

MED-VIEW AIRLINE PLC
UNAUDITED MANAGEMENT ACCOUNT
31ST MARCH, 2017

MED-VIEW AIRLINE PLC**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD****MARCH 31 2017**

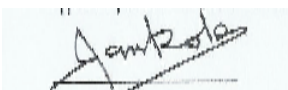
		Jan-Mar	Jan-Mar
		2017	2016
	Notes	N'000	N'000
Gross Revenue		7,610,202	4,293,616
Operating Cost	7	<u>(5,974,978)</u>	<u>(3,799,202)</u>
Gross Profit		1,635,224	494,414
Other Income	5	2,160	41,294
Exchange Gain	6	24,684	7,125
Administrative expenses	8	(866,757)	(641,695)
Finance Costs	9	<u>(50,072)</u>	<u>(34,338)</u>
Profit/(loss) before tax	20	745,239	(133,200)
Tax expense	10	(54,210)	(67,182)
Profit/(loss) for the year		691,029	(200,382)
Other Comprehensive Income for the period,		-	-
Total comprehensive income		<u>691,029</u>	<u>(200,382)</u>
Earnings Per Share			

MED-VIEW AIRLINE PLC

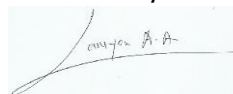
STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED MARCH, 2017

ASSETS	Notes	3 months	12 months
		2017 N'000	2016 N'000
Property, plant and equipment	11	7,661,398	7,851,847
Investment property	12	270,500	270,500
Intangible Assets	12	1,890,000	1,890,000
Available for sale financial assets	14	32,585	32,585
Security deposit	15	1,133,640	1,573,593
Deferred tax asset	10	31,173	61,541
Non-current assets		11,019,296	11,680,066
Inventories	16	15,932	15,932
Trade and other receivables	18	3,744,479	3,074,820
Prepayments	17	372,511	136,640
Cash and cash equivalents	19	2,154,157	525,879
Current Assets		6,287,079	3,753,271
Total Assets		17,306,375	15,433,337
Equity and liabilities Equity			
Issued share capital	21	4,875,325	4,875,325
Capital reserve		-	-
Retained earnings		2,240,181	1,549,152
Total Equity		7,115,506	6,424,477
LIABILITIES			
Borrowing	22	-	322,434
Non-current liabilities		-	322,434
Trade and other payables	23	8,987,510	7,488,642
Current income tax payable	10	284,694	230,484
Borrowing	24	918,665	967,300
Current liabilities		10,190,869	8,686,426
Total equity and liabilities		17,306,375	15,433,337

Approved by the Board of directors on April 28, 2017 and signed on its behalf by:



Muneer Bankole
Chief Executive Officer
(FRC/2015/ICEN/00000011889)



Adedayo Olaniyan
Executive Director, Finance & Account
(FRC/2016/ICAN/000000013729)

MED-VIEW AIRLINE PLC

STATEMENT OF CASHFLOWS FOR THE PERIOD ENDED MARCH 31 2017

	Jan-Mar 2017 N'000	12 months 2016 N'000
Profit before tax	745,239	840,033
Non- cash adjustments:		
Depreciation charge	64,032	300,225
Revaluation surplus		- 55,500
Prior year adjustments	252,830	
Deferred Tax	30,368	-
Amortization	-	130,000
Finance Charges	50,072	193,937
	1,142,541	1,408,695
Working capital adjustments		
Decrease /(Increase) in inventories	-	146,482
Decrease/(Increase) in trade and other receivable	(669,659)	- 247,345
Increase/(Decrease) in Current Prepayments	(235,871)	- 136,640
Increase /(Decrease) in trade and other payables	1,498,869	3,171,666
Increase/(Decrease) in borrowings	(48,635)	- 710,688
	1,687,245	3,632,170
Net cashflow from operating activities		
Investing activities		
Purchase of properties, plant and equipment	(126,416)	(2,419,106)
Movements in available for sale financial assets	-	-
Movement in Security Deposits	439,953	(1,191,813)
Tax paid during the year	-	(20,000)
	2,000,782	1,251
Financing activities		
Increase in share capital	-	975,325
Capital Reserve changes	-	(309,971)
Finance Charges	(50,072)	(193,937)
(Decrease)/Increase in borrowings	(322,432)	(554,357)
Net increase in cash and cash equivalent	1,628,278	- 81,689
Cash and cash equivalent at 1 January	525,879	607,568
Cash and cash equivalent at 31 December	2,154,157	525,879

