

# *Group Financials*

## **RED STAR EXPRESS PLC**

**UNAUDITED THIRD QUARTER FINANCIAL REPORT  
FOR THE PERIOD ENDED 31st December 2014**

*Red Star Express*



**Red Star Freight Ltd**

*Subsidiary of Red Star Express Plc*



**Red Star Logistics Ltd**

*Subsidiary of Red Star Express Plc*



**Red Star Support Services Ltd**

*Subsidiary of Red Star Express Plc*



**RED STAR EXPRESS PLC**  
**AS AT 31st December, 2014**  
**UN AUDITED FINANCIAL HIGHLIGHTS**  
**FOR THE PERIOD ENDED 31st December, 2014**

**MAJOR PROFIT AND LOSS ACCOUNT ITEMS**

UNAUDITED THIRD QUARTER FINAN	GROUP		THE COMPANY	
	2014	2013	2014	2013
	DEC	DEC	DEC	DEC
	2014	2013	2014	2013
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	N' 000	N' 000	N' 000	N' 000
TURNOVER	5,000,472	4,716,333	2,894,117	2,913,135
PROFIT BEFORE TAX	441,557	441,027	230,735	233,433
PROFIT AFTER TAX	309,090	308,719	161,515	163,403

**MAJOR BALANCE SHEET ITEMS**

	GROUP		THE COMPANY	
	2014	2014	2014	2014
	DEC	MARCH	DEC	MARCH
	2014	2014	2014	2014
	31/12/2014	31/03/2014	31/12/2014	31/03/2014
	N' 000	N' 000	N' 000	N' 000
TOTAL ASSETS	3,744,713	3,446,945	2,788,213	2,649,642
SHAREHOLDERS FUND	2,005,485	1,902,719	1,479,811	1,524,620
SHARE CAPITAL	294,748	294,748	294,748	294,748
SHARE PREMIUM	296,433	296,433	296,433	296,433
REVENUE RESERVE	1,414,304	1,311,538	888,630	933,439

**INFORMATION PER 50 KOBO ORDINARY SHARE**

	GROUP		THE COMPANY	
	2014	2014	2014	2014
	DEC	MARCH	DEC	MARCH
	2014	2014	2014	2014
NO OF ORDINARY SHARES	589,497	589,497	589,497	589,497
NET ASSET (N)	2,005,485	1,902,719	1,479,811	1,524,620
EARNINGS PER SHARE (KOBO)	52	52	27	28
NET ASSET PER SHARE(KOBO)	340	323	251	259

# RED STAR EXPRESS PLC

## UN AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

AS AT 31st December, 2014

FOR THE PERIOD ENDED 31st DEC, 2014

		The Group		The Company	
		DEC-14 N'000	DEC-13 N'000	DEC-14 N'000	DEC-13 N'000
UNAUDITED THIRD QUARTER FINANCIAL RE <b>Note</b>					
Turnover	1	5,000,472	<b>4,716,333</b>	2,894,117	<b>2,913,135</b>
Cost of sales	3	(3,600,365)	<b>(3,386,088)</b>	(1,991,579)	<b>(2,012,170)</b>
Gross profit		1,400,107	<b>1,330,245</b>	902,538	<b>900,965</b>
Other income	2	11,264	<b>27,688</b>	9,224	<b>3,293</b>
		<u>1,411,371</u>	<u><b>1,357,933</b></u>	<u>911,761</u>	<u><b>904,258</b></u>
Administrative and Other Operating Expences	3	(575,028)	<b>(566,353)</b>	(452,595)	<b>(458,148)</b>
Personell Expences	3	(314,182)	<b>(288,924)</b>	(167,149)	<b>(165,429)</b>
Pension & Gratuity	4	(21,395)	<b>(18,182)</b>	(12,677)	<b>(11,593)</b>
Depreciation & Amortisation	5	(53,781)	<b>(41,863)</b>	(49,517)	<b>(37,318)</b>
Impairment Loss		-	-	-	-
Effect of change in estimate useful life of PPE		-	-	-	-
<b>Total operating Expences</b>		<u>(964,386)</u>	<u><b>(915,322)</b></u>	<u>(681,937)</u>	<u><b>(672,488)</b></u>
Finance Income	5	10,837	13,403	10,693	12,403
Finance Costs	5	(16,264)	(14,987)	(9,782)	(10,740)
<b>Net Finance Costs</b>		<u>(5,427)</u>	<u>(1,584)</u>	<u>911</u>	<u>1,663</u>
<b>Profit Before interest and Tax</b>		<u>441,557</u>	<u>441,027</u>	<u>230,735</u>	<u>233,433</u>
Interest and similar charges		-	-	-	-
Provision for diminution in investments		-	-	-	-
<b>Profit Before Income Tax</b>		<u><b>441,557</b></u>	<u><b>441,027</b></u>	<u><b>230,735</b></u>	<u><b>233,433</b></u>
Income Tax	6	(132,467)	(132,308)	(69,221)	(70,031)
<b>Profit from continuing operation</b>		<u><b>309,090</b></u>	<u><b>308,719</b></u>	<u><b>161,515</b></u>	<u><b>163,403</b></u>
<b>Profit attributable to:</b>					
Owners of the company		309,090	<b>308,719</b>	161,515	<b>163,403</b>
Non controlling Interests		-	-	-	-
<b>Profit for the period</b>		<u><b>309,090</b></u>	<u><b>308,719</b></u>	<u><b>161,515</b></u>	<u><b>163,403</b></u>
<b>Earnings per share</b>					
Basic earnings per share (kobo)	27	<u>52</u>	<u>52</u>	<u>27</u>	<u>28</u>
Diluted earnings per share (kobo)					
<b>Number of ordinary shares in issue</b>	27	<u><b>589,497</b></u>	<u><b>589,497</b></u>	<u><b>589,497</b></u>	<u><b>589,497</b></u>

