	-	-	-	57,575,884	-
Investments in subsidiaries	-	(31,609,276)	31,608,026	-	-	-	-	1,250	-
Equity accounted investment	2,497,798	(8,552)	2,505,100	-	-	-	-	1,250	-
Loans to related entities	-	(169,368)	-	169,368	-	-	-	-	-
Total non-current assets	71,686,330	(31,787,196)	34,215,050	169,368	-	-	-	57,578,384	11,510,724
Loans to related entities	4,988,251	(5,076,587)	9,764,896	-	-	-	-	-	299,942
Trading properties	32,961,970	(1,807,697)	4,496,283	2,609,029	439,871	112,501	470,138	-	26,641,845
Debtors and prepayments	8,333,064	(16,944,884)	14,133,133	2,104,325	-	23,955	39,739	6,531,486	2,445,310
Cash and cash equivalents	656,838	-	522,463	22,053	494	39,363	-	(1,124)	73,589
Total current assets	46,940,123	(23,829,168)	28,916,775	4,735,407	440,365	175,819	509,877	6,530,362	29,460,686
Total assets	118,626,453	(55,616,364)	63,131,825	4,904,775	440,365	175,819	509,877	64,108,746	40,971,410

Notes to the Consolidated and Separate Financial Statements

In thousands of Naira	Group	Elimination	Mixta Real Estate Plc	Adiva Properties Limited	Cross Town Mall Properties Limited	Oluwole Urban Mall Property Limited	Oakland Properties Limited	Toll Systems Development Company Limited	Summerville Golf Club Limited
Borrowings	15,796,409	-	3,243,445	-	-	-	-	-	12,552,964
Deferred tax liabilities	5,701,756	-	12,554	-	-	-	-	5,689,202	-
Deposit for shares	31,855,488	(2,300,103)	31,606,738	-	-	-	-	-	2,548,853
Total non-current liabilities	53,353,653	(2,300,103)	34,862,737	-	-	-	-	5,689,202	15,101,817
Borrowings	9,370,098	(5,245,706)	2,834,012	759,665	-	-	-	316,168	10,705,959
Current income tax liability	2,179,277	(2)	414,371	367,729	121	106,591	-	1,150,166	140,300
Other liabilities	15,216,852	(14,258,798)	18,838,960	2,554,398	536,171	97,237	824,704	11,202	6,612,978
Deferred revenue-deposit from customers	7,467,146	-	882,519	111,490	27,669	40,915	29,904	-	6,379,649
Provision	2,334,379	496,393	166,916	-	-	-	-	-	1,671,070
Total current liabilities	36,567,752	(19,008,113)	23,136,778	3,793,282	563,961	244,743	849,608	1,477,536	25,509,956
Total liabilities	89,921,405	(21,308,216)	57,999,515	3,790,182	563,961	244,743	849,608	7,166,738	40,611,173
Share capital	841,779	(5,790)	841,779	10	10	10	10	2,000	3,750
Share premium	5,819,185	(1,607,096)	5,819,185	-	-	-	-	1,607,096	-
Common control acquisition deficit	(2,920,407)	(764,407)	(2,156,000)	-	-	-	-	-	-
Retained earnings	18,110,362	(38,288,592)	627,346	615,090	(123,606)	(68,934)	(339,741)	55,332,912	355,887
Non controlling interests	6,854,129	6,854,129	-						
Total equity	28,705,048	(33,811,756)	5,132,310	615,100	(123,596)	(68,924)	(339,731)	56,942,008	359,637
Total liabilities and equity	118,626,453	(55,119,971)	63,131,825	4,408,382	440,365	175,819	509,877	64,108,746	40,971,410

Notes to the Consolidated and Separate Financial Statements

Condensed profit or loss
31 December 2015

In thousands of Naira	Group	Elimination	Mixta Real Estate Plc	Adiva Properties Limited	Cross Town Mall Properties Limited	Oluwole Urban Mall Property Limited	Oakland Properties Limited	Toll Systems Development Company Limited	Summerville Golf Club Limited
Gain/(loss) on sale of trading properties	1,439,014	158,480	-	-	-	-	(93,545)	-	1,374,079
Fair value gain on investment property	976,420	-	-	-	-	-	-	976,420	-
Interest income	586,448	(723,404)	935,497	215,849	-	42,546	5,553	27,476	82,931
Other income	170,354	(367,516)	528,435	1,544	-	1,200	3	-	6,688
Net impairment (loss)/credit on financial assets	(105,816)	(78,935)	16,073	-	-	(42,954)	-	-	-
Operating expenses	(1,017,126)	(14,921)	(652,702)	(48,578)	(840)	(3,364)	(2,301)	(19,378)	(275,042)
Finance costs	(649,389)	203,058	(500,963)	(135,772)	(45,545)	(22,198)	(101,549)	(41,038)	(5,382)
Share of loss of equity-accounted investment	(29,561)	(29,561)	-	-	-	-	-	-	-
Profit/(loss) before income tax	**1,370,344**	**(852,799)**	**326,340**	**33,043**	**(46,385)**	**(24,770)**	**(191,839)**	**943,480**	**1,183,274**
Income tax expense	(299,725)	-	(104,451)	(21,416)	-	(25)	-	(97,642)	(76,191)
Profit/(loss) for the year	**1,070,619**	**(852,799)**	**221,889**	**11,627**	**(46,385)**	**(24,795)**	**(191,839)**	**845,838**	**1,107,083**

Condensed financial position
31 December 2015

In thousands of Naira	Group	Elimination	Mixta Real Estate Plc	Adiva Properties Limited	Cross Town Mall Properties Limited	Oluwole Urban Mall Property Limited	Oakland Properties Limited	Toll Systems Development Company Limited	Summerville Golf Club Limited
Property and equipment	12,335,978	-	98,144	-	-	-	-	-	12,237,834
Investment property	55,589,800	-	-	-	-	-	-	55,589,800	-
Investments in subsidiaries	-	(31,609,276)	31,608,026	-	-	-	-	1,250	-
Equity accounted investment	2,476,789	(29,561)	2,505,100	-	-	-	-	1,250	-
Loans to related entities	165,635	4,468	7,457	-	-	-	-	-	153,710
Total non-current assets	**70,568,202**	**(31,634,369)**	**34,218,727**	**-**	**-**	**-**	**-**	**55,592,300**	**12,391,544**
Loans to related entities	5,039,017	(5,238,444)	8,891,337	952,369	-	291,899	33,935	-	107,921
Trading properties	32,179,040	(1,137,579)	4,566,445	2,541,317	439,871	112,501	470,138	-	25,186,347
Debtors and prepayments	9,317,543	(8,229,599)	7,627,301	1,128,682	26,243	335,638	48,948	6,673,208	1,707,122
Cash and cash equivalents	848,438	29,815	713,296	9,312	493	1,247	2,463	(1,124)	92,936
Total current assets	**47,384,038**	**(14,575,807)**	**21,798,379**	**4,631,680**	**466,607**	**741,285**	**555,484**	**6,672,084**	**27,094,326**
Total assets	**117,952,240**	**(46,210,176)**	**56,017,106**	**4,631,680**	**466,607**	**741,285**	**555,484**	**62,264,384**	**39,485,870**

Notes to the Consolidated and Separate Financial Statements

In thousands of Naira	Group	Elimination	Mixta Real Estate Plc	Adiva Properties Limited	Cross Town Mall Properties Limited	Oluwole Urban Mall Property Limited	Oakland Properties Limited	Toll Systems Development Company Limited	Summerville Golf Club Limited
Borrowings	5,963,421	(1,242,369)	152,322	199,060	305,479	115,692	173,485	267,495	5,992,257
Deferred tax liabilities	5,510,525	-	9,763	-	-	-	-	5,500,762	-
Deposit for shares	31,856,738	(2,298,853)	31,606,738	-	-	-	-	-	2,548,853
Total non-current liabilities	43,330,684	(3,541,222)	31,768,823	199,060	305,479	115,692	173,485	5,768,257	8,541,110
Borrowings	14,299,251	(3,960,241)	2,784,968	266,191	-	-	-	-	15,208,333
Current income tax liability	2,344,456	(1)	640,463	370,157	500	106,980	-	1,150,166	76,191
Other liabilities	19,871,368	(4,828,502)	15,243,180	2,365,687	253,688	450,066	692,906	43,138	5,651,205
Deferred revenue-Deposits from customers	9,012,103	-	126,787	690,666	27,669	62,983	24,904	-	8,797,013
Provision	967,547	-	-	-	-	-	-	-	967,547
Total current liabilities	46,494,725	(8,788,744)	18,795,398	3,692,701	281,857	620,029	717,810	1,193,304	30,700,289
Total liabilities	89,825,409	(13,047,885)	50,564,221	3,891,761	587,336	735,721	891,295	6,961,561	39,241,399
Share capital	841,779	(5,790)	841,779	10	10	10	10	2,000	3,750
Share premium	5,819,185	(1,607,096)	5,819,185	-		-	-	1,607,096	-
Common control acquisition deficit	(2,920,407)	(764,407)	(2,156,000)	-	-	-	-	-	-
Retained earnings	17,743,510	(37,427,762)	947,921	739,909	(120,739)	5,554	(335,821)	53,693,727	240,721
Non controlling interests	6,642,764	6,642,76	-	-	-	-	-	-	-
Total equity	28,126,831	(33,162,291)	5,452,885	739,919	(120,729)	5,564	(335,811)	55,302,823	244,471
Total liabilities and equity	117,952,240	(46,210,176)	56,017,106	4,631,680	466,607	741,285	555,484	62,264,384	39,485,870

Notes to the Consolidated and Separate Financial Statements

22 Equity-accounted investment

(a) *The movement in equity accounted investees during the year is as follows:*

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance, beginning of year	2,476,789	2,506,350	2,505,100	2,505,100
Share of profit/(loss) of equity accounted investee	21,009	(29,561)	-	-
Balance, end of year	2,497,798	2,476,789	2,505,100	2,505,100

(b) *Investment in equity accounted investee companies is analysed below:*

	Group 2016	Group 2015	Company 2016	Company 2015
Garden City Golf Estate Development Limited (See (I))	2,496,548	2,475,539	2,505,100	2,505,100
Lakowe Lakes Limited (See (ii))	1,250	1,250	-	-
	2,497,798	2,476,789	2,505,100	2,505,100

(I) Garden City Golf Estate Development Limited ("Garden city") was incorporated in Nigeria as a Limited Liability Company. The primary business activity of Garden City is to carry on business generally as developers of golf courses and ancillary amenities. As at the reporting date, Mixta Real Estate Plc had joint control with Greater Porthacourt Development Authority and is entitled to 51% residual interest in the net assets of Garden City.

(ii) This represents the cost of the Group's investment in Lakowe Lakes Golf Club Limited ("Lakowe"). Management has not equity accounted for its interest in Lakowe based on its conclusion that the Group does not have significant influence over the entity.

(c) *Summary of financial information for equity-accounted investees is as follows:*
The following table summarizes the financial information of Garden City as included in its own financial statements, adjusted for fair value adjustments at acquisition amounting to N5.4 billion.

(I) *Statement of Profit or Loss*

	Garden City Golf Estate Development Limited	
In thousands of naira	2016	2015
Percentage ownership interest	51%	51%
Income	82,893	352
Expenses	(41,699)	(58,315)
Profit/(loss) for the year	41,194	(57,963)
Share of profit/(loss) for the year	21,009	(29,561

(ii) *Statement of financial position*

In thousands of naira	2016	2015
Percentage ownership interest	51%	51%
Current assets (see note (iii) below)	15,548,048	14,611,917
Non-current assets	12,665	16,276
Current liabilities	(9,685,053)	(2,101,293)
Non-current liabilities	-	(7,222,434)
Net Assets	5,875,660	5,304,466
Share of net assets	2,996,587	2,705,278

(iii) Included in the current assets is N5.4 billion representing fair value gain obtained on acquisition of investment in Garden City.