MED-VIEW AIRLINE PLC**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31 2017**

	Issued share capital	Retained earnings	Capital Reserve	Total Equity
	N'000	N'000	N'000	N'000
As at 1 January 2016	3,900,000	759,383	309,971	4,969,354
<u>CHANGES IN EQUITY 2016</u>				
Increase in Share Capital	665,354	-	-	665,354
Adjustments in retained earnings		16,918		16,918
Transfer to Share Capital	309,971		(309,971)	-
Total comprehensive income for the period	-	772,851		772,851
As at 31 December, 2016	4,875,325	1,549,152	-	6,424,477
<u>CHANGES IN EQUITY 2016</u>				
Increase in Share Capital		-	-	-
Total comprehensive income for the period	-	691,029		691,029
As at 31, March, 2017	4,875,325	2,240,181	-	7,115,506

MED-VIEW AIRLINE PLC

Notes to the financial statements (continued)

5. OTHER INCOME	Jan-Mar 2017 N'000	Jan-Mar 2016 N'000
Miscellaneous Income	1,850	41,294
Insurance Claims		
Interest Income	310	
Provisions no longer required		
	<u>2,160</u>	<u>41,294</u>

Miscellaneous income represents income from excess bank charges as well as from third party use of training facility

6. EXCHANGE GAIN AND LOSSES	Jan-Mar 2017 N'000	Jan-Mar 2016 N'000
Exchange Gain	<u>24,684</u>	<u>7,125</u>

9. OPERATING COST	Jan-Mar 2017 N'000	Jan-Mar 2016 N'000
Aircraft lease - Hajj Operation		20,000
Aircraft lease - Local Operation	1,374,608	494,459
Aircraft Maintenance	136,536	143,601
Aviation fuel -ATK	2,639,651	1,358,554
Handling charges	197,667	196,085
Catering	250,703	182,819
Statutory Charges (NCAA/FAAN/NAMA)	988,091	945,664
Hotel Accomodation	105,635	106,557
Insurance and aircraft inspection	38,710	28,284
Govt. Agency/ Royalty - NAHCON	13,558	28,786
Weighing charges		
Flight attendants allowance	49,526	33,004
Commission	129,087	111,205
Depreciation: Aircraft	51,206	150,184
	<u>5,974,978</u>	<u>3,799,202</u>

MED-VIEW AIRLINE PLC
Notes to the financial statements (continued)

7. ADMINISTRATIVE EXPENSES	Jan-Mar	Jan-Mar
	2017 N'000	2016 N'000
Advertisement	69,723	42,314
Business Development	224,704	97,703
Fuel(PMS/AGO)	9,786	5,667
Insurance	82,316	311
Motor Vehicle expenses	7,897	5,069
Printing & Stationery	3,233	3,666
Office Rent	10,345	34,852
Staff Cost/Medical/Training/Welfare	327,753	354,943
Transport	8,437	1,244
Telephone /Communication	455	438
Courier Services & Postages	11,436	13,447
Entertainment	5,404	3,704
Electricity	803	775
Office Repairs & maintenance	699	2,110
Depreciation: Charge for the year	13,748	9,242
Amortization of intangible assets	-	-
Subscription charges	16,631	12,951
Security services	16,248	14,202
Professional fees	31,360	13,773
Bank Charges	14,249	7,240
Legal & Other Consultancy fees	5,120	11,225
Operational expenses - Hajj	35	-
Other repairs and maintenance	6,307	6,819
Bad debts	68	-
	866,757	641,695

