

## DAAR COMMUNICATIONS PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30TH JUNE, 2017

	<b>Three months to June 2017 N'000</b>	<b>Six months to June 2017 N'000</b>	<b>Three months to June,2016 N'000</b>	<b>Six months to June 2016 N'000</b>
REVENUE	883,740	1,727,028	1,333,006	2,127,035
COST OF SALES	<u>1,026,235</u>	<u>2,198,162</u>	<u>1,281,991</u>	<u>2,334,071</u>
GROSS PROFIT	(142,495)	(471,134)	51,015	(207,036)
OTHER INCOME	<u>299</u>	<u>2,170</u>	<u>597</u>	<u>761</u>
	(142,196)	(468,964)	51,612	(206,275)
DISTRIBUTION COST	(12,550)	(34,281)	(9,719)	(24,926)
ADMIN EXPENSES	(345,087)	(719,986)	(304,948)	(697,077)
FINANCE COSTS	<u>(19,874)</u>	<u>(39,648)</u>	<u>(27,790)</u>	<u>(56,159)</u>
PROFIT BEFORE TAXATION	(519,707)	(1,262,879)	<b>(290,845)</b>	<b>(984,437)</b>
TAXATION	<u>(13,780)</u>	<u>(23,905)</u>	<u>(115,196)</u>	<u>(41,368)</u>
PROFIT/(LOSS) FOR THE YEAR	<u>(533,487)</u>	<u>(1,286,784)</u>	<u>(406,041)</u>	<u>(1,025,805)</u>
EPS in kobo	<b>(7)</b>	<b>(16)</b>	<b>(5)</b>	<b>(13)</b>

## DAAR COMMUNICATIONS PLC

STATEMENT OF CHANGES IN EQUITY FOR JUNE 2016

	<b>SHARE CAPITAL N'000</b>	<b>SHARE PREMIUM N'000</b>	<b>RETAINED INCOME N'000</b>	<b>TOTAL N'000</b>
BAL B/F	4,000,000	13,411,541	(5,242,971)	12,168,570
ADDITIONS DURING THE YEAR	-	-	(1,025,805)	(1,025,805)
<b>BALANCE AS AT JUNE</b>	<b><u>4,000,000</u></b>	<b><u>13,411,541</u></b>	<b><u>(6,268,776)</u></b>	<b><u>11,142,765</u></b>

## DAAR COMMUNICATIONS PLC

### STATEMENT OF CHANGES IN EQUITY FOR JUNE, 2017

	SHARE CAPITAL N'000	SHARE PREMIUM N'000	RETAINED INCOME N'000	TOTAL N'000
BAL B/F	4,000,000	13,411,541	(6,129,703)	11,281,838
ADDITIONS DURING THE YEAR	-	-	(1,286,784)	(1,286,784)
<b>BALANCE AS AT JUNE</b>	<b><u>4,000,000</u></b>	<b><u>13,411,541</u></b>	<b><u>(7,416,487)</u></b>	<b><u>9,995,054</u></b>

## DAAR COMMUNICATIONS PLC

### STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2017

ASSETS	JUNE, 2017 N'000	DEC, 2016 N'000
<b>NON CURRENT ASSETS</b>		
PROPERTY, PLANT & EQUIPMENT	9,587,090	10,842,230
OTHER INTANGIBLE ASSETS	26,030	29,748
INVESTMENT	97,000	97,000
OTHER NON CURRENT ASSETS	<u>100,025</u>	<u>120,571</u>
	<b>9,810,145</b>	<b>11,089,549</b>
<b>CURRENT ASSETS</b>		
INVENTORIES		
TRADE RECEIVABLES	3,752,002	3,152,098
DEFERRED TAX ASSET	3,725,300	3,725,300
OTHER DEBTORS & PREPAYMENTS	3 92,968	86,693
CASH & CASH EQUIVALENTS	4 <u>(30,339)</u>	<u>58,477</u>
TOTAL CURRENT ASSETS	<u>7,539,931</u>	<u>7,022,568</u>
<b>TOTAL ASSETS</b>	<b><u>17,350,076</u></b>	<b><u>18,112,117</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY ATTRIBUTABLE TO OWNERS</b>		

SHARE CAPITAL	5	4,000,000	4,000,000
SHARE PREMIUM		13,411,541	13,411,541
RETAINED EARNINGS	6	<u>(7,416,487)</u>	<u>(6,129,703)</u>
<b>TOTAL EQUITY</b>		<b><u>9,995,054</u></b>	<b><u>11,281,838</u></b>