23 Loans to related entities

Loans to related entities comprise

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
(a) Gross term loans:				
(I) Subsidiaries Summerville Golf Club Limited (see (e(I)) below)	-	-	767,370	-
Adiva Properties Limited (see (e(ii)) below)	-	-	211,581	-
	-	-	978,952	-
(ii) Other related entities				
Oceanwinds Term Loan (see (e(iv)) below)	-	1,066,892	-	1,066,892
Mixta Africa (see (e(iii)) below)	344,939	-	344,939	-
Lakowe Lakes Golf Club Limited (see (e(v)) below)	303,071	270,500	3,129	7,457
Beachwood Property Development Company	-	3,816	-	-
ARM Company	169,368	-	-	-
	817,378	1,341,208	348,068	1,074,349
(b) Shareholder loan notes:				
(I) Subsidiaries				
Summerville Golf Club Limited (see (e(viii)) below)	-	-	4,266,243	3,960,241
	-	-	4,266,243	3,960,241
(ii) Joint venture				
Garden City Golf Estate Development Limited (see (e(vi)) below)	4,171,633	3,864,204	4,171,633	3,864,204
	4,171,633	3,864,204	4,171,633	3,864,204
Total loans to related parties	4,989,011	5,205,412	9,764,896	8,898,794
Specific allowance for impairment on loans ((See note(c))	(760)	(760)	-	-
	4,988,251	5,204,652	9,764,896	8,898,794

(c) The movement in specific impairment allowance on loans was as follows:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance, beginning of year	760	760	-	75,217
Write back during the year	-	-	-	(75,217)
Balance, end of year	760	760	-	-

(d) The analysis of loans to related parties as at end of the year was as follows:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Due for more than 12 months	-	165,635	-	7,457
Due within 12 months	4,988,251	5,039,017	9,764,896	8,891,337
Total	4,988,251	5,204,652	9,764,896	8,898,794

(e) Details of the facilities advanced to related entities are as follows:

	Counterparty	Type	Purpose	Interest rate	Value date	Maturity date	Restructured /New/existing	Updates
(I)	Summerville Golf Club Limited	Unsecured commercial paper	Construction of residential estate and amenities at Lakowe Village, Ibeju Lekki, Lagos.	Floating interest rate	28-Apr-16	27-Apr-17	New	Not applicable
(ii)	Adiva Properties Limited	Unsecured commercial paper	Construction of lockup shops at Iju Shopping Mall Lagos.	Floating interest rate	12-Apr-16	11-Apr-17	New	Not applicable
(iii)	Mixta Africa, S.A	Unsecured commercial paper	To augment working capital of the Company	Floating interest rate	8-Apr-16	7-Apr-17	New	Not applicable
(iv)	Oceanwinds Hospitality Limited	Term loan	Construction of a hotel along the Lekki expressway, Lagos	18% (Fixed interest rate)	18-Apr-15	30-Sep-16	Restructured 17 April, 2015	Outstanding principal and interest balance of N1,212,106,033 as at 30 September 2016 was converted to deposit for shares in Oceanwinds Hospitality Limited
(v)	Lakowe Lakes Golf Club Limited	Unsecured commercial paper	To augment working capital of the Company	18% (Fixed interest rate)	1-Apr-14	3-Apr-17	Existing	Not applicable
vi)	Beachwood Property Development Company Limited	Unsecured commercial paper	To augment working capital of the Company	18% (Fixed interest	1-Apr-14	3-Apr-17	Existing	Not applicable
(vii)	Garden City Golf Estate Development Limited	Unsecured loan notes	Debt capital finance	10% (Fixed interest rate)	22-Aug-13	Not applicable	Existing	Not applicable
(viii)	Summerville Golf Club Limited	Unsecured loan notes	Debt capital finance	19.5% (Fixed interest rate)	11-Mar-08	Not applicable	Existing	Not applicable
(ix)	ARM Investment Managers Limited	Unsecured commercial paper	To augment working capital of the Company	18% (fixed)	7-Oct-16	6-Oct-17	New	Not applicable

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24 Trading properties

(a) This represents the cost of real estate apartments and land designated for resale

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Land (See (I) below)	4,319,269	4,389,433	4,163,390	4,233,552
Residential apartments (See (ii) below)	160,000	160,000	160,000	160,000
Retail shops (See (iii) below)	693,196	693,196	172,893	172,893
Trading properties under development (See (iv) below)	27,789,505	26,936,411	-	-
	32,961,970	32,179,040	4,496,283	4,566,445

In thousands of naira

	Category	Description	Group 2016	Group 2015	Company 2016	Company 2015
(I)	Land	This represents the cost of 75 hectares of land situated at Lakowe village, Ibeju Lekki area of Lagos State and Shapati village, Ibeju Lekki area of Lagos State purchased by the Company for the purpose of developing residential estates. The Company has earmarked 25 hectares of the land situated at Shapati village for sale as Townsville Estate Extension. 20 hectares for sale as Adiva East and 30 Hectares for sale as RDP.	2,872,866	3,003,552	2,894,240	3,003,552
		This represents the cost of 12.17 hectares of undeveloped land situated in Ajayi Apata Royal Estate Sango-tedo off Lekki-Epe expressway, Lagos state.	1,230,000	1,230,000	1,230,000	1,230,000
		This represents cost of undeveloped 19,400sqm of land Located at Central Business District, Lagos for construction of Oluwole phase 2	112,501	112,501	-	-
		This represents Cost of undeveloped land sizeof1,138 sqm located at Iju, Lagos.	43,380	43,380	-	-
		This represents cost of Beechwood land	60,522	-	39,150	-
			4,319,269	4,389,433	4,163,390	4,233,552
(ii)	Residential apartments	This represents cost of 4units of unfurnished 5-bedroom detached apartments with 2-bedmaids' unit located at Raymond Njoku Street, on the Farapark Estate Layout.	160,000	160,000	160,000	40,000
			160,000	160,000	160,000	40,000
(iii)	Retail shops	This represents the cost of 4 retail shop sat Oluwole Urban Market, Central Business District, Lagos. The Oluwole Urban Market is a fully integrated retail and commercial complex	53,235	53,235	53,235	53,235
		This represents the cost of 141 retail shops at Oakland Shopping Plaza.	639,961	639,961	119,658	119,658
			693,196	693,196	172,893	172,893

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In thousands of naira

		Group 2016	Group 2015	Company 2016	Company 2015
(iv) Property under construction	This represents cost incurred to date on construction of Alaba Shopping Complex on 12,600 sqm of land at Alaba, Lagos. It includes legal/title document, government consent, construction cost, interest and charges attributable to the property.	439,871	439,871	-	-
	This represents cost incurred to date on construction 18units of homes at the "Village"residential scheme	702,454	1,246,771	-	-
	This represents cost incurred to date on construction of 206units of homes at the "Enclave" residential scheme	5,084,871	7,000,525	-	-
	This represents cost of outstanding inventory in Adiva Plain fields Estate on 631,132sqm of land located at Lakowe, Ibeju-Lekki, Lagos. It includes cost incurred on legal/title document, government consent, construction cost, professional fees, interest and other charges directly attributable to the property.	2,609,028	2,541,316	-	-
	This represents cost of 1,075,266sqm of land at Lakowe, Ibeju-Lekki, and other development costs incurred to date on the development of the Summerville residential scheme.	17,145,969	15,707,928		
	New Zone B This represents cost of 136,212sqm of land at Lakowe, Ibeju-Lekki,and other development costs incurred to date on the development of the Summerville residential scheme.	1,291,823	-	-	-
	Roman Villa This represents cost of 30,000sqm of land at Lakowe, Ibeju-Lekki, and other development costs incurred to date on the development of the Summerville residential scheme.	515,489	-	-	-
		27,789,505	26,936,411	-	-
		32,961,970	32,179,040	4,496,283	4,446,445

(b) The movement in trading properties during the year was as follows:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance, beginning of year	32,179,040	27,678,398	4,566,445	3,096,787
Cost capitalized	1,278,006	4,174,568	441,985	-
Interest & charges capitalized	1,330,953	1,220,470	-	-
Disposals (see note 10)	(2,379,250)	(2,244,396)	(551,297)	-
Acquisition of land	39,150	1,230,000	39,150	1,230,000
Reclassifications from PPE (see note 38 (b))	514,071	120,000	-	239,658
Balance, end of year	32,961,970	32,179,040	4,496,283	4,566,445

25 Debtors and prepayments

Debtors and prepayments comprise:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Due from related entities (see (a) below)	3,386,691	6,833,110	9,282,679	4,685,694
Other receivables (see (b) below)	838,065	1,421,091	473,340	208,193
Prepayments and other assets (see (c) below	4,620,969	1,492,865	4,570,470	2,916,833
Gross debtors and prepayments	8,845,725	9,747,066	14,326,489	7,810,720
Specific allowance for impairment on doubtful receivables (see note (d) below)	(512,661)	(429,523)	(193,356)	(183,419)
	8,333,064	9,317,543	14,133,133	7,627,301

(a) Due from related entities:

(i) Subsidiaries

	Group 2016	Group 2015	Company 2016	Company 2015
Summerville Golf Club Limited	-	-	4,086,186	2,760,535
Toll Systems Development Company	-	-	-	-
Oluwole Properties Limited	-	-	8,227	169,747
Adiva Properties Limited	-	-	863,265	837,706
Cross Town Mall Limited	-	-	335,182	-
Oakland properties Limited	-	-	754,859	621,379
	-	-	6,047,719	4,389,367

(ii) Joint Venture

	Group 2016	Group 2015	Company 2016	Company 2015
Garden City Golf Estate Development Limited	31,943	8,280	31,943	8,280
	31,943	8,280	31,943	8,280

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In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
(iii) Other related entities				
Townsville Properties Limited	2,397	1,673	1,397	673
Asset & Resource Management Company Limited	122,548	3,210,448	3,134 84	-
Watford Properties Limited	2,179,532	3,281,250	2,179,532	-
New Towns Development project	21,767	20,312	19,510	19,509
Due from Financial Advisers	64	56	64	56
ARM Life Limited	17,244	12,525	17,244	12,525
MIXTA Africa S. A.	637,595	146,035	637,595	117,640
MIXTA Cote d'Voire	22,911	22,911	22,911	22,911
Hospitality and Retail Fund	80,142	-	80,142	-
Farapark Properties Limited	1,820	6,872	1,820	6,820
New Town receivable	60,348	61,802	59,545	59,545
Lakowe Lakes Golf Club Limited	159,225	27,971	160,297	27,971
Beechwood Property Development Company	-	20,313	-	20,313
Oceanwinds Hospitality	1,600	-	-	-
Corporate Lodge Home stead	47,555	12,661	19,826	-
	3,354,748	6,824,830	3,203,017	288,047
Total	3,386,691	6,833,110	9,282,679	4,685,694
(b) Other receivables Management fee receivables (see note (I) below)	6,232	1,382,236	406,821	126,761
Other receivables	769,441	-	55,716	55,626
Sundry debtors	62,392	38,855	10,803	25,806
	838,065	1,421,091	473,340	208,193

(i) This represents amounts due from customers from the sale of trading properties and outstanding project income fees

	Group 2016	Group 2015	Company 2016	Company 2015
(c) Prepayments and other assets:				
Deposit for land (see note (I) below)	36,000	36,000	36,000	36,000
Prepayments	44,568	42,315	20,992	18,278
WHT recoverable	104,562	48,045	104,562	48,045
PAYE	-	377	-	377
VAT	22,861	37,459	15,691	-
Due from Ropeway Transport Limited	-	276,328	-	-
Construction vendor advance	654,162	416,910	157,418	-
Subscription for investment (See note (ii) below)	1,757,723	545,617	4,006,473	2,794,367
Other assets (See note (iii) below)	2,001,093	89,814	229,334	19,766
	4,620,969	1,492,865	4,570,470	2,916,833
Gross debtors and prepayments	8,845,725	9,747,066	14,326,489	7,810,720

(i) The amount represents deposits made by the Group for the acquisition of lands for real estate development.