# RED STAR EXPRESS PLC

## UN AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31st December, 2014

	Note	The Group		The Company	
		Dec-14	March 14	Dec-14	March 14
		IOD ENDED	N'000	N'000	N'000
<b>ASSETS</b>					
<b>Non Current Assets</b>					
UNAUDITED THIRD QUARTER FII	7	1,031,225	1,064,599	553,828	543,635
Intangible Assets	9	13,152	10,698	12,405	10,351
Long Term Prepayments	12	16,153	11,938	16,153	11,939
Financial Assets Available for Sale	8	1,193	1,193	285,258	285,258
Deposit for shares		1,500	1,500	1,500	1,500
Employee Benefit asset	16	-	-	-	-
<b>Total Non Current Assets</b>		<b>1,063,223</b>	<b>1,089,928</b>	<b>869,144</b>	<b>852,682</b>
<b>Current Assets</b>					
Inventories	10	51,298	59,642	46,947	57,203
Trade debtors	11	1,569,778	1,289,687	1,018,352	854,584
Other debtors and prepayments	12	577,062	398,372	418,971	311,156
Due from related company	26			58,823	23,755
Cash and cash equivalents	13	483,352	609,316	375,976	550,262
<b>Total Current Assets</b>		<b>2,681,489</b>	<b>2,357,017</b>	<b>1,919,069</b>	<b>1,796,960</b>
<b>TOTAL ASSETS</b>		<b>3,744,713</b>	<b>3,446,945</b>	<b>2,788,213</b>	<b>2,649,642</b>
<b>EQUITY AND LIABILITIES</b>					
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Deferred taxation	15	131,456	131,456	33,190	33,190
Term Loan		71,038	90,644		
Provision for liabilities and charges					
Employee Benefit Liabilities		34,896	10,429	20,034	10,429
<b>Total Non Current Liabilities</b>		<b>237,390</b>	<b>232,529</b>	<b>53,224</b>	<b>43,619</b>
<b>Current liabilities</b>					
Trade creditors		228,337	265,910	228,931	265,910
Other creditors and accruals	14	945,182	849,935	587,183	618,853
Due to related companies	26			243,160	69,955
Income tax liabilities	6	328,319	195,852	195,906	126,685
<b>Total Current Liabilities</b>		<b>1,501,838</b>	<b>1,311,697</b>	<b>1,255,179</b>	<b>1,081,403</b>
<b>TOTAL LIABILITIES</b>		<b>1,739,228</b>	<b>1,544,226</b>	<b>1,308,403</b>	<b>1,125,022</b>
<b>Equity</b>					
Share capital		294,748	294,748	294,748	294,748
Share premium		296,433	296,433	296,433	296,433
General reserve		1,414,304	1,311,538	888,630	933,439
Total Equity		2,005,485	1,902,719	1,479,811	1,524,620
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,744,713</b>	<b>3,446,945</b>	<b>2,788,213</b>	<b>2,649,642</b>

The consolidated financial statements on pages - to - were approved by the Board of Directors on -----  
and signed on its behalf by:

\_\_\_\_\_) )  
\_\_\_\_\_) )  
\_\_\_\_\_) **Directors** )  
\_\_\_\_\_) )

The accounting policies on pages - to - and the explanatory notes on pages - to - form part of these consolidated financial statements.

RED STAR EXPRESS PLC  
**UN AUDITED CONSOLIDATED STATEMENT OF CASHFLOW**  
AS AT 31st December, 2014  
FOR THE PERIOD ENDED 31st DEC, 2014