**CURRENT LIABILITIES**

**BANK LOAN**

SURBORDINATED LOAN 1,486,861 1,486,861

TRADE PAYABLES 1,316,567 1,345,272

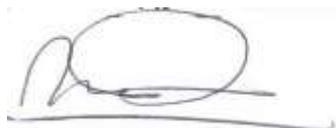
OTHER PAYABLES 7 4,015,005 3,480,462

BANK OVERDRAFT 8 49 49

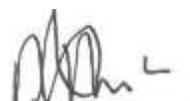
TAXATION 9 536,540 517,635

TOTAL CURRENT LIABILITIES 7,355,022 6,830,279

**TOTAL EQUITY AND LIABILITIES** **17,350,076** **18,112,117**



Tony A. Akiotu  
GMD/CEO  
FRC/2014/NIM/0000000895



**Stanley Sagboje**  
**ED, Finance & Accounts/CFO**  
**FRC/2016/ICAN/00000015580**

**DAAR COMMUNICATIONS PLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30TH JUNE, 2017**

	Jun-17 N'000	JUNE, 2016 N'000
Cash flow from operating activities		
Profit/(Loss) before taxation	(1,262,879)	(984,437)

*Add back items not involving movement of funds*

<i>Depreciation</i>	<i>1,342,339</i>	<i>1,409,201</i>
<i>Amortisation</i>	<i>3,719</i>	<i>1,218</i>
<i>Adjustment of inventory -Decoders</i>		<i>-</i>
<i>Prior year adjustment</i>		
<i>Impairment allowance on receivable</i>		
<i>Finance cost</i>	<i>37,172</i>	<i>52,636</i>
<i>Other income</i>		
<i>Finance income</i>	<i>=</i>	<i>=</i>
	<i>120,351</i>	<i>478,618</i>
<b><i>Working capital changes</i></b>		
<i>(Increase) /Decrease in Trade Receivables</i>	<i>(599,904)</i>	<i>(947,118)</i>
<i>(Increase)/Decrease in Other Receivables and prepayments</i>	<i>(6,275)</i>	<i>124,594</i>
<i>(Increase)/Decrease in Stocks</i>	<i>-</i>	
<i>Increase/(Decrease) in Trade and other payables</i>	<i><u>505,838</u></i>	<i><u>671,572</u></i>
	<i><u>(100,341)</u></i>	<i><u>(150,952)</u></i>
<i>Tax Paid</i>	<i><u>(5,000)</u></i>	<i><u>(209,850)</u></i>
<b><i>Net cash from operating activities</i></b>	<b><i><u>15,010</u></i></b>	<b><i><u>117,816</u></i></b>
<b><i>Cash flows from investing activities</i></b>		
<i>(Purchase)/Sale of fixed assets</i>	<i>(66,653)</i>	<i>(65,855)</i>
<i>Investment in MTS</i>	<i>-</i>	<i>45,000</i>
<i>(Increase)/Decrease in intangible assets</i>	<i><u>(1)</u></i>	<i><u>(2,500)</u></i>
<b><i>Net cash used in investing</i></b>	<b><i><u>(66,654)</u></i></b>	<b><i><u>(23,355)</u></i></b>
<b><i>Cash flows from financing activities</i></b>		
<i>Bank loan received</i>	<i>-</i>	<i>-</i>
<i>Bank loan repaid</i>	<i>-</i>	
<i>Surbordinated Loan Repaid</i>		

		(500)
<i>Finance cost</i>	<u>(37,172)</u>	<u>(52,636)</u>
<b><i>Net Cash used in financing activities</i></b>	<b><u>(37,172)</u></b>	<b><u>(53,136)</u></b>
<b><i>Net(decrease)/increase in cash and cash equivalent</i></b>	<b>(88,815)</b>	<b>-</b>
<i>Cash and cash equivalents at 1 January</i>	<u>58,428</u>	<u>185,612</u>
<b><i>Cash and cash equivalents at 30th June</i></b>	<b><u>(30,387)</u></b>	<b><u>226,937</u></b>
<b><i>Represented by:</i></b>		
<i>Bank and cash balances</i>	(30,339)	237,699
<i>Bank Overdraft</i>	<u>(49)</u>	<u>(10,762)</u>
<b><i>Cash and cash equivalent at 30th June</i></b>	<b><u>(30,388)</u></b>	<b><u>226,937</u></b>

## DAAR COMMUNICATIONS PLC

### NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30TH JUNE, 2017

	30TH JUNE, 2017 N'000	30TH JUNE, 2016 N'000
1 REVENUE		
Television	1,466,285	1,853,077
United Kingdom		
Daar News	52,318	66,989
Radio	208,426	206,969
Pay TV	<u>-</u>	<u>-</u>
	<u>1,727,029</u>	<u>2,127,035</u>
2 <b>Profit before taxation</b>		<b>31ST DEC 2016</b>
This is stated after charging the following:		
Directors' remuneration -		
-Fees		
-Others		
Auditors remuneration	10,000	20,000