(ii) Subscriptions for investment represents investment in the following related entities:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Oceanwinds Hospitality Limited	1,486,188	274,082	1,486,188	274,082
Summerville Golf Club Limited	-	-	2,248,750	2,248,750
Garden City Golf Estate Development Limited	271,535	271,535	271,535	271,535
	1,757,723	545,617	4,006,473	2,794,367

(iii) Other assets is majorly made up of client accounts receivable which represents receivables from customers who have taken possession of trading properties

(d) The movement in the specific allowance for impairment on doubtful receivables was as follows:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance, beginning of year	429,523	323,707	183,419	124,275
Additions during the year (see note 14)	80,854	105,816	9,937	62,862
Allowance for unsubstantiated bank balance (see note 14)	2,283	-	-	-
Write back during the year	-	-	-	(3,718)
Balance at end of year	512,661	429,523	193,356	183,419

26 Cash and cash equivalents

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Cash at bank	161,503	193,460	83,080	108,839
Placements with financial institutions	439,383	604,457	439,383	604,457
Short term investments (see note (a) below)	55,952	50,521	-	-
Cash and Bank balance	656,838	848,438	522,463	713,296

(a) This amount relates to investments made by the Group in approved fund schemes ("Funds") with Assets & Resource Management Company (ARM). These fund schemes are approved by the Securities and Exchange Commission (SEC) Nigeria and amounts invested are repayable on demand. Investments in these Funds are also available to meet short term cash commitments of the Group. Interest accrued on the investments at a range of 11% to 13% during the year.

27 Deferred tax liabilities

(a) The movement in deferred tax liabilities during the year was as follows:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance, beginning of year	5,510,525	5,403,120	9,763	-
Charge during the year (see note 30 (b))	191,231	107,405	2,791	9,763
Balance, end of year	5,701,756	5,510,525	12,554	9,763

(b) Recognized deferred tax liabilities are attributable to the following:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Investment property	5,689,202	5,500,762	-	-
Property and equipment	12,554	9,763	12,554	9,763
	5,701,756	5,510,525	12,554	9,763

(c) Unrecognized deferred tax assets
Significant management judgement is required to determine the amount of deferred tax that can be recognized, based upon the likely timing and the level of future taxable profits together with the future tax planning strategies.

The Company's deferred tax assets relates to timing difference in the recognition of depreciation and capital allowance on property, plant and equipment are not recognized in these financial statements. This is due to uncertainty about availability of future taxable profits against which deferred tax can be utilized.

The unrecognized deferred tax asset during the year is attributable to the following:

In thousands of naira		Group 2016	Group 2015	Company 2016	Company 2015
Summerville Golf Club Limited	Property and equipment	179,800	1,160,000	-	-
		179,800	1,160,000	-	-

28 Deposit for shares

(a) *Deposit for shares comprises:*

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Due to Asset & Resource Management Company Limited (see (I) below)	15,803,369	15,803,369	15,803,369	15,803,369
Due to Gairloch Limited (see (I) below)	15,803,369	16,053,369	15,803,369	15,803,369
Due to Clad Limited	248,750	-	-	-
	31,855,488	31,856,738	31,606,738	31,606,738

(I) Deposit for shares represents liabilities due to Asset & Resource Management Company Limited and Watford Properties Limited which were designated as deposit for shares through the approval of the Board of Directors of the Company on 24 February 2011.

The Board at its meeting held on 20 March 2012 approved the conversion of the deposit for shares to equity, subject to approval by the Securities and Exchange Commission (SEC). The members of the company at the Annual General Meeting (AGM) held on Friday August 7,2015 was authorized to issue share sin respect of the transferred asset giving rise to the deposit for shares. As at the date of this financial statements, the process for regulatory approval (Securities and Exchange Commission) is still ongoing.

29 Borrowings

Borrowings comprise:	Group	Group	Company	Company
In thousands of naira	2016	2015	2016	2015
(a) Due from related entities				
(I) Subsidiaries	-	-	-	-
(ii) Other related entities				
ARM Trustees Limited (see note (e)(I) below)	8,133	6,892	8,133	6,892
Townsville Properties Limited (see note (e)(ii) below)	523,361	441,966	180,007	152,322
Farapark Properties Limited (see note (e)(iii) below)	38,991	32,994	-	-
	397,820	338,253	-	-
ARM Investment Managers Limited (see note (e)(v) below)	11,112,890	9,662,623	3,243,445	2,778,076
Hospitality and Retail Fund (see note (e)(xii)	38,257	-	38,257	-
	12,119,452	10,482,728	3,469,842	2,937,290
(b) Other term borrowings				
Shelter Afrique (see note (e)(vi)below)	-	222,679	-	-
Shareholder loan (See note (e) (xiii) below)	1,578,904	1,465,372	-	-
Summerville Notes (NGN) 14% (see note (e)(vii) below)	1,788,767	2,115,645	-	-
Preferred Notes of $100, 8% USD (see note (e)(viii) below)	1,441,303	799,296	-	-
Secured bank loan (see note (e)(ix) below)	5,630,466	5,176,952	-	-
Secured bank loan (see note (e)(x) below)	2,502,147	-	2,502,147	-
MODD Family (see note (e)(xi)	105,468	-	105,468	-
	13,047,055	9,779,944	2,607,615	-
	25,166,507	20,262,672	6,077,457	2,937,290

(c) The analysis of borrowings as at end of the year was as follows:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Due for more than 12 months	15,796,409	5,963,421	3,243,445	152,322
Due within 12 months	9,370,098	14,299,251	2,834,012	2,784,968
Total	25,166,507	20,262,672	6,077,457	2,937,290

(d) The movement on borrowings during the year is as follows:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance, beginning of year	20,262,672	17,452,476	2,937,290	3,376,255
Proceeds from borrowings	3,015,444	1,665,859	2,575,982	50,000
Interest expense (See note 17)	1,817,627	642,165	898,387	499,333
Interest capitalised (See note 24)	1,330,953	1,220,470	-	-
Exchange difference	29,846	-	-	-
Interest repayments during the year	(818,409)	(718,298)	(284,202)	(23,717)
Principal repayments during the year	(594,546)	-	(50,000)	-
Other settlement	122,920	-	-	(964,581)
Balance, end of year	25,166,507	20,262,672	6,077,457	2,937,290

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(e) *Details of the facilities obtained by the Group are as follows:*

	Counterparty	Type	Currency	Purpose	Interest rate	Value date	Maturity date	Pledged Collateral	Updates
(i)	ARM Trustees Limited	Term Loan	Naira	To augment working capital of the Company	18%	21-Nov-14	23-Nov-17	None	Outstanding Principal and accrued interest balance due of N7,993,491 as at 23 November 2016 was rolled over at same rate of 18% for a year.
(ii)	Townsville Properties Limited	Unsecured commercial paper	Naira	To finance real estate development projects	18%	1-Apr-14	3-Apr-17	None	Not applicable
(iii)	Farapark Properties Limited	Unsecured commercial paper	Naira	To finance real estate development projects	18%	1-Apr-14	3-Apr-17	None	Not applicable
(iv)	Beechwood Property Development Company Limited	Unsecured commercial paper	Naira	To finance real estate development projects	18%	1-Apr-14	3-Apr-17	None	Not applicable
(v)	ARM Investment Managers Limited	Short Term Loan	Naira	To augment working capital and finance real estate development projects	17% - 21%	1-Apr-14	3-Apr-17	None	All outstanding Principal and accrued interest balance due were rolled over at a harmonised rate of 17% for two years.
(vi)	Shelter Afrique	Term Loan	USD	To finance development of 376 different types of houses and 251 serviced plots together with ancillary facilities and related infrastructure on Phase 1 of the Adiva Plainfields Estate	9%	6-Aug-10	5-Aug-15	Access Bank Guarantee	Repaid during the year
(vii)	Summerville Golf Club Limited Loan Note Holders	Unsecured Loan Notes	Naira	To augment working capital and finance real estate development projects	14%-14.25%	23-May-14	29-Apr-17	None	Not applicable
(viii)	Summerville Golf Club Limited Preffered Loan Note	Unsecured Loan Notes	USD	To augment working capital and finance real estate development project	7%-8%	1-May-10	19-Sep-17	None	Not applicable
(ix)	Access Bank Plc	Term Loan	Naira	Completion of infrastructure works on the Enclave Homes at Lakowe Lakes Golf and Country Estate	21.0%	29-Apr-15	28-Apr-20	Tripartite legal mortgage on all the parcel of land measuring 150 hectares located at KM 35 Lekki-Epe Expressway earn-marked for the proposed Summerville Lakowe Lakes Golf and Country Estate.	Not applicable
(x)	First Bank Plc	Term Loan	Naira	To service part of its existing liabilities	Floating	7-Apr-16	6-Apr-17	Equitable Mortgage on undeveloped parcel of land Comfort: measuring 61.94 hectares within the Adiva Plainfields Estate off Beechwood Estate,	Not applicable
(xi)	MODD Family	Unsecured Loan Notes	Naira	To augment working capital and finance real estate development projects	17.0%	21-Sep-16	19-Sep-17	None	Not applicable
(xii)	Hospitality and Retail Fund	Unsecured Loan Notes	USD	To augment working capital and finance real estate development projects	3.5%	23-Nov-16	23-Feb-17	None	Not applicable
(xiii)	Watford Properties Limited	Unsecured Loan Notes	Naira	Debt capital finance	19.5%	11-Mar-08	N/A	None	Not applicable

30 Current income tax liability

(a) *The movement on this account during the year was as follows:*

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance, beginning of year	2,344,456	2,202,136	640,463	595,775
Charge for the year (see note (b) below)	100,335	192,320	33,126	94,688
Payments during the year	(265,514)	(50,000)	(259,218)	(50,000)
Balance at end of year	2,179,277	2,344,456	414,371	640,463

(b) *The income tax expense comprises:*

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Company income tax	91,069	156,795	30,469	87,999
Tertiary education tax	9,266	35,525	2,657	6,689
	100,335	192,320	33,126	94,688
Deferred tax charge (see note 27 (a))	191,231	107,405	2,791	9,763
	291,566	299,725	35,917	104,451

Reconciliation of effective tax rate

Group

		Group		
In thousands of naira	%	2016	%	2015
Profit before income tax		1,258,416		1,370,344
Income tax using the domestic corporation tax rate (30%)	30%	377,100	30%	411,103
Impact of tax treatments in subsidiaries	0%	-	10%	142,164
Non-deductible expenses	0%	2,492	5%	74,996
Non-taxable income	-8%	(97,292)	-27%	(364,063)
Tertiary education tax(2%)	1%	9,266	3%	35,525
Total income tax expense in comprehensive income	23%	291,566	22%	299,725

Company

		Group		
In thousands of naira	%	2016	%	*2015*
Profit before income tax		35,917		326,340
Income tax using the domestic corporation tax rate (30%)	30%	30,768	30%	97,902
Non-taxable income	0%	-	0%	(286)
Non-deductible expenses	2%	2,492	0%	146
Tertiary education tax (2%)	3%	2,657	2%	6,689
Total income tax expense in comprehensive income	35%	35,917	32%	104,451

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31 Other liabilities and accruals

