

**DAAR COMMUNICATIONS PLC :
MANAGEMENT ACCOUNTS FOR THE FIRST
QUARTER ENDED 31 MARCH 2018**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31ST MARCH, 2018

	Three months to March, 2018 N'000	Three months to March,2017 N'000
REVENUE	913,428	904,610
COST OF SALES	<u>(772,982)</u>	<u>(1,171,927)</u>
GROSS PROFIT	140,446	(267,317)
OTHER INCOME	<u>1,214</u>	<u>1,871</u>
	141,660	(265,446)
DISTRIBUTION COST	(22,836)	(21,731)
ADMIN EXPENSES	(307,360)	(374,899)
FINANCE CHARGES	<u>(17,594)</u>	<u>(19,774)</u>
PROFIT BEFORE TAXATION	(206,130)	(681,850)
TAXATION	<u>(23,601)</u>	<u>(10,125)</u>
PROFIT/(LOSS) FOR THE YEAR	<u>(229,731)</u>	<u>691,975)</u>
EPS in kobo	(3)	(9)

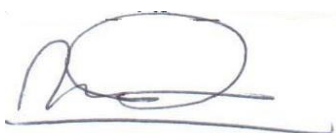
DAAR COMMUNICATIONS PLC

STATEMENT OF FINANCIAL POSITION AS AT 31TH MARCH, 2018

ASSETS		MARCH,2018	DEC, 2017
NON CURRENT ASSETS		N'000	N'000
PROPERTY,PLANT & EQUIPMENT		9,703,818	9,893,006
OTHER INTANGIBLE ASSETS		18,311	23,798
INVESTMENT		97,000	97,000
OTHER NON CURRENT ASSETS		<u>104,619</u>	<u>93,947</u>
		9,923,748	10,107,751
CURRENT ASSETS			
INVENTORIES			
TRADE RECEIVABLES		4,016,514	4,077,493
DEFERRED TAX ASSET		4,028,536	4,028,536
OTHER DEBTORS & PREPAYMENTS	3	79,477	82,828
CASH & CASH EQUIVALENTS	4	<u>65,948</u>	<u>89,175</u>
TOTAL CURRENT ASSETS		<u>8,190,475</u>	<u>8,278,032</u>
TOTAL ASSETS		<u>18,114,223</u>	<u>18,385,783</u>
EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO OWNERS			
SHARE CAPITAL	5	4,000,000	4,000,000
SHARE PREMIUM		13,411,541	13,411,541
RETAINED EARNINGS	6	<u>(6,841,020)</u>	<u>(6,611,289)</u>
TOTAL EQUITY		<u>10,570,521</u>	<u>10,800,252</u>
CURRENT LIABILITIES			
BANK LOAN			
SURBORDINATED LOAN			

		1,308,749	1,335,849
TRADE PAYABLES		1,322,988	1,432,424
OTHER PAYABLES	7	4,309,809	4,238,752
BANK OVERDRAFT	8	49	-
TAXATION	9	<u>602,107</u>	<u>578,506</u>
TOTAL CURRENT LIABILITIES		<u>7,543,702</u>	<u>7,585,531</u>
TOTAL EQUITY AND LIABILITIES		<u>18,114,223</u>	<u>18,385,783</u>

DATED 30TH APRIL, 2018



Tony A. Akiotu

GMD/CEO

FRC/2014/NIM/0000000895



Stanley Sagboje

ED, Finance & Accounts/CFO

FRC/2016/ICAN/00000015580

DAAR COMMUNICATIONS PLC

STATEMENT OF CHANGES IN EQUITY FOR MARCH, 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	-	-	<u>(691,975)</u>	<u>(691,975)</u>
BALANCE AS AT JUNE	<u>4,000,000</u>	<u>13,411,541</u>	<u>(6,821,678)</u>	<u>10,589,863</u>