Amortisation	3,719	7,437
Depreciation	<u>1,342,339</u>	<u>2,685,123</u>
<b>3 Other receivables and prepayments</b>		
Staff Loans and Advances	47,828	46,769
Other Receivables	<u>45,140</u>	<u>39,924</u>
	<u>92,968</u>	<u>86,693</u>
<b>4 CASH &amp; CASH EQUIVALENTS</b>		
Main cash	221	8,429
Petty Cash	1,446	1,826
UBA	12,685	12,689
GTB Pool	150	55
GTB (Domiciliary)		
Guaranty Trust Transit	(8,116)	(8,115)
Guaranty Trust Bank Operations	5,592	845
Sterling Bank	(230)	1
Zenith Bank Operations		
Zenith Bank A/c 2		
Zenith Bank Subscription		
Fidelity Bank Statutory	(1)	(1,986)
UBN Agege	15	15
FIDELITY IMPREST		5
FIDELITY FIRS		17
FIDELITY MASTER	18,144	7
FIDELITY CORPORATE GOVERNANCE	(261)	263
FIDELITY CAPITAL DEV.	(1,785)	14
FIDELITY SATELLITE EXP.	38	47
FIDELITY VENDOR	2	162
FIDELITY OPERATIONS	(30,824)	(2,671)
FIDELITY CONTENT ACQUISITION	1	7
FIDELITY OUTSIDE BROADCAST EXP.	1	184
FIDELITY SPECIAL PROJECT	1	126
FIDELITY PERSONAL PAID ADVERT	1,110	6,679
FIDELITY DIRECT SALES	10	202
FIDELITY AGENCY SALES	5	11
FIDELITY INDEPENDENT SALES		2
FIDELITY INTERNAL SALES	1	3
FIDELITY SCROLL MESSAGES	1	1
FIDELITY DEDICATED MEDIA COVERAGE		1
FIDELITY PROGRAM APPEARANCE		2
FIDELITY OUTSIDE BROADCAST INCOME		37

FIDELITY STAFF COST	(20,198)	(3,603)
FIDELITY MARKETING & SALES		9
FIDELITY ENGINEERING	6	6
FIDELITY LEGAL REGULATORY & INS.		3
FIDELITY DIESEL & ELECTRICITY		8
FIDELITY NEWS GATHERING	1	1
FIDELITY VAT	96	96
FIDELITY SUBORDINATED LOAN	(1)	26
Cheque in Transit		17,283
Zenith Master	4	97
Fidelity Bank Domiciliary Account	9,219	9,219
Fidelity Bank Plc		
Fidelity Pool A/C	70	70
Zenith Capital Dev	(8,192)	(10)
Fidelity Capital Account	7,525	7,525
HSBC Bank	476	527
ZENITH AIT IMPREST ACCOUNT		
ZENITH OPERATIONS	9,781	4,266
ZENITH LEGAL REGULATORY	(355)	4
ZENITH NBC LICENCE	4	4
ZENITH REVENUE RESERVE	3	3
ZENITH AIT INCOME	(28,943)	4,538
ZENITH SUBORDINATED LOAN	4	1
ZENITH FIRS	27	30
ZENITH CORPORATE GOVERNANCE	1	4
ZENITH STAFF COST	670	16
ZENITH DIESEL & ELECT.	878	(986)
ZENITH SATELLITE EXP.	(2)	84
ZENITH VAT	381	395
FCMB		2
First Bank Plc	-	
	<b>(30,339)</b>	<b>58,476</b>

## 5 Share Capital

Authorized

8,000,000,000 ordinary shares of 50k each

Issued and fully paid

4,000,000

4,000,000

At 1 January		
Issue of shares during the year	4,000,000	4,000,000
	4,000,000	4,000,000

6

**RETAINED EARNINGS**

At 1 January	(6,129,703)	(3,990,114)
Prior year adjustment		
Retained Profit/(Loss)	<u>(1,286,784)</u>	<u>(2,139,589)</u>
<b>At end of period</b>	<b><u>(7,416,487)</u></b>	<b><u>(6,129,703)</u></b>