MED-VIEW AIRLINE PLC**Notes to the financial statements (continued)****8. AUDITORS' REMUNERATION**

The analysis of auditors' remuneration is as follows:

Fees Payable to the Companys' auditor for the audit of the company's annual account

-	-
---	---

9. FINANCE COST

	3 months 2017 N'000	12 months 2016 N'000
Interest on loan	47,103	25,421
Interest on overdraft	<u>2,969</u>	<u>8,916</u>
	<u>50,072</u>	<u>34,337</u>

10. TAXATION**Current Income Tax Payable**

The movement on income tax payable account during the year was as follows:

Per income statement	Jan-Mar 2017 N'000	12 months 2016 N'000
Income tax		
Prior year under provision	-	-
Income tax	45,273	68,638
Education tax	8,937	13,728
		- 15,184
	<u>54,210</u>	<u>67,182</u>

Per Statement of financial position

Balance brought forward	230,484	168,118
Charged	54,210	82,366
Paid		<u>(20,000)</u>
Balance carried forward	<u>284,694</u>	<u>230,484</u>

Deferred tax

Balance brought forward	(61,541)	(46,357)
(Write back)/charged	<u>30,368</u>	- 15,184
(Asset)/liability carried forward	<u>(31,173)</u>	<u>(61,541)</u>

The charge for taxation is based on the provisions of the companies Income Tax Act C21 LFN 2004 as amended to date, Education Tax Act E 4 LFN 2004 and IAS 12.

MED-VIEW AIRLINE PLC

11. PROPERTY, PLANT AND EQUIPMENT

	LAND & BUILDING	MOTOR VEHICLES	COMPUTER EQUIPMENT	PLANT/OFFICE &COMMUNICA TION EQUIPMENT	FURNITURE, FITTING & PARTITIONING	AIRCRAFT	CAPITAL WORK-IN - PROGRESS	TOTAL
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost or valuation								
As at January 1, 2017	271,293	148,702	73,138	87,520	74,416	5,711,132	2,281,854	8,648,055
Additions			4,543	723	565		(132,247)	(126,416)
Reclassification	-	-	-	-	-	-	-	-
As at 31st March, 2017	271,293	148,702	77,681	88,243	74,981	5,711,132	2,149,607	8,521,639
Depreciation								
As at January 1, 2017	15,706	65,294	41,248	43,333	41,027	589,601	-	796,209
Adjustments								
Charges	128	2,838		4,962	4,889	51,215	-	64,032
Impairment Losses	-	-	-	-	-	-	-	-
As at 31st March, 2017	15,834	68,132	41,248	48,295	45,916	640,816	-	860,241
At 31st 3March, 2017	255,459	80,570	36,433	39,948	29,065	5,070,316	2,149,607	7,661,398
At 31 December, 2016	255,587	83,408	31,890	44,187	33,389	5,121,531		7,851,846

11.1 Capital Work-in-progress

This represents the amount expended in acquiring a property toward the financial year end and stock of spare parts for the aircrafts.

11.2 Commitment

Financial commitments

The following properties were used as collateral for properties enjoyed by the company from financial institutions

(i) TLM over property located at 23 Olowu str., Ikeja, Lagos with OMV of N230,000,000 as at 17/09/2013 as value by Ajayi Patunola & Co

(ii) Legal Mortgage over property located at 2/3 Samota Falola Street, Olowu Ikeja, Lagos with OMV of N195,500,000 as at 17/09/2013 as valued by J. Ajayi Patunola & Co

11.3 Capital commitments

Capital expenditure commitments at the year -end authorized by the Board of Directors comprise:

	2016 N'000	2015 N'000
Approved and contracted	-	-
Approved but not contracted	-	-

MED-VIEW AIRLINE PLC**Notes to the financial statements (continued)**

12. Investment properties	Jan-Mar	12 months
	2017	2016
	N'000	N'000
Balance brought forward	270,500	270,500
Additions	-	-
At 31 December	<u>270,500</u>	<u>215,000</u>

12.1 Financial Commitments

The property located at 23 Olowu Str., Ikeja, Lagos with OMV of N230,000,000 as at 17/09/2013 was committed to facilities enjoy from financial institution as at year end.