Other liabilities and accruals comprise:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
(a) Due to related entities:				
(I) *Subsidiaries*				
Crosstown Mall Properties Limited	-	-	25,667	25,667
Oakland Properties Limited	-	-	1,197	1,197
Adiva Properties Limited	-	-	1,284,497	-
Toll Systems Development	-	-	6,428,347	113,312
Summerville Golf Club Limited	-	-	223,107	52,009
	-	-	7,962,815	192,185
(ii) *Joint Venture*				
Garden City Golf Estate Development Limited	245,090	202,157	245,090	202,157
	245,090	202,157	245,090	202,157
(iii) Other related entities				
Asset & Resource Management Company Limited - (see (I) below)	8,932,589	12,756,286	8,732,613	12,524,261
Asset & Resource Management Company HoldCo	12,947	22,044	12,947	22,044
Watford Properties Limited	-	1,101,718	-	1,101,718
MIXTA Africa S. A.	158,237	-	158,237	-
MIXTA Cote d'Voire	11,381	-	11,381	-
Oceanwinds Hospitality Limited	2,661	2,661	-	-
Lakowe Lakes Golf Club Limited	109,112	94,687	15,033	-
Farapark Properties Limited	18,507	13,759	6,800	-
Townsville Properties Limited	37,824	37,824	-	-
Beechwood Property Development Company	84,390	33,077	44,150	12,836
Corporate Lodge Homestead	-	19,331	-	18,265
ARM Life Plc	31,085	-	31,085	-
ARM Hospitality Fund	115,791	675	102,256	-
	9,514,524	14,082,062	9,114,502	13,679,124
(b) Other liabilities and accruals				
Sundry creditors	2,565,775	844,880	770,471	784,983
Accrued expenses	113,578	71,692	49,904	38,892
Defined contributions	9,093	2,133	9,093	2,133
PAYE	7,850	-	7,835	-
WHT payable	525,900	267,478	451,411	245,730
VAT payable	71,172	37,194	110,501	22,194
Other liabilities	983,626	832,435	117,338	75,782
Liability to construction vendors	1,180,244	3,531,337	-	-
	5,457,238	5,587,149	1,516,553	1,169,714
	15,216,852	19,871,368	18,838,960	15,243,180

Notes to the Consolidated and Separate Financial Statements

32 Deferred revenue-deposit from customers

The balance represents advance instalments (pre-sale deposits) received from clients for purchased homes, land and other products. Pre-sale deposits are recognized as liabilities until the Company performs its promised obligations stated in the agreements with the customers after which revenue is recognized. Clients are obligated to complete payments for the properties before title is passed on to them or will forefeit a percentage of the total value if they cancel the contract.

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance as at year end	7,476,873	9,012,103	882,519	126,787

33 Provisions

This relates to cost of further works which may be required or performed on real estate already delivered to the buyer. The amount recognized as a provision represents the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provision is reviewed at the end of each reporting period and adjusted to reflect the current best estimate. if it is no longer probable that an out flow of resources embodying economic benefits will be required to settle the obligation, the provision shall be reversed.

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Provisions	2,334,379	967,547	166,916	-

34 Share capital

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
(a) Authorized-				
4,830,512,000 Ordinary shares of 50k each	2,415,256,000	2,415,256,000	2,415,256,000	2,415,256,000
169,488,000 preference shares of 50k each	84,744,000	84,744,000	84,744,000	84,744,000
	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000

(b) Issued and fully paid share capital

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Issued and fully paid				
1,683,557,140 ordinary shares of 50k each	841,779	841,779	841,779	841,779

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

35 Share premium

The balance on share premium account was as follows:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance, beginning and end of year	5,819,185	5,819,185	5,819,185	5,819,185

Notes to the Consolidated and Separate Financial Statements

36(a) Common control acquisition deficit

This represents the accumulated losses incurred on acquisition of companies under common control.

36(b) Retained earnings

Retained earnings are the carried forward recognised income net of expenses plus current year profit attributable to shareholders

37 Non controlling interests

(a) The entities accounting for the non-controlling interest balance is shown below:

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Toll System Development Company Limited	6,833,041	6,636,339	-	-
Oluwole Urban Mall Property Limited	(20,677)	(9,147)	-	-
Summerville Golf Club Limited	114,080	15,572	-	-
	6,926,444	6,642,764	-	-

(b) The following table summarizes the information relating to the Group's subsidiaries that have material NCI

31 Dec 2016

In thousands of naira	Toll System Development Company Limited	Oluwole Urban Mall Property Limited	Summerville Golf Club Limited
NCI percentage	12%	30%	32%
Total assets	64,108,746	175,819	40,971,410
Total liabilities	(7,166,738)	(244,743)	(40,611,773)
Net assets	56,942,008	(68,924)	359,637
	6,833,041	**(20,677)**	**114,080**

In thousands of naira	Toll System Development Company Limited	Oluwole Urban Mall Property Limited	Summerville Golf Club Limited
NCI percentage	12%	30%	32%
Gross income	1,915,199	24,644	1,383,680
Profit	1,639,185	(74,488)	115,222
Profit allocated to NCI	196,702	(22,346)	37,009

Notes to the Consolidated and Separate Financial Statements

In thousands of naira	Toll System Development Company Limited	Oluwole Urban Mall Property Limited	Summerville Golf Club Limited
NCI percentage	12%	30%	32%
Total Assets	62,264,384	718,477	39,353,889
Total Liabilities	(6,961,561)	(748,967)	(39,280,869)
Net assets	55,302,823	(30,490)	73,020
Carrying amount of NCI	6,636,339	(9,147)	15,572
Gross income	27,476	43,746	1,528,633
Profit/(loss)	840,439	(44,850)	1,170,705
Profit allocated to NCI	100,853	(13,455)	376,030

38 Reconciliation notes to consolidated and separate statement of cash flows

(a) Loans to related entities

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance at the start of the year	5,204,652	4,812,002	8,898,794	11,860,698
Specific impairment reversal/ (loss) on loans	760	-	-	75,217
Interest income earned on loans	524,936	553,248	930,258	935,497
Interest income received	-	-	(104,378)	(126,535)
Loan settlement through trading property	-	(120,000)	-	(239,658)
Loan offset against liabilities	-	-	-	(9,884)
Loan offset against borrowings	-	-	-	(3,041)
Reclassifications to debtors and receivables	-	(280,746)	(1,212,106)	(280,746)
Balance at the end of the year	4,988,251	5,204,652	9,764,896	8,898,794
Cash inflow / (outflow)	742,097	(240,148)	(1,252,328)	3,312,754

(b) Trading properties

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance at the start of the year	32,179,040	27,678,398	4,566,445	3,096,787
Interest on borrowings capitalised	1,330,953	1,220,470	-	-
Reclassification to trading properties	514,071	120,000	-	239,658
Reclassifications from trading properties	-	(47,208)	-	-
Balance at the end of the year	32,961,970	32,179,040	4,496,283	4,566,445
Cash inflow/ (outflow)	1,062,094	(3,207,381)	70,162	(1,230,000)

(c) Debtor and prepayments

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance at the start of the year	9,747,066	8,769,518	7,810,720	4,906,648
Reclassification from loans to related parties	-	280,746	1,212,106	280,746
Receivables offset against borrowings	-	-	-	(824,506)
Receivables offset against liabilities	-	-	-	(34,169)
Exchange gain	-	-	10,127	-
Other non-cash adjustments	(689)		-	(3,453)
Balance at the end of the year	8,845,725	9,747,066	14,326,489	7,810,720
Cash inflow/ (outflow)	900,651	(696,802)	(5,293,536)	(3,485,454)

Notes to the Consolidated and Separate Financial Statements

(d) Other liabilities and accruals

In thousands of naira	Group 2016	Group 2015	Company 2016	Company 2015
Balance at the start of the year	19,871,368	18,078,526	15,243,180	12,846,699
Liabilities offset against loans	-	-	-	9,884
Liabilities offset against debtors	-	-	-	34,169
Exchange loss	(37,790)	(36,030)	-	(2,146)
VAT Paid	6,806	15,309	6,806	15,309
Other non-cash adjustments	(12)	-	-	(133,583)
Balance at the end of the year	15,216,852	19,871,368	18,838,960	15,243,180
Cash (outflow)/ inflow	(4,685,512)	1,772,121	3,602,586	2,320,114

(e) Deferred Revenue - Customer deposits

In thousands of naira		Group 28 Feb 2014	Company
	2016	7,467,146	882,519
	2015	9,012,103	126,787
	Change 2016	(1,544,957)	755,732
	2015	9,012,103	126,788
	2014	10,183,488	84,510
	Change 2015	(1,171,385)	42,278

(f) Provisions

In thousands of naira		Group 28 Feb 2014	Company
	2016	2,334,379	166,916
	2015	967,547	-
	Change 2016	1,366,832	166,916
	2015	967,547	-
	2014	-	-
	Change 2015	967,547	-

40 Related party transactions

During the year, the Company transacted business such as the provision of real estate manage ment services with certain companies that are regarded as related entities. The gross income derived from these related party transactions during the year ended 31 December 2016 amounted to N1,343,800,000 (31 December 2015: N1,916,792,867).

The related parties and balances for the year ended 31 December 2016 are listed below:

Related entities	*Relationship*	*Nature of transactions*	*Note*	Group 31 Dec 2016 Due (to)/from N'000	Company 31 Dec 2016 Due (to)/from N'000
ARM Company Limited	Affiliate	Receivable from entity	25(a)	122,548	3,134
		Payable to entity	31(a)	(8,932,589)	8,732,613
		Payable to entity	31(a)	(12,947)	12,947
		Loan from entity	29(a)	(11,112,890)	3,243,445
		Loan from entity	29(a)	-	-
		Loan from entity	29(a)	-	-
		Deposit for shares	28(a)	(15,803,369)	(15,803,369)
Oakland Properties Plc	Subsidiary	Loan to entity	23(a)	-	-
		Receivable from entity	-		754,859
		Interest income	12	-	-
		Interest expense	17	-	-
		Payable to entity	31(a)	-	(1,197)
Cross Town Mall Properties Limited	Subsidiary	Payable to entity	31(a)	-	(25,667)
		Receivable from entity	25(a)		335,182
Oluwole Urban Mall Property Limited	Subsidiary	Receivable from entity	25(a)	-	8,227
		Interest expense	17	-	-
		Interest income	12	-	-
		Loan to entity	23(a)	-	-
Adiva Properties Limited	Subsidiary	Receivable from entity	25(a)	-	863,265
		Payable to entity	31(a)		(1,284,497)
		Loan to entity	23(a)		211,581
		Interest income	12	-	(28,014)
Toll Systems Development Company	Subsidiary	Payable to entity	31(a)	-	(6,428,347)
		Receivable from entity			-
New Towns Development project	Affiliate	Receivable from entity	25(a)	21,767	19,510
Summerville Golf Club Limited	Subsidiary	Loan to entity	23(a)	-	767,370
		Loan to entity	23(a)	-	4,266,243
		Receivable from entity	25(a)	-	4,086,186
		Interest income	12	-	(404,122)