7 **Other payables**

Accrued salary	1,190,438	1,066,989
PAYE	271,840	255,744
Pension fund	929,865	866,128
Daar Investment Holding Coy Ltd	296,002	346,552
NHF	36,677	32,053
Customer Deposits	135,458	
NHIS	213,236	185,633
UNION DUES	1,992	516
ITF	36,802	31,963
NSITF	36,966	32,371
Audit fee	19,400	32,000
VAT	99,114	47,350
Co-operative Society	14,636	14,636
Withholding tax	25,482	18,955
Gratuity	350,658	353,735
NBC Charges	120,372	119,312
Accrued Expenses	<u>236,067</u>	<u>76,526</u>
	<b><u>4,015,005</u></b>	<b><u>3,480,463</u></b>

8 **Bank Overdraft**

Barclays Bank	49	49
GTB (Transit)		
	<u>49</u>	<u>49</u>

9 **Taxation**

	<b>2016</b>	<b>2016(AUDITED)</b>
	<b>N'000</b>	<b>N'000</b>
At 1st Jan.	517,635	632,786

Charged for the period	23,905	45,489
Paid during period	<u>(5,000)</u>	<u>(160,640)</u>
<b>At end of period</b>	<b><u>536,540</u></b>	<b><u>517,635</u></b>

**DAAR COMMUNICATIONS PLC  
VALUE ADDED  
STATEMENT**

	JUNE, 2017		JUNE, 2016	
	N'000	%	N'000	%
<b>TURNOVER</b>	1,727,028		2,127,035	-
OTHER INCOME	<u>2,170</u>		<u>761</u>	
	1,729,198		2,127,796	-
<b>BOUGHT IN MATERIALS</b>				
LOCAL	(751,040)		(674,318)	
FOREIGN	<u>(212,915)</u>		<u>(342,023)</u>	
<b>VALUE ADDED</b>	<b><u>765,243</u></b>	<b>100</b>	<b><u>1,111,455</u></b>	<b>100</b>
<b>DISTRIBUTED AS FOLLOWS:</b>				
<b>EMPLOYEES:</b>				
Salaries, Pension, Welfare	644,894	84	632,836	57
<b>PROVIDER OF CAPITAL</b>				
Finance Cost	37,172	6	52,636	5
<b>TO GOVERNMENT</b>				
Taxation	23,904	3	41,368	3
<b>PROVIDED for ASSET REPLACEMENT</b>				
Depreciation of Property, Plant and				
Equipment	1,342,339	175	1,409,201	127
Amortisation/Provisions	3,718	0	1,218	0
Retained for the year	<u>(1,286,784)</u>	(168)	<u>(1,025,804)</u>	-92
		<b>100</b>		<b>100</b>

765,2431,111,455

**DAAR COMMUNICATIONS PLC**  
**FIVE YEAR SUMMARY**

	<b>JUNE, 2017</b>	<b>2016</b>	<b>2015</b>	<b>2,014</b>	<b>2013</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Assets Employed</b>					
Property, Plant & Equipment	9,687,115	10,962,800	13,564,961	16,069,435	18,570,076
Intangible Assets	26,030	29,748	7,744	-	270,767
Investment	97,000	97,000	142,000	142,000	-
Deferred Tax Assets	3,725,300	3,725,300	511,193	686,597	854,826
Net Current Assets	(3,540,391)	(3,533,010)	(3,347,302)	(4,987,887)	(7,111,901)
Loan	=	=	=	=	<u>(566,609)</u>
<b>Net Assets</b>	<b><u>9,995,054</u></b>	<b><u>11,281,838</u></b>	<b><u>10,878,596</u></b>	<b><u>11,910,145</u></b>	<b><u>12,017,159</u></b>
<b>FUNDS EMPLOYED</b>					
SHARE CAPITAL	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
SHARE PREMIUN	13,411,541	13,411,541	13,411,541	13,411,541	13,411,541
GENERAL RESERVE	<u>(7,416,487)</u>	<u>(6,129,703)</u>	<u>(6,532,945)</u>	<u>(5,501,396)</u>	<u>(5,394,382)</u>
<b>SHAREHOLDERS FUND</b>	<b><u>9,995,054</u></b>	<b><u>11,281,838</u></b>	<b><u>10,878,596</u></b>	<b><u>11,910,145</u></b>	<b><u>12,017,159</u></b>
TURNOVER	1,727,028	3,732,527	7,089,393	6,973,359	5,607,544
PROFIT/(LOSS) BEFORE TAX	(1,262,879)	(3,001,230)	(1,047,936)	428,363	(2,702,921)
TAX	(23,905)	861,641	(467,936)	(535,377)	(715,033)
PROFIT AFTER TAX	<u>(1,286,784)</u>	<u>(2,139,589)</u>	<u>(1,515,112)</u>	<u>(107,014)</u>	<u>(3,417,954)</u>
<b>EARNINGS PER SHARE</b>	<b>(16)</b>	<b>(27)</b>	<b>(19)</b>	<b>(1)</b>	<b>(43)</b>