NOTE	GROUP		THE COMPANY	
	Dec-14 N	Dec-13 N	Dec-14 N	Dec-13 N
UNAUDITED THIRD QUARTER FINANCIAL REPORT				
Cash receipts from customers	4,823,844	4,715,645	3,156,424	3,011,678
Payment to suppliers and employees	(4,405,713)	(3,986,171)	(2,899,801)	(2,640,515)
<b>Cash generated from operating activities</b>	<b>418,131</b>	<b>729,474</b>	<b>256,623</b>	<b>371,163</b>
VAT (NET)	(86,166)	(88,140)	(70,745)	(72,849)
Withholding Tax Receipts	(109,632)	(53,257)	(79,384)	(27,899)
Taxes paid	-	(29,319)	-	-
<b>Net cash provided by operating activities</b>	<b>222,333</b>	<b>558,758</b>	<b>106,493</b>	<b>270,415</b>
<b>Cash flows from investing activities:</b>	-	-	-	-
Interest received	10,837	2,949	1,069	2,949
Dividend received	-	-	-	-
Proceeds from sale of PPE	4,192	1,049	4,192	1,049
Purchase of Intangible assets	(9,479)	-	(8,954)	-
Acquisition of PPE	(159,426)	(529,574)	(115,834)	(190,782)
Increase in investment	-	-	-	-
<b>Net cash provided by investing activities</b>	<b>(153,877)</b>	<b>(525,576)</b>	<b>(119,527)</b>	<b>(186,784)</b>
<b>Cash flows from financing activities:</b>	-	-	-	-
Proceeds from issue of share capital	-	-	-	-
Proceeds from Long term borrowings	-	-	-	-
Proceeds of Share premium	-	-	-	-
Term Loan repayment	(19,606)	-	-	-
Interest Paid	(13,562)	-	-	-
Dividend paid	(161,252)	(143,671)	(161,252)	(143,671)
<b>Net cash provided by financing activities</b>	<b>(194,420)</b>	<b>(143,671)</b>	<b>(161,252)</b>	<b>(143,671)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(125,964)</b>	<b>(110,489)</b>	<b>(174,286)</b>	<b>(60,040)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>609,316</b>	<b>515,588</b>	<b>550,262</b>	<b>349,660</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>483,352</b>	<b>405,100</b>	<b>375,976</b>	<b>289,620</b>

**RED STAR EXPRESS PLC**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
AS AT 31st December, 2014

	The Group		The Company	
	DEC-14 2014 N'000	DEC-13 2014 N'000	DEC-14 2014 N'000	DEC-13 2014 N'000
<b>SHARE CAPITAL</b>				
<b>UNAUDITED THIRD QUARTER FINANCIAL REPORT</b>				
<b>Authorised</b>				
1,000,000,000 ordinary shares of 50 kobo each	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
<b>Issued and fully paid</b>				
589,496,760 ordinary shares of 50 kobo each	<u>294,748</u>	<u>294,748</u>	<u>294,748</u>	<u>294,748</u>
<b>GENERAL RESERVE</b>				
At the beginning of the year	1,311,538	1,130,193	933,439	823,958
Profit and loss account	309,090	214,788	161,515	119,402
Other comprehensive Income	-	-	-	-
Transfer to RSE Foundation	-	-	-	-
Effects of changes in estimated useful Life of PPE	-	-	-	-
Acturial Loss on defined benefit plan	-	-	-	-
Dividend declared (Note 18.2)	<u>(206,324)</u>	<u>(188,639)</u>	<u>(206,324)</u>	<u>(188,639)</u>
At the end of the year	<u><b>1,414,304</b></u>	<u><b>1,156,342</b></u>	<u><b>888,630</b></u>	<u><b>754,721</b></u>

Notes to the Accounts (Profit and Loss)

FOR THE PERIOD ENDED 31st DEC, 2014

	The Group		The Company	
	DEC'2014	DEC'2013	DEC'2014	DEC'2013
	N'000	N'000	N'000	N'000
<b>1 TURNOVER</b>				
Turnover	5,000,472	4,716,333	2,894,117	2,913,135
	<u>5,000,472</u>	<u>4,716,333</u>	<u>2,894,117</u>	<u>2,913,135</u>
<b>2 OTHER OPERATING INCOME</b>				
<b>a. Other Income</b>				
Insurance Claim	3,287	25,507	3,287	2,402
Profit on Disposals of fixed Assets	3,926	891	3,926	891
Exchange gain	2,010	-	2,010	-
Other Sundry income	2,040	1,190	-	-
Bad debt recovered	-	100	-	-
Interest received	-	-	-	-
	<u>11,264</u>	<u>27,688</u>	<u>9,224</u>	<u>3,293</u>
<b>b. Investment Income</b>				
Related Company Dividend	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER OPERATING INCOME</b>	<u>11,264</u>	<u>27,688</u>	<u>9,224</u>	<u>3,293</u>
	The Group		The Company	
	DEC'2014	DEC'2013	DEC'2014	DEC'2013
	N'000	N'000	N'000	N'000
<b>3 COST OF SALES</b>				
Staff cost	894,330	805,001	437,414	421,732
Pension	44,164	31,851	18,977	14,645
Gratuity	41,416	40,877	31,729	31,729
Medical	116,533	99,673	41,232	40,299
Training	18,786	18,039	10,789	12,081
International delivery costs	546,110	547,697	422,892	461,878
Domestic freight	691,548	692,541	364,668	388,364
Vehicle running costs	537,647	446,481	143,280	126,732
Agent costs	160,076	164,330	159,657	163,715
Local transport	188,812	199,304	152,126	144,113
Clearing and documentation charges	72,056	79,314	40,833	50,022
Rents and rates of outlets	47,062	63,313	39,491	50,789
Insurance	31,652	31,119	15,241	15,939
Depreciation	142,677	97,446	60,472	38,045
Repairs and maintenance	67,495	69,102	52,779	52,084
	<u>3,600,365</u>	<u>3,386,088</u>	<u>1,991,579</u>	<u>2,012,170</u>