DAAR COMMUNICATIONS PLC

STATEMENT OF CHANGES IN EQUITY FOR MARCH, 2018

	SHARE CAPITAL N'000	SHARE PREMIUM N'000	RETAINED INCOME N'000	TOTAL N'000
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BAL B/F	4,000,000	13,411,541	(6,611,289)	10,800,252
ADDITIONS DURING THE YEAR	<u>-</u>	<u>-</u>	<u>(229,731)</u>	<u>(229,731)</u>
BALANCE AS AT MARCH	<u>4,000,000</u>	<u>13,411,541</u>	<u>(6,841,020)</u>	<u>10,570,521</u>

DAAR COMMUNICATIONS PLC
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31ST MARCH, 2018

	<i>Mar-18</i>	<i>MAR,17</i>
	N'000	N'000
<i>Cash flow from operating activities</i>		
<i>Profit/(Loss) before taxation</i>	(206,130)	(681,851)
<i>Add back items not involving movement of funds</i>		
<i>Depreciation</i>	263,133	675,741
<i>Amortisation</i>	21,487	
<i>Adjustment of inventory -Decoders</i>		-
<i>Prior year adjustment</i>		
<i>Impairment allowance on receivable</i>		
<i>Finance cost</i>	16,359	19,774
<i>Other income</i>		
<i>Finance income</i>	-	-
	94,849	13,664
<i>Working capital changes</i>		
<i>(Increase) /Decrease in Trade Receivables</i>	60,979	(201,358)
<i>(Increase)/Decrease in Other Receivables and prepayments</i>	3,351	7,376
<i>(Increase)/Decrease in Stocks</i>	-	
<i>Increase/(Decrease) in Trade and other payables</i>	<u>(38,379)</u>	<u>372,700</u>
	<u>25,951</u>	<u>178,718</u>

<i>Tax Paid</i>	=	<u>(5,000)</u>
<i>Net cash from operating activities</i>	<u>120,800</u>	<u>187,382</u>
<i>Cash flows from investing activities</i>		
<i>(Purchase)/Sale of fixed assets</i>	(84,617)	(108,757)
<i>Investment in MTS</i>	-	
<i>(Increase)/Decrease in intangible assets</i>	<u>(16,000)</u>	=
<i>Net cash used in investing</i>	<u>(100,617)</u>	<u>(108,757)</u>
<i>Cash flows from financing activities</i>		
<i>Bank loan received</i>	-	-
<i>Bank loan repaid</i>	-	
<i>Subordinated Loan Repaid</i>	(27,100)	
<i>Finance cost</i>	<u>(16,359)</u>	<u>(19,774)</u>
<i>Net Cash used in financing activities</i>	<u>(43,459)</u>	<u>(19,774)</u>
<i>Net(decrease)/increase in cash and cash equivalent</i>	(23,276)	58,852
<i>Cash and cash equivalents at 1 January</i>	<u>89,175</u>	<u>58,428</u>
<i>Cash and cash equivalents at 31st March</i>	<u>65,899</u>	<u>117,280</u>
<i>Represented by:</i>		
<i>Bank and cash balances</i>	65,948	117,280
<i>Bank Overdraft</i>	<u>(49)</u>	
<i>Cash and cash equivalents at 31st March</i>	<u>65,899</u>	<u>117,280</u>

DAAR COMMUNICATIONS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH, 2018

	31ST MARCH, 2018	31ST MARCH,
	N'000	2017
		N'000
1 REVENUE		
Television	747,203	791,595
United Kingdom		
Daar News	61,973	23,856
Radio	104,252	89,158
Pay TV	=	=
	<u>913,428</u>	<u>904,609</u>
	-	
2 Profit before taxation		31ST DEC 2017
This is stated after charging the following:		
Directors' remuneration -		
-Fees		
-Others		
Auditors remuneration	3,750	15,000
Amortisation	21,487	5,950
Depreciation	<u>263,133</u>	<u>1,065,680</u>
3 Other receivables and prepayments		
Staff Loans and Advances	34,858	48,289
Other Receivables	<u>44,619</u>	<u>34,539</u>
	<u>79,477</u>	<u>82,828</u>
4 CASH & CASH EQUIVALENTS		
Main cash	13,726	6,596
Petty Cash	83	1,799
UBA	12,685	12,685