		Payable to entity	31(a)	-	223,107
		Management fee income	13	-	(260,596)
		Development fee	13	-	(106,920)
		Subscription for Investment	25((c(iii))	-	2,248,750
Garden City Golf Estate Development Limited	Joint venture	Loan to entity	23(b)	4,171,633	4,171,633
		Interest income	12	(307,429)	(307,429)
		Management fee income	13	(45,450)	(45,450)
		Receivable from entity	25(a)	31,943	31,943
		Payable to entity	31(a)	(245,090)	(245,090)
		Subscription for Investment	25((c(iii))	271,535	271,535
ARM Trustees Limited	Affiliate	Loan from entity	29(a)	(8,133)	(8,133)
		Receivable from entity	-	-	
		Payable from entity	-	-	
		Interest expense	18	5,732	5,732
ARM Life Plc	Affiliate	Receivable from entity	25(a)	17,244	17,244
		Payable to entity	31(a)	31,085	31,085
Mixta Africa	Affiliate	Receivable from entity	25(a)	637,595	637,595
		Payable to entity	31(a)	(158,237)	(158,237)
		Loan to entity	23(b)	344,939	344,939
		Interest income	12	(44,939)	(44,939)
MIXTA Cote d'Voire	Affiliate	Receivable from entity	25(a)	22,911	22,911
		Payable to entity	31(a)	(11,381)	(11,381)
Hospitality Management Company	Affiliate	Receivable from entity	-	-	-
Hospitality Management Company Hospitality and Retail Fund	Affiliate	Payable to entity	31(a)	(115,791)	102,256
		Loan from entity	29(a)	(38,257)	(38,257)
		Receivable from entity	31(a)	80,142	80,142
Oceanwinds Hospitality Limited	Affiliate	Loan to entity	23(a)	-	-
		Interest income	12	(145,215)	(145,215)
		Subscription for Investment	25(c(iii))	1,486,188	1,486,188
		Payable to entity	31(a)	2,661	-
Farapark Limited	Affiliate	Receivable from entity	25(a)	1,820	1,820
		Loan from entity	29(a)	(38,991)	-
		Interest income	12	-	-
		Payable to entity	31(a)	18,507	6,800
Lakowe Lakes Golf Club Limited	Affiliate	Loan to entity	23(a)	303,071	3,129
		Interest income	12	(17,316)	(539)
		Payable to entity	31(a)	(109,112)	(15,033)
		Receivable from entity	25(a)	159,225	160,297
Gairloch Limited	Affiliate	Deposit for shares	28(a)	(15,803,369)	(15,803,369)
CLAD Limited	Affiliate	Deposit for shares	28(a)	(248,750)	-
		Payable to entity	31(a)	-	-
		Loan from entity	29(b)	(1,578,904)	-
		Receivable from entity	25(a)	2,179,532	2,179,532

Townsville Properties Limited	Affiliate	Receivable from entity	25(a)	2,397	1,397
		Interest expense	17	65,828	27,681
		Loan from entity	29(a)	(357,847)	(180,007)
		Payable to entity	31(a)	(37,824)	-
New Town Receivable	Affiliate	Receivable from entity	25(a)	60,348	59,545
Beechwood Property	Affiliate	Loan to entity	23(a)	-	-
Development Company		Receivable from entity	25(a)	-	-
		Interest income	12	(818)	-
		Interest expense	17	68,774	-
		Payable to entity	31(a)	(84,390)	(44,150)
		Loan from entity	29(a)	(397,820)	-

The related parties and balances for the year ended 31 December 2015 are listed below:

Related entities	*Relationship*	*Nature of transactions*	*Note*	Group 31 Dec 2015 Due (to)/from N'000	Company 31 Dec 2015 Due (to)/from N'000
ARM Company Limited	Affiliate	Receivable from entity	26(a)	3,210,448	84
		Payable to entity	32(a)	(12,756,286)	(12,524,261)
		Payable to entity	32(a)	(22,044)	(22,044)
		Loan from entity	30(a)	(9,656,662)	(2,778,076)
		Loan from entity	30(a)	-	-
		Loan from entity	30(a)	(5,961)	-
		Deposit for shares	29(a)	(15,803,369)	(15,803,369)
Asset & Resource Management Company	HoldCoy	Payable to entity	32(a)	(22,044)	(22,044)
Oakland Properties Plc	Subsidiary	Loan to entity	24(a)	-	-
		Interest income	13	-	(30,394)
		Interest expense	18	-	114
		Payable to entity	32(a)	-	(1,197)
Cross Town Mall Properties Limited	Subsidiary	Payable to entity	32(a)	-	(25,667)
Oluwole Urban Mall Property Limited	Subsidiary	Receivable from entity	26(a)	-	169,747
		Interest expense	18	-	269
		Interest income	13	-	(55)
		Loan to entity	24(a)	-	-
Adiva Properties Limited	Subsidiary	Receivable from entity	26(a)	-	837,706
		Interest expense	18	-	34,176
Toll Systems Development Company	Subsidiary	Payable to entity	32(a)	-	(113,312)
New Towns Development project	Affiliate	Receivable from entity	26(a)		19,509
Summerville Golf Club Limited	Subsidiary	Loan to entity	24(a)	-	-
		Loan to entity	24(a)	-	3,960,241
		Receivable from entity	26(a)	-	2,760,535
		Interest income	13	-	(436,120)
		Payable to entity	32(a)	-	(52,009)
		Management fee income	14	-	(260,596)
		Development fee	14	-	(106,920)
		Subscription for Investment	26(c(iii))	-	2,248,750

Notes to the Consolidated and Separate Financial Statements

Related entities	*Relationship*	*Nature of transactions*	*Note*	Group 31 Dec 2015 Due (to)/from	Company 31 Dec 2015 Due (to)/from
Garden City Golf Estate	Joint	Loan to entity	24(b)	3,864,204	3,864,204
Development Limited	venture	Interest income	13	(290,839)	(290,839)
		Management fee income	14	(74,022)	(74,022)
		Payable to entity	32(a)	(202,157)	(202,157)
		Subscription for Investment	26(c(iii))	271,535	271,535
ARM Trustees Limited	Affiliate	Loan from entity	30(a)	(6,892)	(6,892)
		Interest expense	18	1,046	1,046
ARM Life Plc	Affiliate	Receivable from entity	26(a)	12,525	12,525
Mixta Africa	Affiliate	Receivable from entity	26(a)	15,726	15,726
MIXTA Cote d'Voire	Affiliate	Receivable from entity	26(a)	22,911	22,911
Hospitality Management Company	Affiliate	Receivable from entity	26(a)	130,309	101,914
Hospitality Management Company	Affiliate	Payable from entity	32(a)	(675)	-
Oceanwinds Hospitality Limited	Affiliate	Loan to entity	24(a)	1,066,892	1,066,892
		Interest income	13	(171,139)	(171,139)
		Subscription for Investment	26(c(iii))	274,082	274,082
		Payable to entity	32(a)	(2,661)	-
Farapark Limited	Affiliate	Receivable from entity	26(a)	6,872	6,820
		Loan from entity	30(a)	(32,994) -	
		Interest income	13	(5,470)	(5,470)
		Payable to entity	32(a)	(13,759)	-
Lakowe Lakes Golf Club Limited	Affiliate	Loan to entity	24(a)	270,500	7,457
		Interest income	13	(85,166)	(1,480)
		Payable to entity	32(a)	(94,687)	(18,265)
		Receivable from entity	26(a)	27,971	27,971
Watford Properties Limited	Affiliate	Deposit for shares	29(a)	(16,053,369)	(15,803,369)
		Payable to entity	32(a)	(1,101,718)	(1,101,718)
		Loan from entity	30(b)	(1,465,372)	-
		Receivable from entity	26(a)	3,281,250	-
Townsville Properties Limited	Affiliate	Receivable from entity	26(a)	1,673	673
		Interest expense	18	44,978	23,394
		Loan from entity	24(a)	(441,966)	(152,322)
		Payable to entity	32(a)	(37,824)	-
New Town Receivable	Affiliate	Receivable from entity	26(a)	61,802	59,545
Beechwood Property	Affiliate	Loan to entity	23(a)	3,816	-
Development Company		Receivable from entity	26(a)	20,313	20,313
		Interest income	13	(634)	-
		Interest expense	18	49,020	-
		Payable to entity	32(a)	(33,077)	-
		Loan from entity	30(a)	(338,253)	(12,836)

The above receivables result from expenses incurred by the Company on behalf of the above related parties. Payables result from funds received by the Company on behalf of the related parties.

Notes to the Consolidated and Separate Financial Statements

41. Contingent liabilities

The Group is presently involved in 8 (December 2015: 6) litigation suits in the ordinary course of business. The total amount claimed in the cases against the Group is estimated at N630,886,875 (December 2015:N64,282,206). The actions are being contested and the Directors are of the opinion that none of the aforementioned cases is likely to have a material adverse effect on the Group. The Directors are also not aware of any other pending or threatened claims and litigations.

42. Subsequent events

The directors have recommended the payment of 18Kobo per shares as dividend on the issued share capital of 1,683,558,000 shares of 50 kobo each for the year ended 31 December 2016 (December 2015: 50 kobo).

There are no subsequent events which could have had a material effect on the financial position of the Company as at 31 December 2016 and the profit for the year ended on that date which have not been adequately provided for or disclosed.

OTHER NATIONAL DISCLOSURES Value Added Statement

Group

In thousands of naira	31 December 2016	%	31 December 2015	%
Gross earnings	4,314,211		3,172,236	
Bought in goods and services	(2,465,341)		(1,226,798)	
Specific impairment allowance on financial assets	(83,137)		(105,816)	
Share of profit/(loss) of equity-accounted investment	21,009		(29,561)	
	1,786,742		1,810,061	
DISTRIBUTION				
Employees cost	290,561	16.3	216,476	12.0
GOVERNMENT				
Tax expense	291,566	16.3	104,451	17.0
RETAINED IN THE BUSINESS				
Assets Replacement (Depreciation)	239,180	13.4	223,241	12.0
Non-controlling interest	211,365	11.8	463,428	26.0
To pay proposed dividend	303,040	17.0	387,218	21.0
To augment reserves	451,030	25.2	(219,973)	12.0
	1,786,742	100.0	1,810,061	100.0

Company

In thousands of naira	31 December 2016	%	31 December 2015	%
Gross earnings	1,830,690		1,463,932	
Bought in goods and services	(1,401,732)		(949,638)	
Specific impairment allowance on financial assets	(9,937)		16,073	
	419,021		530,367	
DISTRIBUTION				
Employees cost	290,561	69.3	196,396	37.0
GOVERNMENT				
Tax expense	35,917	8.6	104,451	19.7
RETAINED IN THE BUSINESS				
Asset Replacement (Depreciation)	25,900	6.2	7,631	1.4
To pay proposed dividend	303,040	72.3	387,218	73.0
To deplete reserves	(236,397)	56.4	(165,329)	31.2
	419,021	100.0	530,367	100.0

Five - Year Financial Summary - Group

Group

In thousands of naira	Group 31 Dec 2016	Group 31 Dec 2015	Group 28 Feb 2014	Group 28 Feb 2013	Group 28 Feb 2012
Assets					
Property and equipment	11,612,648	12,335,978	12,405,937	-	-
Investment property	57,575,884	55,589,800	54,613,380	53,671,770	52,010,000
Trading properties under development	-	-	-	-	7,759,190
Equity-accounted investment	2,497,798	2,476,789	2,506,350	-	-
Loans to related entities	4,988,251	5,204,652	4,812,002	3,780,671	4,114,643
Trading properties	32,961,970	32,179,040	27,678,398	11,245,416	3,464,091
Debtors and prepayments	8,333,064	9,317,543	8,445,811	10,712,701	8,724,360
Cash and cash equivalent	656,838	848,438	2,107,529	999,578	1,452,701
	118,626,453	117,952,240	112,569,407	80,410,136	77,524,985
Liabilities					
Deferred tax liabilities	5,701,756	5,510,525	5,403,120	5,308,959	5,142,782
Deposit for shares	31,855,488	31,856,738	31,856,738	16,948,980	16,948,980
Borrowings	25,166,507	20,262,672	17,452,476	1,241,162	1,375,574
Current income tax liability	2,179,277	2,344,456	2,202,136	1,833,255	1,782,090
Other liabilities and accruals	15,216,852	19,871,368	18,078,526	19,782,497	10,549,177
Deferred revenue-deposit from customers	7,467,146	9,012,103	10,183,488	5,291,007	4,906,496
Provisions	2,334,379	967,547	-	-	
Total liabilities	89,921,405	89,825,409	85,176,484	50,405,860	40,705,099
Net assets	28,705,048	28,126,831	27,392,923	30,004,276	36,819,886
Capital and reserves					
Share capital	841,779	841,779	841,779	841,779	841,779
Share premium	5,819,185	5,819,185	5,819,185	5,819,185	5,819,185
Common control acquisition deficit	(2,920,407)	(2,920,407)	(2,920,407)	-	-
Retained earnings	18,110,362	17,743,510	17,473,030	16,867,678	15,516,358
Non-controlling interest	6,854,129	6,642,764	6,179,336	6,475,634	14,642,564
Shareholders' funds	28,705,048	28,126,831	27,392,923	30,004,276	36,819,886