	The Group		The Company	
	DEC'2014	DEC'2013	DEC'2014	DEC'2013
	N'000	N'000	N'000	N'000
<b>Administration Costs</b>				
<b>3.1 Administrative &amp; other Expenses</b>				
Repairs and maintenance	70,345	67,292	63,729	61,309
Transportation and travelling costs	51,174	47,373	45,412	37,953
Legal and professional charges	41,302	39,527	33,597	32,983
Publicity and promotion	23,991	38,869	13,137	25,600
Communication and telephone	39,082	52,635	35,381	49,769
Printing and stationery	71,970	65,184	60,889	55,316
Subscriptions and donations	21,422	20,226	16,828	15,978
Audit fee	12,675	11,800	9,750	9,000
Medical	29,133	24,918	10,308	10,075
Power and water	61,665	65,900	60,948	62,839
Rent and rates	-	-	-	-
Licence and registration	-	-	-	-
Office protection services	27,856	27,985	18,640	18,529
Hotel accommodation and entertainment	27,694	26,043	24,800	21,308
Insurance	7,913	7,780	3,810	3,985
Training	4,696	4,870	2,697	3,380
Newspaper and periodicals	1,100	1,485	932	1,331
Provision for doubtful trade debts	67,388	51,875	43,013	41,000
Non Current Assets written off	-	-	-	-
Exchange loss	-	-	-	-
Loss on disposal of Non Current Assets	-	-	-	-
Annual general meeting expenses	15,621	12,591	8,725	7,793
	<u>575,028</u>	<u>566,353</u>	<u>452,595</u>	<u>458,148</u>
<b>3.2 Personnel Expenses</b>				
Directors' emoluments	52,230	53,136	39,029	41,902
Staff costs	261,952	235,788	128,120	123,527
	<u>314,182</u>	<u>288,924</u>	<u>167,149</u>	<u>165,429</u>
<b>4 Pension &amp; Gratuity</b>				
Pension	11,041	7,963	4,744	3,661
Gratuity	10,354	10,219	7,932	7,932
	<u>21,395</u>	<u>18,182</u>	<u>12,677</u>	<u>11,593</u>
<b>5 Finance Income/ Finance Costs</b>				
Interest Received	10,837	13,403	10,693	12,403
Finance Cost - Bank charges and commission	16,264	14,987	9,782	10,740
	<u>(5,427)</u>	<u>(1,584)</u>	<u>911</u>	<u>1,663</u>
<b>5 Depreciation &amp; Amortisation</b>				
Depreciation charge	<u>53,781</u>	<u>41,863</u>	<u>49,517</u>	<u>37,318</u>



RED STAR EXPRESS PLC

AS AT 31st December, 2014

FOR THE PERIOD ENDED 31st DEC, 2014

	The Group		The Company	
	Dec'2014 N'000	Dec'2013 N'000	Dec'2014 N'000	Dec'2013 N'000
<b>6. TAXATION</b>				
<b>.1 Statement of Comprehensive Income</b>				
Income tax	132,467	132,308	69,221	70,031
Education tax	-	-	-	-
Irrecoverable WHT	-	-	-	-
	<u>132,467</u>	<u>132,308</u>	<u>69,221</u>	<u>70,031</u>
<b>Deferred taxation (Note 15)</b>				
	<u>132,467</u>	<u>132,308</u>	<u>69,221</u>	<u>70,031</u>

	The Group		The Company	
	Dec'2014 N'000	Mar'2014 N'000	Dec'2014 N'000	Mar'2014 N'000
<b>.2 Statement of Financial Position</b>				
At the beginning of the year	195,852	233,220	126,685	119,810
Charge for the year	132,467	181,012	69,221	108,182
Payments during the year	-	(61,320)	-	(12,362)
Withholding tax credit utilised (Note 12.1)	-	(157,060)	-	(88,945)
	<u>328,319</u>	<u>195,852</u>	<u>195,906</u>	<u>126,685</u>
At the end of the year				

- .3 The charge for income tax in these consolidated financial statements is based on the provisions of the Companies Income Tax Act, CAP C21, LFN 2004 as amended to date. Education tax is based on the provisions of the Education Tax Act, CAP E4, LFN 2004.