GTB Pool	266	266
GTB (Domiciliary)		
Guaranty Trust Transit		(8,116)
Guaranty Trust Bank Operations	1,539	2,049
Sterling Bank	(766)	(22)
Zenith Bank Operations	2	13,198
Zenith Bank A/c 2	1,315	-
Zenith Bank Subscription		
Fidelity Bank Statutory		
UBN Agege	15	15
FIDELITY IMPREST		
FIDELITY FIRS		3,012
FIDELITY MASTER	93	93
FIDELITY CORPORATE GOVERNANCE		240
FIDELITY CAPITAL DEV.	5,700	119
FIDELITY SATELLITE EXP.	38	38
FIDELITY VENDOR	2	2
FIDELITY OPERATIONS		3,539
FIDELITY CONTENT ACQUISITION	1	
FIDELITY OUTSIDE BROADCAST EXP.	1	20
FIDELITY SPECIAL PROJECT	20	10
FIDELITY PERSONAL PAID ADVERT	10	10
FIDELITY DIRECT SALES	10	5
FIDELITY AGENCY SALES	5	-
FIDELITY INDEPENDENT SALES		
FIDELITY INTERNAL SALES	1	1

FIDELITY SCROLL MESSAGES	1	1
FIDELITY DEDICATED MEDIA COVERAGE		-
FIDELITY PROGRAM APPEARANCE		-
FIDELITY OUTSIDE BROADCAST INCOME	1	1
FIDELITY CAPITAL BUDGET	4,525	7,525
FIDELITY STAFF COST	2,018	19,259
FIDELITY MARKETING & SALES		-
FIDELITY ENGINNERING	6	6
FIDELITY LEGAL REGULATORY & INS.		
FIDELITY DIESEL & ELECTRICITY	2,000	-
FIDELITY NEWS A/C	5	5
FIDELITY NEWS GATHERING		-
FIDELITY VAT		96
FIDELITY SUBORDINATED LOAN	(1)	(1)
Cheque in Transit	-	-
Zenith Master	1,000	(58)
Fidelity Bank Domiciliary Account	9,219	9,219
Fidelity Bank Plc	-	
Fidelity Pool A/C	70	70
Zenith Capital Dev	13,974	5
Fidelity Capital Account		-
HSBC Bank	476	476
ZENITH STATUTORY	(1)	(1)
ZENITH OPERATIONS	45	-
ZENITH LEGAL REGULATORY		

	22	3
ZENITH NBC LICENCE	4	4
ZENITH REVENUE RESERVE	16	3
ZENITH AIT INCOME	424	5,144
ZENITH SUBORDINATED LOAN	4	4
ZENITH FIRS	3	27
ZENITH CORPORATE GOVERNANCE	1	1
ZENITH STAFF COST	1,392	9,287
ZENITH DIESEL & ELECT.	539	2,507
ZENITH SATELLITE EXP.	2	2
ZENITH VAT	777	31
FCMB	-	-
First Bank Plc	-	-
	65,948	89,175

5 Share Capital

Authorised
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	(6,611,289)	(6,129,703)
Prior year adjustment		
Retained Profit/(Loss)	<u>(229,731)</u>	<u>(481,586)</u>
At end of period	<u>(6,841,020)</u>	<u>(6,611,289)</u>

7 Other payables

Accrued salary	1,284,424	1,251,443
PAYE	311,617	297,309
Pension fund	1,022,253	989,675
Daar Investment Holding Coy Ltd	208,838	158,448
NHF	43,399	41,150
Customer Deposits	96,633	60,211
NHIS	253,463	240,790
UNION DUES	4,090	3,410
ITF	43,919	41,561
NSITF	44,326	42,086
Audit fee	45,250	36,500
VAT	196,596	188,361
Co-operative Society	14,636	14,636
Withholding tax	34,463	30,379
Gratuity	339,712	401,538
NBC Charges	120,372	176,057
Accrued Expenses	<u>245,818</u>	<u>265,196</u>
	<u>4,309,809</u>	<u>4,238,750</u>