In thousands of naira	Group 31 Dec 2016	Group 31 Dec 2015	Group 10 months 31 Dec 2014	Group 28 Feb 2014	Group 12 months 28 Feb 2013
Total revenue	7,344,849	5,246,278	8,028,074	2,473,730	1,079,166
Profit before income tax	1,257,001	1,370,344	1,454,364	2,100,929	550,476
Profit for the year	965,435	1,070,619	977,226	1,729,491	344,771
Transfer to retained earnings	754,070	607,191	891,557	1,274,308	347,731
Earnings per share - Basic and diluted	45k	36k	53k	76k	21k
Dividend per share	18k	23k	20k	17k	12k

Five - Year Financial Summary - Company

Company

In thousands of naira	Company 31 Dec 2016	Company 31 Dec 2015	Company 31 Dec 2014	Company 28 Feb 2014	Company 28 Feb 2013
Assets					
Property and equipment	101,924	98,144	-	-	-
Investment in subsidiaries	31,608,026	31,608,026	31,608,026	31,606,776	23,264,262
Equity-accounted investment	2,505,100	2,505,100	2,505,100	-	-
Loans to related entities	9,764,896	8,898,794	11,860,697	4,380,068	4,651,951
Trading properties	4,496,283	4,566,445	3,096,787	3,352,091	3,352,091
Debtors and prepayments	14,133,133	7,627,301	4,782,373	4,031,689	3,099,133
Cash and cash equivalent	522,463	713,296	224,701	713,727	102,685
	63,131,825	56,017,106	54,077,684	44,084,351	34,470,122
Liabilities					
Deferred tax liabilities	12,554	9,763	-	-	-
Deposit for shares	31,606,738	31,606,738	31,606,738	16,948,980	16,948,980
Borrowings	6,077,457	2,937,290	3,376,255	1,084,176	860,634
Current income tax liability	414,371	640,463	595,775	460,482	459,977
Other liabilities and accruals	18,838,960	15,243,180	12,931,209	17,641,933	8,449,324
Provisions	166,916	-	-	-	-
Deferred revenue-deposit from customers	882,519	126,787	84,510	117,500	44,533
Total liabilities	57,999,515	50,564,221	48,509,977	36,253,071	26,763,448
Net assets	5,132,310	5,452,885	5,567,707	7,831,280	7,706,674
Capital and reserves					
Share capital	841,779	841,779	841,779	841,779	841,779
Share premium	5,819,185	5,819,185	5,819,185	5,819,185	5,819,185
Common control acquisition deficit	(2,156,000)	(2,156,000)	(2,156,000)	-	-
Retained earnings	627,346	947,921	1,062,743	1,170,316	1,045,710
Shareholders' funds	5,132,310	5,452,885	5,567,707	7,831,280	7,706,674

In thousands of naira	Company 31 Dec 2016	Company 31 Dec 2015	Company 10 months 31 Dec 2014	Company 28 Feb 2014	Company 12 months 28 Feb 2013
Total revenue	1,966,887	935,497	915,351	729,620	925,812
Profit before income tax	102,560	326,340	328,021	481,234	476,297
Profit for the year	66,643	221,889	178,632	326,633	303,424
Transfer to retained earnings	66,643	221,889	178,632	326,633	303,424
Earnings per share - Basic and diluted	4k	13k	11k	19k	18k
Dividend per share	18k	23k	20k	17k	12k

PROXY FORM

MIXTA REAL ESTATE PLC RC.NO:645036
9th Annual General Meeting to be held at 11:00am
on Tuesday June 6, 2017 at Darlington Hall, Plot CDE, Ilupeju, Lagos State

being a member/members of MIXTA REAL ESTATE PLC
Do hereby appoint

* ____

____

Or failing him the Chairman of the Meeting as my/our Proxy to vote on my/our behalf at the General Meeting of the Company to be held on Tuesday June 6, 2017

Dated the _______ day of __________ 2017 Shareholder's signature ______________________

ADMISSION FORM

MIXTA REAL ESTATE PLC.
Annual General Meeting admission

Please admit

To the 9th Annual General Meeting of Mixta Real Estate Plc which will be held at Darlington Hall, Plot CDE, Ilupeju, Lagos State.

IMPORTANT NOTICE:

1. The admission card must be presented by the Shareholder or his proxy in order to obtain entrance to the Annual General Meeting.
2. Shareholders or their proxies are requested to sign the admission card in the appropriate place before attending the Meeting.

ARM TRUSTEES LIMITED
Company Secretary

THE ANNUAL GENERAL MEETING TO BE HELD AT 11:00 AM ON TUESDAY, JUNE 6, 2017 AT DARLINGTON HALL, PLOT CDE, ILUPEJU, LAGOS STATE

I/We ______________________________* being a Shareholder/Shareholders of MIXTA REAL ESTATE PLC. hereby appoint ______________________________* of ______________________________or failing him the Chairman of the Meeting as my/our proxy to act and vote for me/us at the Annual General Meeting of Mixta Real Estate Plc. to be held on Tuesday, June 6, 2017

Dated this ________ day of ___________, 2017

Signature ______________________________

* Kindly fill in CAPITAL LETTERS.

Please indicate with an "X" in the appropriate column, how you wish your votes to be cast on the resolutions set out above.

Back of Proxy Form

RESOLUTIONS	For	Against
ORDINARY BUSINESS		
1. To receive the Audited Financial Statements for the year ended December 31, 2016 and the Reports of the Directors and Auditors thereon.		
2. To declare a Dividend.		
3. To re-elect Directors.		
4. To authorize the Directors to fix the Remuneration of the Auditors.		
5. To elect members of the Audit Committee.		
Please indicate with an "X" in the appropriate column, how you wish your votes to be cast on the resolutions set out above.		

This proxy form should NOT be completed and sent to the registered office of the Registrar if the member would be attending the Meeting in person.

NOTES

1. A member (shareholder) who is unable to attend an Annual General Meeting is allowed to vote by proxy. This proxy form has been prepared to enable you exercise your vote if you cannot personally attend. All proxy forms should be deposited at the registered office of the Registrar (as stated in the notice) not later than 48 hours before the meeting.
2. Provision has been made on this form for the Chairman of the Meeting to act as your proxy, but if you wish you may insert in the blank space on the form (marked *) the name of any person, whether a member of the Company or not, who will attend the Meeting and vote on your behalf instead of the Chairman of the Meeting.
3. In the case of joint shareholders, any of them may complete the form, but the names of all joint shareholders must be stated.
4. If executed by a corporation, the proxy form should be sealed with the common seal or under the hand of some officers or an attorney duly authorized.
5. The proxy must produce the Admission form sent with the Report and Accounts to obtain entrance at the Meeting.

IF YOU ARE UNABLE TO ATTEND, PLEASE DO THE FOLLOWING:

a. Write the name of your proxy (if any) where marked *
b. Ensure that the form is signed by you
c. Tear the proxy Form along the perforated lines and post so as to reach the registered office of the Registrar not later than 48 hours before the time of holding the Meeting.

Back of Proxy Form

MIXTA REAL ESTATE PLC - List of Unpaid Dividend

1	(ADMORS TO THE ESTATE OF ADEBANJO ADENIYI OLAIDE OLAIDE ESTATE OF ADEBANJO ADENIYI OLAIDE
2	ABAMIC RESERVES LIMITED
3	ABAYOMI OKURIYIKE AJOSE-ADEOGUN
4	ABDUL GANIYU ATANDA SAKA
5	ABDULAZEEZ ADEMOLA TAIWO OYEDELE
6	ABDULHAREEM EKHA AILEOBINI
7	ABF RESOURCES AND INVESTMENT LTD
8	ABHULIMEN OHIKU
9	ABIEYUWA IMASEKHA
10	ABIMBOLA JANET DADA
11	ABIMBOLA ODUMOSU
12	ABIODUN ADELOWO ADESOLA
13	ABIODUN SOSAN NIGEL
14	ABIOYE ADELEKAN
15	ABISOLA KAMSON
16	ADA OKWUOSA
17	ADEALAFIA JIBOWU
18	ADEBAYO ADELOWO ADEMILUYI
19	ADEBAYO ADETUNJI ADELEKE
20	ADEBISI FLORA AJAYI
21	ADEBISI JOSEPHINE SOLA-ADEYEMI
22	ADEBISI OLABISI
23	ADEBOLA ADEFOPE
24	ADEBOWALE OMOTAYO MORGAN
25	ADEBOYE TAIWO ONIWINDE
26	ADEBUKOLA ADEKEYE
27	ADEDEJI OLUWASEUN AGBOADE
28	ADEDOTUN OLUWATOSIN ADEFOPE
29	ADEDOYIN APINKE COKER
30	ADEGBOYEGA ADEBAJO
31	ADEKUNLE SHODUNKE
32	ADEKUNLE SHODUNKE
33	ADENIKE BOLANLE AKINSEYE
34	ADEOLA ABOSEDE AJIBADE
35	ADEOLA ADEYI
36	ADEREMI ALABI OJO
37	ADERONKE OLUWATOBI ADEBISI
38	ADERONKE OYEYEMI ADEYEMI
39	ADESINA MOFOLUWASO & TITILOPE

List of Unpaid Dividend

40	ADESOLA MAMUKUYO
41	ADESOLA OLUWASEUN AKINOLA
42	ADESUA OMOLEGHO ADEWOLE
43	ADETOKUNBO AYOOLA ADETOLA
44	ADETOLA ADEWALE AKINSULIRE
45	ADEYEMI MISBAU SUARA
46	ADEYEMO CUDJOE ALAKIJA
47	ADEYOJU PETER AIKU
48	ADIC INSURANCE PLC
49	ADIGUN ADEMOLA
50	AFOLABI ISRAEL ANIBABA
51	AFOLABI OGUNTADE
52	AGHARINMA EHIEDU
53	AHAMEFULA IGBOKWE
54	AHMED ADESEGUN SULE
55	AHMED JODA
56	AISHA SHAMSUNA AHMED
57	AKHERE PHILIP OMONFOMAN
58	AKINOLA AFOLABI AKINBOBOYE
59	AKINPELU ASALU
60	AKINWALE GBENGA OGUNLEYE
61	AKPIFO ONOME OHWOVORIOLE
62	ALBERT OLUMIDE LAWSON
63	ALICE .O. KAY
64	ALICE OLORUNYOMI
65	ALOY CHIFE
66	AMINAT ADEBUNKUNOLA ADAMS
67	AMINAT GBAJABIAMILA
68	AMOKE ONITIJU
69	ANANABA IBEABUCHI
70	ANGEL PARIOLA
71	ANGELA EZINWANYI CHIKE-DIKE
72	ANTHONIA O. DUROJAIYE
73	ANULIKA EDE
74	ARIT O ANNAM (MINOR)
75	ASMAU GOGO ONIYANGI
76	ATOLOYE OLOLADE
77	AUGUSTINE & OLUSOLA OKERE
78	AUGUSTINE OKOCHA
79	AXIAL NIGERIA LTD
80	AYANWOLE SIKIRU ALLI