SCHEDULE OF PROPERTY PLANT AND EQUIPMENT.											
31st DEC, 2014											
<b>Company</b>											
Cost	Land	Buildings	Plant & Machinery	TRUCKS AND TRAILERS	Motor Vehicles	MOTOR CYCLES	COMPUTER EQUIPMENT	Furniture, Fittings & Equip	WORK IN PROGRESS	Total	INTANGIBLES
	N'000	N'000	N'000	FOR THE PERIOD ENDED 31st DEC, 2014	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 April 2014	74,647	230,703	57,802	7,825	186,852	63,895	180,500	27,434	1,120	830,778	34,566
Addition	-	405	114	-	14,934	10,191	38,292	3,508	48,390	115,834	8,954
Reclassifications	-	-	-	-	-	-	(750)	-	-	(750)	-
Disposals	-	-	(7,271)	(0)	(8,325)	(3,698)	(20)	(0)	-	(19,314)	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-
At 31st Dec, 2014	74,647	231,108	50,645	7,825	193,461	70,388	218,022	30,942	49,510	926,548	43,521
<b>Depreciation and impairment</b>											
At 1 April 2014	-	18,790	18,412	6,579	93,472	38,144	94,319	17,427	-	287,143	24,215
Depreciation charge for the year	-	6,924	7,505	-	34,688	17,612	24,220	11,139	-	102,088	6,900
Disposals	-	-	(5,994)	-	(7,919)	(2,577)	-	(19)	-	(16,510)	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-
At 31st Dec, 2014	-	25,714	19,923	6,579	120,241	53,179	118,539	28,547	-	372,722	31,115
Net book value	-	-	-	-	-	-	-	-	-	-	-
At 31st Dec, 2014	74,647	205,394	30,722	1,246	73,220	17,209	99,483	2,395	49,510	553,828	12,405
At 31 March 2014	74,647	211,913	39,390	1,246	93,380	25,751	86,180	10,007	1,120	543,635	10,351
SCHEDULE OF PROPERTY PLANT AND EQUIPMENT.											
31st DEC, 2014											
<b>Group</b>											
Cost	Land	Buildings	Plant & Machinery	TRUCKS AND TRAILERS	Motor Vehicles	MOTOR CYCLES	COMPUTER & OTHER EQUIPMENT	Furniture, Fittings & Equip	WORK IN PROGRESS	Total	INTANGIBLES
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 April 2014	141,208	344,107	66,176	365,095	283,850	204,039	188,025	46,066	1,492	1,640,058	35,066
Addition	1,868	13,630	114	12,195	15,284	25,226	39,016	3,703	48,390	159,426	9,479
Reclassifications	-	-	-	-	-	-	(750)	-	-	(750)	-
Disposals	-	-	(7,271)	(0)	(8,692)	(3,698)	(20)	(0)	-	(19,681)	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-
At 31st Dec, 2014	143,076	357,737	59,019	377,290	290,442	225,567	226,271	49,769	49,882	1,779,052	44,545
<b>Depreciation and impairment</b>											
At 1 April 2014	-	27,298	21,665	98,331	105,893	195,306	99,328	27,638	-	575,459	24,368
Depreciation charge for the year	-	9,208	8,303	29,892	40,440	63,132	24,666	13,787	-	189,433	7,025
Disposals	-	-	(5,994)	-	(7,919)	(2,577)	(555)	(19)	-	(17,065)	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-
At 31st Dec, 2014	-	36,506	23,974	128,223	138,413	255,861	123,439	41,406	-	747,827	31,393
Net book value	-	-	505,810	-	-	-	-	-	-	-	-
At 31st Dec, 2014	143,076	321,231	35,046	249,067	152,028	(30,294)	102,833	8,363	49,882	1,031,225	13,152
At 31 March 2014	141,208	316,809	44,511	266,764	177,957	8,733	88,697	18,428	1,492	1,064,599	10,698

# RED STAR EXPRESS PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31st December, 2014

	The Group		The Company	
	Dec'2014 N'000	Mar'2014 N'000	Dec'2014 N'000	Mar'2014 N'000
<b>8. FINANCIAL ASSETS AVAILABLE FOR SALE FOR THE PERIOD ENDED 31st DEC, 2014</b>				
<b>UNAUDIT' Quoted Equities</b>				
<b>Nemeith International Pharmaceuticals Plc</b>				
822,743 ordinary shares of 50 Kobo each				
Market value - N929,700 (2012: N1,522,075).	2,057	2,057	2,057	2,057
	<u>2,057</u>	<u>2,057</u>	<u>2,057</u>	<u>2,057</u>
Provision for diminution in investment	(864)	(864)	(864)	(864)
	<u>1,193</u>	<u>1,193</u>	<u>1,193</u>	<u>1,193</u>
	-	-	-	-
<b>9 Investment in subsidiaries:</b>	<b>% Holding</b>			
Investment in Red Star Freight Limited	100		10,000	10,000
Investment in Red Star Supports Services Lin	100		49,065	49,065
Investment in Red Star Logistics Limited	100		225,000	225,000
			<u>284,065</u>	<u>284,065</u>
		<b>1,193</b>	<b>285,258</b>	<b>285,258</b>
		<u>1,193</u>	<u>285,258</u>	<u>285,258</u>
<b>10. STOCKS</b>				
Stationeries and packaging materials	47,837	53,597	43,487	51,158
Fuel and oil	3,460	6,045	3,460	6,045
Spare parts	-	-	-	-
Provision for obsolete stock	-	-	-	-
	<u>51,298</u>	<u>59,642</u>	<u>46,947</u>	<u>57,203</u>
<b>11. TRADE DEBTORS</b>				
Trade debtors	1,710,098	1,430,005	1,116,416	952,648
Provision for doubtful debts	(140,320)	(140,318)	(98,064)	(98,064)
	<u>1,569,778</u>	<u>1,289,687</u>	<u>1,018,352</u>	<u>854,584</u>