8 Bank Overdraft

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

9 Taxation

	MARCH.2018 N'000	2017(AUDITED) N'000
At 1st Jan.	578,506	517,635
Charged for the period	23,601	65,871
Paid during period	=	<u>(5,000)</u>
At end of period	<u>602,107</u>	<u>578,506</u>

DAAR COMMUNICATIONS PLC
VALUE ADDED STATEMENT

	Mar-18 N'000		Mar-17 N'000	%
TURNOVER				
FINANCE INCOME	913,428		904,610	
OTHER INCOME	1,214		<u>1,870</u>	
	914,642		906,480	
BOUGHT IN MATERIALS AND SERVICES				
LOCAL	(375,419)		(455,398)	
FOREIGN	<u>(145,648)</u>		<u>(124,544)</u>	
VALUE ADDED	<u>393,575</u>	100%	<u>326,538</u>	100
DISTRIBUTED AS FOLLOWS:				
EMPLOYEES:				
Salaries, Pension,Welfare		76%		96

	298,526		314,062	
PROVIDER OF CAPITAL				
Finance Cost	16,359	4%	18,586	6
TO GOVERNMENT				
Taxation	23,601	6%	10,125	3
PROVIDED for ASSET REPLACEMENT				
Depreciation of Property, Plant and				
Equipment	263,133	67%	675,741	207
Amortisation/Provisions	21,487	5%		
Retained for the year	<u>(229,731)</u>	-58%	<u>(691,976)</u>	(212)
TOTAL VALUE ADDED	<u>393,375</u>	100%	<u>326,538</u>	100

**DAAR COMMUNICATIONS PLC
FIVE YEAR SUMMARY**

	Mar-18	2017	2016	2015	2014
Assets Employed	N'000	N'000	N'000	N'000	N'000
Property, Plant & Equipment	9,808,437	9,986,953	10,962,800	13,564,961	16,069,435
Intangible Assets	18,311	23,798	29,748	7,744	-
Investment	97,000	97,000	97,000	142,000	142,000
Deferred Tax Assets	4,028,536	4,028,536	3,725,300	511,193	686,597
Net Current Assets	(3,381,763)	(3,336,035)	(3,533,010)	(3,347,302)	(4,987,887)
Loan	=	=	=	=	=
Net Assets	<u>10,570,521</u>	<u>10,800,252</u>	<u>11,281,838</u>	<u>10,878,596</u>	<u>11,910,145</u>

FUNDS EMPLOYED

SHARE CAPITAL	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
SHARE PREMIUN	13411541				

		13,411,541	13,411,541	13,411,541	13,411,541
GENERAL RESERVE	(6,841,020)	<u>(6,611,289)</u>	<u>(6,129,703)</u>	<u>(6,532,945)</u>	<u>(5,501,396)</u>
SHAREHOLDERS FUND	<u>10,570,521</u>	<u>10,800,252</u>	<u>11,281,838</u>	<u>10,878,596</u>	<u>11,910,145</u>
DAAR COMMUNICATIONS PLC					
TURNOVER	913,428	3,712,390	3,732,527	7,089,393	6,973,359
PROFIT/(LOSS) BEFORE TAX	(206,130)	(718,950)	(3,001,230)	(1,047,936)	428,363
TAX	(23,601)	237,365	861,641	(467,936)	(535,377)
PROFIT AFTER TAX	(229,731)	<u>(481,585)</u>	<u>(2,139,589)</u>	<u>(1,515,112)</u>	<u>(107,014)</u>
EARNINGS PER SHARE	(3)	(6)	(27)	(19)	(1)