13. INTANGIBLE ASSETS	Jan-Mar	12 months
	2017	2016
	N'000	N'000
As at January	1,890,000	1,890,000
Additions	-	-
As at December	<u>1,890,000</u>	<u>1,890,000</u>

Intangible assets represents the licenses which authorises the company to operate as an airline and also the designations It also includes the Software acquired by the company

The intangible assets are made up of the following licences:

- a. Airline Operating Certificate
- b. IATA Licensed Travel Agent
- c. IATA Operational Safety audit certificate
- d. Air Transport Licence
- e. Tour Operators Licence
- f. Air Carriers Permit
- g. Route Designation Licence
- h. Vidcom Reservation System Software
- i. Sage 50 Quantum Accounting Software

14. Investments

Available for sale financial assets	3 months	12 months
	2017	2016
	N'000	N'000
As at January 1	32,585	32,585
As at December 31	<u>32,585</u>	<u>32,585</u>

Notes to the financial statements (continued)

15 Security Deposit	Jan-Mar 2017 N'000	12 months 2016 N'000
As at January 1	1,133,640	1,573,593
During the year		
Reclassified from Investment	-	
As at December 31	<u>1,133,640</u>	<u>1,573,593</u>

An amount of N1,189,231,921 of the security deposit represents forward option to Central Bank of Nigerian (CBN) in respect of Form A for the purchase of foreign currency This amount was booked on December 23, 2016 for the next 90 days.

16. Inventories	Jan-Mar 2017 N'000	12 months 2016 N'000
Spare parts for aircraft	15,932	15,932
	<u>15,932</u>	<u>15,932</u>

This refers to the company's consumable spare parts relating to the aircrafts

17 PREPAYMENTS	Jan-Mar 2017 N'000	12 months 2016 N'000
	<u>372,511</u>	<u>136,640</u>

18. Trade and other receivables	3 months 2017 N'000	12 months 2016 N'000
Trade receivables	927,115	1,159,310
Other receivables	1,782,930	763,693
Intercompany receivables	18.1 1,034,434	904,472
	<u>3,744,479</u>	<u>2,827,475</u>

18.1. These represent balances outstanding in respect of settlements made by the company on behalf related entities and Med -View International Travels and Cargoes Limited

Bad and Doubtful Debts Provision: Provision for doubtful debts is made only for debts that are above 365 days and above due While 100% provision is made for debts that are overdue by 91 days and more.

Despite making provision for the overdue debts, the company still makes efforts to collect the outstanding debts. Only debts that have been provided for which cannot be collected after exhausting all debts recovery efforts are eventually written off as bad debts.

Credit Policy

It is the policy of the company to subject sales agents to credit worthiness test. The credit worthiness of each agent is assessed by considering the history of their business transactions. Credit limits are set for each agents based on their volume of transactions. Corporate entities are granted credit after considering their credit worthiness

Notes to the financial statements (continued)

19. Cash & cash equivalents	Jan-Mar 2017 N'000	12 months 2016 N'000
Cash Balances	2,603,896	1,692,885
Bank Balances	<u>1,268,676</u>	<u>471,744</u>
	3,872,572	2,164,629
Bank Overdrafts	<u>(1,718,415)</u>	<u>(1,638,750)</u>
	<u>2,154,157</u>	<u>525,879</u>