# RED STAR EXPRESS PLC

AS AT 31st December, 2014

FOR THE PERIOD ENDED 31st DEC, 2014

	The Group			The Company	
	Dec'2014	N	Mar'2014	Dec'2014	Mar'2014
	N'000		N'000	N'000	N'000
<b>12. OTHER DEBTORS AND PREPAYMENTS</b>					
UNA Prepayments	69,406		41,405	38,484	32,684
WHT Receivable from Customers	93,439		139,302	67,826	129,437
WHT Receipts Received	182,420		11,108	152,104	11,108
Other debtors	31,727		7,108	33,304	6,758
Advances to Staff	200,070		199,449	127,253	131,169
					-
	<b>577,062</b>		<b>398,372</b>	<b>418,971</b>	<b>311,156</b>
<b>12.1 Long Term Prepayments</b>					
Prepayments	16,153		11,938	16,153	11,938
	<b>16,153</b>		<b>11,938</b>	<b>16,153</b>	<b>11,938</b>
<b>12.2 Unutilised withholding tax receipts</b>					
At the beginning of the year	101,137		36,245	93,008	31,604
Witholding tax receipts during the year	174,722		199,897	126,922	155,778
Withholding tax credit utilised (Note 7.2)	-		(135,005)	-	(94,374)
At the end of the year	<b>275,859</b>		<b>101,137</b>	<b>219,930</b>	<b>93,008</b>
<b>13. Cash, Bank balances and other equivalents</b>					
Cash balances	12,097		1,930	12,082	1,915
Cash-in-transit	41,359		29,941	38,522	28,990
Bank balances	203,472		231,957	108,948	173,869
Business Deposits	226,425		345,488	216,425	345,488
	483,352		609,316	375,976	550,262
	<b>483,352</b>		<b>609,316</b>	<b>375,976</b>	<b>550,262</b>
<b>14. OTHER CREDITORS AND ACCRUALS</b>					
Accruals	391,425		333,321	170,213	215,362
Customers deposit			98,739		98,739
Agents clearing charges	43,561		38,566	43,561	38,566
Withholding Taxes	57,524		44,339	48,998	35,816
Value added tax	190,365		108,223	126,923	64,891
Staff pension accruals (Note 14.1)	52,688		42,206	7,239	699
Un-claimed Dividend	50,020		114,570	50,020	114,570
Other creditors	159,600		69,971	140,228	50,210
	<b>945,182</b>		<b>849,935</b>	<b>587,183</b>	<b>618,853</b>
<b>14.1 Staff pension accruals</b>					
At the beginning of the year	42,206		40,033	699	9,563
Provision for the year	105,099		112,660	45,001	51,287
Payments and remittances	(94,617)		(110,487)	(38,461)	(60,151)
At the end of the year	<b>52,688</b>		<b>42,206</b>	<b>7,239</b>	<b>699</b>
<b>15. DEFERRED TAXATION</b>					
At the beginning of the year	131,456		112,211	33,190	40,543
Charge for the year			26,598		-
Write-back	-		(7,353)	-	(7,353)
At the end of the year	<b>131,456</b>		<b>131,456</b>	<b>33,190</b>	<b>33,190</b>

# RED STAR EXPRESS PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31st December, 2014

	<u>The Group</u>		<u>The Company</u>	
	2014 Dec-14 N'000	2014 Dec-13 N'000	2014 Dec-14 N'000	2014 Dec-13 N'000
<b>19. RECONCILIATION OF NET PROFIT AFTER TAXATION TO CASH PROVIDED BY OPERATING ACTIVITIES</b>				
UNAUDITED THIRD QUARTER FINANCIAL REPORT				
FOR THE Net profit after taxation	309,090	308,719	161,515	163,406
<b>Adjustment to reconcile net income to net cash provided by operating:</b>				
Depreciation	196,458	139,302	108,988	75,363
Interest income	(10,837)	(13,403)	(10,693)	(12,403)
Interest paid	13,562	-	-	-
Provision for diminution in investments	864	-	864	-
Profit on disposal of fixed assets	(3,926)	(891)	(3,926)	(891)
Loss on disposal of investment	-	-	-	-
Adjustment to investment	-	-	-	-
Adjustment to fixed assets	-	-	-	-
Gain - Acturial valuation	-	-	-	-
Dividend received	-	-	-	-
<b>Changes in assets and liabilities:</b>				
(Increase)/decrease in stocks	8,344	9,839	10,256	9,839
(Increase)/decrease in trade debtors	(280,091)	(165,558)	(163,768)	(3,734)
(Increase)/Decrease in other debtors and prepayments	(245,346)	33,713	(145,055)	(59,783)
Decrease/(increase) in due from related companies		-	(35,068)	(16,271)
Decrease/(increase) in Long term Loans	19,606	16,166		
(Decrease)/increase in trade creditors	(37,573)	16,128	(36,979)	509
Increase/(decrease) in other creditors	95,247	59,897	(31,670)	36,502
Increase/(decrease) in due to related companies		-	173,205	78,814
(Decrease)/increase in taxation	132,467	102,990	69,221	70,031
(Decrease)/increase in deferred taxation	-	-	-	-
Increase/(decrease) in employee benefits	24,467	51,856	9,605	(15,169)
	<b>(86,757)</b>	<b>250,039</b>	<b>(55,021)</b>	<b>162,807</b>
Net cash provided by operating activities	<b>222,333</b>	<b>558,758</b>	<b>106,494</b>	<b>326,213</b>