List of Unpaid Dividend

81	AYOBOLA OLUWAFEMI ABIOLA
82	AYODEJI OLADUNNI
83	AYODEJI OMOTOSO
84	AYODELE KOFI SAGOE
85	AYODELE PATRICK AKINWUNMI
86	AYOKUNLE EBENEZER ADESINA
87	AYOOLA ADISA
88	AYUBA RAMADAN
89	AZUKA ANDRE ONIANWA
90	BABAJIDE AYOBAMI BABALOLA
91	BABAJIDE OLUSOLA OGUNTOLA
92	BABAMAYOWA AMOO
93	BABATOPE AYODELE OMODELE
94	BABATOPE GBENGA OGUNNOWO
95	BABATUNDE OPEYEMI OJO
96	BABATUNDE SALAMI AKINDELE
97	BABATUNDE SOTUNDE
98	BABATUNDE TIJANI FOLAWIYO
99	BALOGUN GAFAR OLOLADE ERINFOLAMI
100	BANJI OLANIYAN
101	BANKOLE SAIDI
102	BARNABAS INYAWEBOWE ARASTUS
103	BASHIR GBOLAGADE ADEBAYO
104	BASHIR UMAR SULE
105	BENSON AJAYI
106	BERNARD CHIDOZIE EJIM
107	BIMSUKA INVESTMENTS LTD
108	BIODUN EBUN ADEFILA
109	BISIKE OBIOHA UBA
110	BLESSING AONDONA-ATE
111	BLUESTONE CAPITAL NIG LTD
112	BOLARINWA OLUGBENGA OSIYALE
113	BOLUTIFE OLUBUKOLA FOLASADE ADEFEHINTI
114	BOMMO INTERNATIONAL NIG LTD
115	BOSE OTUFOWORA
116	BOSEDE ABIODUN FAGBOYEGUN
117	BROWNSON OBARIDOA OBELE
118	BUNMI ALABI
119	BUNMI ALLINSON
120	CAPGEMINI INVESTMENTS LIMITED
121	CASMIR ANYANWU

List of Unpaid Dividend

122	CHARLES AKUNNA
123	CHIBUEZE F NDUDIRIM
124	CHIBUZO IVENSON
125	CHIDIEBERE VICTOR OKPARA
126	CHIEDOZIEM NDUDIRIN
127	CHIJI OKORONKWO
128	CHIMEZIE ANOCHIE
129	CHINEDU DESMOND OZOEKWO
130	CHINEDU JEFFREY OKPALLA
131	CHINEDU OREOLUWA ALAKE
132	CHINEDUM CHIKA EWUZIE
133	CHINENYE NWAOGO CHUKWU EJIM
134	CHINNEZE THOMAS ORAGWU
135	CHINYERE BEATRICE IWUAJOKU
136	CHINYERE DOZIE
137	CHRISTIAN CHUKWUEMEKA OKALLA
138	CHRISTIAN OKECHUKWU EBBI
139	CHRISTOPH ETIM
140	CHRISTOPHER ANUNAGBA
141	CHRISTOPHER OGBONNAYA UKAH
142	CHUKA NZEKA
143	CHUKWUDI PHILIP UME-EZEOKE
144	CHUKWUEMEKA AKINTOMIDE ALAKE
145	CHUKWUEMEKA CHIAGOZIE ELUCHIE
146	CHUKWUEMEKA PATRICK NGENE
147	CHUKWUNOMNSO EDMOND IWUALA
148	CHUKWUNONSO ANGELINA UME-EZEOKE
149	CHUX UGWUEGEDE
150	CLEMENT OBINWANNE CHUKWU
151	COOPLAG/ OLANIYAN OLAYINKA SHELL
152	COSMAS OKECHUKWU EZEANOWAI-OBIEZU
153	D.E. ODIBA
154	DAISY OMOYEMWEN EBE
155	DANIEL CHINEDUM ILO
156	DANIEL U ANNAM (MINOR)
157	DAVID OLALEKAN SOMORIN
158	DAVID OLUWANIYI BAMISHILE-RICHARDS
159	DAVID OYEH EGBEJULE
160	DEBO DINA
161	DEBORAH AJOKE OLAGUNJU
162	DEJI TUNDE-ANJOUS

List of Unpaid Dividend

163	DIVINE NOBLE FAITH VENTURES
164	DOKPE OHONMOIME AKELE
165	DONALD OKORIE ONUOHA
166	DONNA OSASUMWEN AIMIUWU
167	DORIS OMERESAN BAJAH
168	DOYIN OLAJIDE
169	E.O. OLAWALE
170	EBENEZER OLUFEMI IDOWU
171	EHINMIGBAI OTOIDE OHIWEREI
172	EKAETTE KINGS ITUEN
173	EKENE NDIDI OMALIKO
174	EKUNDAYO OLUROTIMI AYORINDE
175	ELAM ENOCH
176	EMEKA AKUNYIBA
177	EMEKA OLATUNJI AJAYI
178	EMILY GREEN-NWODIM
179	EMMANUEL ADEGBITE
180	EMMANUEL AKOMAYE
181	EMMANUEL EZE
182	EMMANUEL OKECHUKWU ANYANWU
183	EMMANUEL OLUFEMI ADEWALE
184	EMMANUEL ROBSON
185	ENIOLA OLUFISAYO FATOGUN
186	ENITAN ONABAMIRO
187	ESURU AHANEKU
188	EUNICE NWOWU
189	EVELYN EGHOGHO EMUH
190	EYITAYO DAN-MUSA
191	EYITAYO JNR ILORI
192	F.M. IBIROGBA
193	FADIPE AYODELE BABATUNDE
194	FATAI LANRE TIJANI
195	FELIX ADEOLU AKINSANYA
196	FEMI OLADEHIN
197	FEYI OLUSANYA
198	FLORENCE OGECHI OKOLI
199	FOLASADE RANDLE
200	FRIDAY NOSA OMOREGIE
201	FUNKE PETERS
202	FUNLOLA KUPOLATI
203	FUNSHO GBOLAHAN

List of Unpaid Dividend

204	GABRIEL ADETOLA OKUNUBI
205	GABRIEL CHIDIEBERE CHUKWUKERE
206	GANIAT ADETUTU SIYANBOLA
207	GANIYU AMOO KOLAWOLE
208	GARBA FATIMA ALIYU
209	GENESIS 1 SCULPTURE ENT
210	GENITY LTD
211	GEORGE IKECHUKWU NWANKWO
212	GEORGE OLUMUYIWA ABOABA
213	GHEYSEN REAL LIMITED
214	GIDEON OLUWASEGUN ADEGBITE
215	GODSON ODITA
216	GOLDEN UMBRELLA GLOBAL SERVICES LTD
217	GOSEN INTERNATIONAL AGENCIES LTD
218	GRACE AWANI ALELE-WILLIAMS
219	GREGORY ONYEBUCHI OCHADA
220	GREGOWA GOUCHOEKPON
221	HABEEBULLAH OLORUNNISHOLA MUTAIRU
222	HAFSATU ABDULLAHI
223	HALIMA NYAKO
224	HALITA ALIYU
225	HARLEQUIN INVESTMENTS LIMITED
226	HAWKSWORTH INVESTMENT LIMITED
227	HEINEKEN LOKPOBRI
228	HENRY CHIDI IKPA
229	IBIKUNLE JOSEPH MARINHO
230	IBITROKO S-DOUGLAS
231	IBIYOSOLA OLADUNKE OGUNDAIRO
232	IBUKUN OLUGBENGA OPEODU
233	IDORENYIN OBOT
234	IFEANYI OBUA
235	IFEDEYI OLA-SHODUNKE
236	IFEJESUDAMISI EBUNJESU DAPO-MAKANJUOLA
237	IFEJOLAADE OLA-SHODUNKE
238	IFEYINWA MAUREEN ANOCHIE
239	IGHOJOVBE WINIFRED OGHENEKARO
240	IGNATIUS ODO EZEJA
241	IJEOMA ONWUKA
242	IKECHUKWU BONIFACE OZOH
243	IKECHUKWU EZEKIEL OKOLI
244	IKONMWOSA CLARA OKORO

List of Unpaid Dividend

245	INA ROSE EBONG
246	INAM AKPADIAHA MR WILSON
247	INIOLUWA OLA-SHODUNKE
248	INNOCENT EZE
249	ISAAC OLUWOLE SHONGOTOLA
250	ISAIAH ADEBAYO OKUNLOLA
251	ISIOMA LAWAL
252	ISYAKU UMAR
253	IYABO MOHAMMED
254	IYABO ODUTOLA
255	J.O. OYEFESO
256	JACOB ESAN
257	JAMILA MOMODU-MUSA
258	JESUTOFUNMI ADEYEMI
259	JOHA GLOBAL SOLUTION
260	JOHN IKIMALO
261	JOHN IRONTA
262	JONATHAN AYO SANYAOLU
263	JOSEPH MOTUNRAYO OGUNSANWO
264	JOSEPH ONUORA ESEKA
265	JOSEPH OSUNTOLA ILORI
266	JOSEPH OYETUNDE OYEWOLE
267	JOSHUA OKIREMUTE OGBIMI
268	JUDE EDEMA AWANI
269	JULIET OGECHUKWU NNOKA
270	JUMOKE OGUNDARE
271	JUMOKE OLUYEMISI ODUNSI
272	JUMOKE OSHOSANYA
273	JUSTICE MUSA GARBA
274	KALU ABOSI
275	KAMAR AZEEZ
276	KAREEM ADISA AGODI
277	KAYLOPE COY LTD
278	KAYODE AKINKUGBE
279	KAYODE ODETOLA
280	KAYODE ODUWOLE
281	KAYODE OLADELE FALOLA
282	KEHINDE ADETOLA AKINSANYA
283	KEHINDE MULIKAT OMOLABAKE MUSA
284	KEHINDE OLUSEGUN ONIWINDE

List of Unpaid Dividend

285	KEHINDE OYELEKE
286	KEHINDE PAUL LASISI
287	KEMI ADENIRAN
288	KEMI OLUWASHINA
289	KIKELOMO CHRISTY AKINLUYI
290	KIRTAP (HOLDINGS) LIMITED
291	KOFOWOROLA ADEDAMOLA MAJEKODUNMI
292	KOLAWOLE FRANCIS AREGBESOLA
293	KOTHARI VASANT
294	KUNLE-SALAMI AYOBAMBO & SALAMI OLOLADE
295	LARRY CHIEDU NWABUDIKE
296	LASAT ENTERPRISES
297	LATEEF ADELEKE OYEWUMI
298	LATEEF OGUNSOLA
299	LAWAL DANLADI YARO
300	LEAD CAPITAL LIMITED
301	LEKE BABATUNDE AKINROWO
302	LENBOROGGH BUSINESS CONCERN LTD
303	LILLIAN CHIDI-EZIRIM
304	LION BUILDINGS LIMITED
305	LOLA AKINLEYE
306	LOVE ONYEJIZURU UTOMI
307	LOVETH ADANNA AGUWA
308	MABEL EHIOSU EDENARU
309	MADUEKE CECILIA
310	MALLAM MIKAIL SHEHU
311	MANNIRA BUHARI
312	MARGARET NWAKANMA MONYEH
313	MARKSON TARIBO
314	MARY KEHINDE LADEJO
315	MARYAM SULEIMAN
316	MASTERMINDS GLOBAL RESOURCES LTD
317	MATTHEW OKPERE
318	MAYOWA OLATOYE
319	MELIE NNAMDI
320	MG RESOURCES LTD
321	MICHAEL FATUNBI
322	MICHAEL OGBONNAYA OJI
323	MICHAEL OGUNBIYI
324	MICHEAL OLUTAYO ABAYOMI
325	MIKE TYONONGU KOHOL