20. Cashflow from operating activities	Jan-Mar 2017 N'000	12 months 2016 N'000
Profit before tax	745,239	840,033
Non- cash adjustments:		
Depreciation charge	64,032	300,225
Revaluation surplus		- 55,500
Amortization		130,000
Fixed assets adjustment	30,368	- 149,170
Tax Provision	-	
Finance Charges	<u>50,072</u>	<u>193,937</u>
	889,711	1,259,525
Working capital adjustments		
Decrease /(Increase) in inventories	-	146,482
Decrease/(Increase) in trade and other receivable	(669,659)	- 247,345
Increase/(Decrease) in Current Prepayments	(235,871)	- 136,640
Increase /(Decrease) in trade and other payables	1,002,297	3,171,666
Increase/(Decrease) in borrowings	<u>(48,635)</u>	<u>- 710,688</u>
Net cashflow from operating activities	937,843	3,483,000

21. Share Capital

Share Capital comprises:

	Jan-Mar 2017 N'000	12 months 2016 N'000
Authorized:		
As at January 1		
4,000,000,000 ordinary shares of 50k each	6,000,000	6,000,000
8,000,000,000 ordinary shares of 50k each	-	-
12,000,000,000 ordinary shares of N50k each	<u>6,000,000</u>	<u>6,000,000</u>
Issued & Allotted:		
As at 1 January	4,875,325	4,875,325
Additions		
As at 31 December	<u>4,875,325</u>	<u>4,875,325</u>

Notes to the financial statements (continued)

	Jan-Mar	12 months
	2017	2016
	N'000	N'000
22. NON CURRENT LIABILITIES		
Long-term borrowings		
Opening Balance	1,289,734	2,554,781
Addition during the year		391,013
Less Repayments	<u>(371,069)</u>	<u>(1,656,060)</u>
	918,665	1,289,734
Less: Amount due within one year	<u>(918,665)</u>	<u>(967,300)</u>
Amount due after one year	<u><u>-</u></u>	<u><u>322,434</u></u>

Finance lease liabilities are secured by the assets leased. The borrowings are a mix of debt with repayment periods not exceeding four years.

variable and fixed interest rate. The weighted average interest rates paid during the year were:

	2017	2016
	%	%
Bank Overdraft	24	22
Finance lease	24	21

23. Trade and other payables		Jan-Mar	12 months
		2017	2016
	Notes	N'000	N'000
Trade payables		4,673,922	4,397,027
Other payables & accruals		2,456,339	1,246,353
Intercompany balance	23.1	801,739	838,645
Directors' current accounts		1,055,509	1,006,617
		8,987,509	7,488,642

23.1 These represent balances outstanding in respect of settlements made on behalf of the company by related entities Med-View Konsult Limited

Trade and other payables principally comprise amounts outstanding for trade purchases and on going costs.

The average credit period taken purchase is sixty days.

The directors consider that the carrying amount of trade payables approximates their fair values.

24. Short-term borrowings

		Jan-Mar	12 months
		2017	2016
	Note	N'000	N'000
Current Portion of long term:			
Borrowings	26	918,665	967,300
		918,665	967,300

Borrowings refer to the current portion loans repayable within the next one year

25 .COMMITMENT AND CONTINGENT LIABILITIES

(i) Commitment

Financial Commitments

The Company did not charge any of its assets to secure liabilities of third parties other than those stated in the note 15.1 of this financial statement.

The Directors are of the opinion that all known liabilities and commitments have been taken into account in the preparation of these financial statements.

(ii) Contingent Liabilities

There are contingent liabilities in respect of legal actions against the company amounting to N43,794,000 (there were no contingent liabilities in the previous year). Management has not made provision for this liability as consultations with the Company's external solicitors has indicated that the likely outcome of the legal actions may favour the Company.

26. RECLASSIFICATION OF BALANCES

Certain comparative balances have been reclassified to ensure proper disclosure and uniformity with the current year's presentation.