# RED STAR EXPRESS PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31st December, 2014

	The Group		The Company	
	Dec'2014	Dec '13	Dec'2014	Dec '13
	FOR THE PERIOD ENDED :		N'000	N'000
<b>20. RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>				
<b>UNAUDITED THIRD QUARTER FINANCIAL REPORT</b>				
Cash balances	12,097	2,315	12,082	2,279
Cash-in-transit	41,359	67,111	38,522	67,306
Bank balances	203,472	80,294	108,948	20,453
Short term deposits	226,425	255,380	216,425	255,380
	<b>483,352</b>	<b>405,100</b>	<b>375,976</b>	<b>345,418</b>

### 21. EMPLOYMENT AND EMPLOYEES

#### .1 Staff

Average number of persons employed in the financial year under review and the staff costs were as follows:

	Number	Number	Number	Number
Managerial	13	6	10	5
Senior staff	47	48	37	36
Supervisors	343	207	71	62
Junior staff	1,466	1,543	172	188
	<b>1,869</b>	<b>1,804</b>	<b>290</b>	<b>291</b>

#### Staff costs:

Salaries, wages and other benefits	867,742	1,165,381	390,619	567,414
Staff pension and gratuity	68,769	90,910	41,326	57,968
	<b>936,511</b>	<b>1,256,291</b>	<b>431,945</b>	<b>625,382</b>

#### .2 Employees remunerated at higher rates, excluding allowances:

N	N	Number	Number	Number	Number
140,001	- 210,000	1,466	1,541	172	187
210,001	- 360,000	343	207	71	67
360,000	- 900,000	47	48	37	36
900,001	- 1,700,000	13	6	10	5
1,700,001	- 2,011,000	-	-	2	2

# RED STAR EXPRESS PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31st December, 2014

### 22. Compensation of key management personnel of Red Star Express FOR THE PERIOD ENDED 31st DEC, 2014

QUARTER FINANCIAL REPORT	The Group		The Company	
	2014 N'000	2013 N'000	2014 N'000	2013 N'000
.1 Fees and sitting Allowances	6,476	8,635	6,476	8,635
Executive compensation	5,582	7,088	5,582	7,088
Other Directors and benefits	10,257	13,025	10,257	13,025
	<b>22,315</b>	<b>28,748</b>	<b>22,315</b>	<b>28,748</b>

Fees and emoluments disclosed above include amount paid to:

	N'000	N'000	N'000	N'000
Chairman	1,226	1,635	1,226	1,635
The highest paid Director earned	8,724	11,632	8,724	11,632

- .2 The number of Directors excluding the Chairman whose emoluments were within the following ranges were:

N	N	Number	Number	Number	Number
390,001 -	400,000	-	-	-	-
530,001	540,000	6	5	6	5
4,600,001 and	above	2	2	2	2

### 23. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

#### .1 Contingent liabilities

As at 31st December 2014, there were no contingent liabilities. The Directors are of the opinion that, based on the Solicitors' advice, no material loss will arise from them. Consequently, no provision has been made in these consolidated financial statements for the amount.

#### .2 Financial commitments

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

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#### .3 Performance Bond

The Company accepted a performance bond of N50 million (2012- N50 million) in favour of Nigeria Customs Service.

# RED STAR EXPRESS PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31st December, 2014

### 24. SUPPLIERS

The Company's significant suppliers are mainly FOR THE PERIOD ENDED 31st DEC, 2014

Kungo-Rock Investments Limited  
ARTE Chita Express Limited  
Aegis Core Limited  
Knight Pride Int'l Limited  
Air France  
British Airways

The Company is not associated with the suppliers.

### 25. POST BALANCE SHEET EVENTS

The Directors are of the opinion that there were no significant post balance sheet events which would have had any material effect on the balance sheet and the profit for the year ended on that date, which have not been adequately provided for or disclosed in the consolidated financial statements.