List of Unpaid Dividend

326	MODUPE & BABATUNDE OKOH
327	MODUPEOLA IRELE
328	MOHAMMED AGEFU YAHAYA
329	MOHAMMED KUDU SANTURAKI
330	MOHAMMED LAWAL ALIYU
331	MOHAMMED SANI ALHASSAN
332	MOJISOLA FOLUKE EDUN
333	MORAYO MAKANJUOLA
334	MOSHOOD OLUSEGUN MOGAJI
335	MR& MRS V.O.DANIA
336	MURTALA USMAN
337	MUSTAPHA OLUSOLA OLADUNJOYE
338	MUTIU ADEMOLA BALOGUN
339	N EUCHARIA NDUDIRIM
340	NAJEEM KAYODE ADEWUYI
341	NAOMI AMARACHUKWU EMMANUEL IKE
342	NASIRU SHEHU SIDI
343	NATHANIEL OYINKURO OPUZI
344	NDIDI EDOZIEN
345	NDUBUISI ALUGWE
346	NGONZI NWANKWO
347	NGOZI HELEN CHUKELU
348	NGOZICHUKWUKA ANDREW OBURO
349	NICHOLAS NWALOZIE NNEJI
350	NIKE OLOWOKANDE
351	NJIDEKA ROSEMARY NWOSU
352	NKECHI ROSEMARY IWEGBU
353	NKERIRUKA FAVOUR EZE
354	NKIRU OGOCHUKWU OBINMA
355	NNAMDI CHARLES OKORO
356	NNAMDI CYRIACUS ONYEBUCHI
357	NOBLE FAITH CATERERS
358	NOJEEM OLALEKAN POPOOLA
359	NOSAKHARE EHIGIE
360	NSE / CSCS MULTI PURPOSE CO-OPERATIVE SOCIETY
361	NSE-ABASI OLUGBENGA
362	O. OGUN
363	OBAFEMI AWOYEMI
364	OBERHIRI EREME THERESA
365	OBIANUJU NADINE EZENACHUKWU

List of Unpaid Dividend

366	OBINNA AYODIPUPO ALAKE
367	OBINNA BENJAMIN OMOEJE
368	OBISESAN LEWIS OGUNLEYE
369	OGO AGUSIOBO
370	OGOCHUKWU SYLVIA EKEZIE
371	OKIEMUTE GLORIA OHIWEREI
372	OLABISI NURUDEEN GINIGBIH
373	OLADAPO AKINRO
374	OLADAPO OLUSOLA AKINSANYA
375	OLADEJO ADEBOLA FABOLUDE
376	OLADIPO BABATUNDE BAJO
377	OLADIPO FOLABI OSENI
378	OLAEISI ADEDIGBA
379	OLAFEMI ESTHER AGBOOLA
380	OLAIDE OLUWATOYIN OLUSOJI-OKE
381	OLAITAN ODUNUGU OMOLOLA
382	OLAKUNLE OLUKAYODE AROMIRE
383	OLALEKAN OLADIPUPO FAGBUYI
384	OLAMIDE OLUWATOSIN OLOWU
385	OLANIKE TOLULOPE ADEDIRAN
386	OLANIYI ADENIYI
387	OLANIYI AKINADE AKINOLA
388	OLANIYI OLAJIDE
389	OLANREWAJU BAMIDELE OYEWOLE
390	OLANREWAJU FATAI IBRAHIM
391	OLANREWAJU OLUBUKOLA FAGBIRE
392	OLATAYO DOLAPO TALABI
393	OLATUNBOSUN AYOTUNDE OKE
394	OLATUNDE BAYO BALOGUN
395	OLATUNDE SHONEKAN
396	OLAYINKA MODUPE ONASANYA
397	OLISAELOKA EMMANUEL EZENACHUKWU
398	OLOYEDE FAGBEMI
399	OLUBAYODE ABIMBOLA AGBI
400	OLUBUNMI MAMUKUYO
401	OLUBUNMI OLUYEMISI ADELEYE
402	OLUDOTUN BABATUNDE FADIPE
403	OLUFEMI POPOOLA
404	OLUFUNKE ESTHER AMOS
405	OLUGBENGA AKINTUNDE AKINYOMBO
406	OLUGBENGA DAIRO

List of Unpaid Dividend

407	OLUGBENGA OLADIPUPO ISMAIL
408	OLUGBENGA OLUROTIMI SADIPE
409	OLUKEMI ADENIJI
410	OLUKEMI SUSAN SOWEMIMO
411	OLUMIDE AKINTERINWA
412	OLUMUYIWA OYEWOLE
413	OLUREMI OLORUNYOMI
414	OLUSEGUN ABEL AKINBODE
415	OLUSEGUN OSIFO AKPATA
416	OLUSEGUN OYEKANMI VETIVA NOMINEE
417	OLUSESAN AYODELE ALAKE
418	OLUSEUN ODUWOLE
419	OLUSHOLA ISMAIL
420	OLUSHOLA OMOWUNMI ADEWUNMI
421	OLUSOLA OLURANTI OGUNNOWO
422	OLUTOSIN CHARLES LADEJO
423	OLUTUNDE ADEYANJU FADAIRO
424	OLUWABUNKUNMI AKINSEYE
425	OLUWAFEMI ABIODUN ADEWOYE
426	OLUWAFEMI FRANCIS DANIEL OGUUNBI
427	OLUWAKEMI ADETOUN POPOOLA
428	OLUWAKEMI FARINDE
429	OLUWAMODUPE EBENEZER FAMUREWA
430	OLUWAPELUMI OSIBEMEKUN
431	OLUWASEUN FALEYE
432	OLUWASEUN SUNDAY POPOOLA
433	OLUWASEYI SOLOMON OWO
434	OLUWATOFUNMI AMINU
435	OLUWATOSIN LAWANI
436	OLUWATOSIN OPEYEMI ATOBATELE
437	OLUWATOYIN VICTORIA IRIABE
438	OLUWOLE ADEGORIOYE ADEDIRAN
439	OLUWOLE JEREMIAH TOKODE
440	OLUYEMI BABATUNDE SONEYE
441	OMOBAYODE OLUWASEUN KETIKU
442	OMOLARA EBELE ANUWE
443	OMOLEGHO OJEIKERE
444	OMOLOLA ELENITOLA-JOHNSON
445	OMOLOLA OLUWABUNMI OMOTOLA
446	OMOSALEWA MORIAMO AJIBOLA
447	OMOTOPE ODUNAYO OGUNNOWO

List of Unpaid Dividend

448	OMOWONUOLA.O & BABAJIDE .T ALABI
449	OMOWUNMI GANIAT MAFOLABOMI
450	OMOWUNMI OYINKANSOLA MAJEKODUNMI
451	ONABANJO S ONASANYA
452	ONIWINDE OLUYOMI
453	ONUBOGU MOSES ONOH
454	ONYEMACHI MICHAEL ONYENWENU
455	ONYEN ADEJO ALICE
456	OPE OLOMO
457	OPEYEMI HELEN ADEWUNMI
458	ORITSEWEYIMI ANDREW ESISI
459	OSAGHAE COLLINS AKHABUE
460	OSAGIE ESEOGHENE HARRISON IMASUEN
461	OSAHON OGEIMUDIA
462	OSAMWONYI EMMANUEL EHIGIE
463	OSASUMWEN EZEKIEL
464	OSAYUWARE EREBOR
465	OSEMENKHIAN CYNTHIA ONYECHERE
466	OWHOLOGBO DANIEL EMEKENE
467	OWOLABI BUSHURA OLOKO
468	OWOLABI HAKEEM AIBANA
469	OYEWOLE TIMOTHY ADUNOYE
470	OYEYEMI JULIUS SHODIMU
471	OYINKAOSOLA SONUGAOYE
472	PATRICK IYAMABO
473	PAUL IJIOMA TARIBO
474	PAULINUS CHIKWENDU OJUKWU
475	PAULKER EMMANUEL
476	PETER MMADUABUCHI EZEONYE
477	PROFESSOR A.BABATUNDE OBILANA
478	RAHMAT AZUMI MUSA
479	RASAQ ADEAGBO ADELE-ADEWOLE
480	RASHEED ORIYOMI ARIJE
481	RASHEED TAIRU
482	RASHEED YUSUF
483	RASHEEDAH BOLARINWA OBA
484	REIM BODUNRIN
485	REMI KAY
486	REX OKORIE OKIKE
487	RILWAN ABIODUN ADELAKUN

List of Unpaid Dividend

488	ROLI MAY AROMIRE
489	ROTIS NIGERIA LIMITED
490	SADIQ MOHAMMED
491	SAIDI OLADIMEJI RAJI
492	SALAG LIMITED
493	SAMSON OLUSEGUN PASTOR OLAGOKE
494	SAMUEL ABAYOMI AKINSETE
495	SAMUEL AGBESE AGBESE
496	SARAH CHINWENDU IKE
497	SEBATIAN NDULUE NWOSU
498	SEGUN OKUBANJO
499	SHAMSUDEEN ADEMOLA GIWA
500	SHARFUDDEEN ZUBAIR MAHOUD
501	SIMON PETER OGOCHUKWU EBOH
502	SIMPLEX SYSTEMS ENTERPRISES
503	SODY PETERSIDE
504	SOLA ALIU
505	SOLOMON N CHUKWUEBUKA
506	STANLEY OFONAGORO
507	STANLEY OWORUA OLOGE
508	STELLA ITEMIMIE EZENACHUKWU
509	STEPHEN ABAYOMI ALABI
510	STOCKOGEST NIG. LTD
511	SUNDAY ALADE
512	SUNDAY YUSUF
513	SUNNY ANOSIKE
514	TAIWO ADEWALE ADELEYE
515	TAIWO ADEWUNMI ONIWINDE
516	TAIWO MAYUKU
517	TAIWO OLUDAMILARE SHITTU
518	TAIWO OMOTAYO
519	TAJUDEEN OLAWALE RABIU
520	TAOFEEK TAIWO GIDADO
521	TEMITAYO ADEPOJU
522	TEMITOPE WAHEED OSHIKOYA
523	TERRY OMATSOLA OKORODUDU
524	THEOPHILUS AYO JAMES OGUNBIYI
525	THEOPHILUS OYEBISI ADEGBOYE
526	THERESA NWEDE AGBABUNE

List of Unpaid Dividend

527	THOMPSON J OBI
528	TITILAYO SHOLUMADE
529	TOKUNBO OLORUNSHOLA OLUMEYAN
530	TOLU ADETUGBO
531	TOLULOPE OLAMIDE OLAJUMOKE ONAJIN
532	TOSIN ODUNSI
533	UCHE AZUBUIKE
534	UCHE CHIWETALU
535	UCHENNA JOSEPH OHAGWU
536	UCHENNA VIVIAN OKOLO
537	UFUOMA ADASEN
538	UKEJE MR & MRS
539	UTO IHEKWUMERE
540	UZOAMAKA ZEBLON NWAEJI
541	UZOHO MAUDLINE
542	UZOMA NNAEMAKA CHUKWUEMEKA
543	UZONDU MARCELLINIUS UGOCHUKWU
544	VALETINE CHUKWUEBUKA AMADI
545	VETIVA NOMINEES A/C IMPACT INVESTMENT CLUB
546	VETIVA NOMINEES A/C VIMP 1083
547	VETIVA NOMINEES A/C VIMP 1143
548	VGARDEN INVESTMENT LTD
549	VICTORIA OLUDAMILOLA OTUDERO
550	VIRGINUS BAKEL
551	VITALIS CHUKWUEMEKA DURU
552	VIVIAN A IKEM
553	VIVIAN CHIOMA IKEOKWU
554	WASIU AKOLAWOLE BELLO
555	WASIU BABATUNDE ADEJARE
556	WILLIAMS CHIDOZIE OLUGHU
557	WURAOLA OLAWUMI SALAMI
558	YEKINI OLAREWAJU AJADI
559	YEMI ADEGBOYE
560	YETUNDE OLAJUMOKE AKINLOYE
561	YINKA OGUNSULIRE
562	YINKA ONIWINDE
563	YUNUS OLALEKAN SALIU
564	ZAID AYODEJI KOLAWOLE
565	ZUBIEDAT BOLARIN BIOBAKU

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