### 26. RELATED PARTY TRANSACTIONS

#### a. Parent and ultimate controlling party

The consolidated financial statements include the financial statements of Red Star Express Plc and the subsidiaries listed below

	%
Red Star Retirement Benefit Scheme	100
Red Star Freight Limited	100
Red Star Logistics Limited	100
Red Star Supports Services Limited	100

#### b. The company had significant transactions with its related companies in the form of transfer of funds and payments for goods and services on behalf of each other. The balances due from/to the related companies which are disclosed in the balance sheet are as follows:

	<u>The Group</u>		<u>The Company</u>	
	Dec'2014 N'000	March 14 N'000	Dec'2014 N'000	March 14 N'000
<b>Due from related company</b>				
Red Star Freight Limited			9,369	1,787
Red Star Logistics Limited			49,453	21,968
			<u>58,823</u>	<u>23,755</u>
<b>Due to related companies</b>				
Red Star Freight Limited				
Red Star Supports Services Limited			243,160	69,955
			<u>243,160</u>	<u>69,955</u>



## 27 EARNINGS PER SHARE

## Basic Earnings Per Share

FOR THE PERIOD ENDED 31st DEC, 2014

The calculation of basic earnings per share at 31 December 2014 for the company was based on the profit attributable to ordinary shareholders of N161.5 million and a weighted average number of ordinary shares outstanding of 589.5 million for the company. While the group EPS calculation was based on the profit attributable to the group shareholders of N309.1 million and a weighted average number of ordinary shares outstanding of 589.5 million shares

## UNAUDITED THIRD QUARTER FINANCIAL REPORT

	The Group		The Company	
	Dec'2014 N'000	DEC-13 N'000	Dec'2014 N'000	DEC-13 N'000
Profit for the year attributable to shareholders	<b>309,090</b>	<b>308,719</b>	<b>161,515</b>	<b>163,403</b>
	Number	Number	Number	Number
Weighted Average number of ordinary shares outstanding	<b>589,497</b>	<b>589,497</b>	<b>589,497</b>	<b>589,497</b>
Earnings per share (Kobo)	<b>52</b>	<b>52</b>	<b>27</b>	<b>28</b>

## 28 COMPARATIVE FIGURES

Certain prior year's figures have been reclassified in line with current year's presentation for more meaningful comparison.

## 29 Segment Information

## The Group

Segment Statement of  
Comprehensive

	Courier		Freight		Logistics		Support services		Total	
	DEC-14 N'000	DEC-13 N'000	DEC-14 N'000	DEC-13 N'000	DEC-14 N'000	DEC-13 N'000	DEC-14 N'000	DEC-13 N'000	DEC-14 N'000	DEC-13 N'000
Profit and Loss										
Revenue	2,894,117	2,913,135	210,243	147,163	802,654	815,175	1,093,459	863,966	5,000,472	4,716,333
Total Revenue	2,894,117	2,913,135	210,243	147,163	802,654	815,175	1,093,459	863,966	5,000,472	4,716,333
Finance Income	10,693	12,403	-	819	-	182	143	-	10,837	13,403
Finance Charges	(9,782)	(10,740)	(1,865)	(1,301)	(14,181)	(13,350)	(3,997)	(1,898)	(16,264)	(14,987)
Other Income	9,224	3,293	-	-	2,040	1,373	-	-	11,264	27,688
Cost of Sales	(1,991,579)	(2,012,170)	(165,919)	(110,271)	(607,238)	(586,891)	(881,836)	(711,105)	(3,600,365)	(3,386,088)
Depreciation & Amortisation	(49,517)	(37,318)	(112)	(244)	(3,897)	(3,946)	(255)	(355)	(53,781)	(41,863)
Other Operating Expenses	(632,421)	(635,170)	(21,888)	(19,482)	(86,002)	(75,567)	(110,531)	(96,592)	(910,606)	(873,459)
Profit before income tax	3,218,049	233,433	20,459	16,684	93,376	136,976	96,983	54,016	441,557	441,027
Income tax expense	(69,221)	(70,031)	(6,138)	(5,005)	(28,013)	(41,093)	(29,095)	(16,205)	(132,467)	(132,308)
Profit after tax	3,148,829	163,402	14,321	11,679	65,363	95,883	67,888	37,811	309,090	308,719
	DEC-14	Mar'14	DEC-14	Mar'14	DEC-14	Mar'14	DEC-14	Mar'14	DEC-14	Mar'14
Segment Statement of Financial Position	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Non Current Assets	869,144	852,682	470	581	361,846	372,093	116,139	148,637	1,063,223	1,089,928
Current assets	1,919,069	1,796,960	119,242	91,372	505,241	383,299	337,085	179,080	2,681,489	2,357,017
Total Assets	2,788,213	2,649,642	119,711	91,953	867,087	755,393	453,224	327,717	3,744,713	3,446,945
Ordinary Share Capital	294,748	294,748	10,000	10,000	225,000	225,000	49,065	49,065	294,748	294,748
Share Premium	296,433	296,433	-	-	-	-	-	-	296,433	296,433
Retained Earnings	888,630	933,439	62,750	48,428	295,045	229,682	153,346	85,458	1,414,304	1,301,745
Non Current Liabilities	53,224	43,619	188	98	134,264	152,749	36,746	36,133	237,390	232,529
Current liabilities	1,255,179	1,081,403	46,774	33,426	212,778	147,962	214,068	157,061	1,501,838	1,321,490
Total Equity & Liabilities	2,788,213	2,649,642	119,711	91,953	867,087	755,393	453,224	327,717	3,744,713	3,446,945