CAVERTON OFFSHORE SUPPORT GROUP PLC
Lagos, Nigeria

REPORT OF THE DIRECTORS
AND
UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2016

CAVERTON OFFSHORE SUPPORT GROUP PLC

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
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FOR THE PERIOD ENDED 31 MARCH 2016

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2016

		The Group		The Company	
		31 March 2016	31 March 2015	31 March 2016	31 March 2015
	Notes	₦'000	₦'000	₦'000	₦'000
Revenue	2	4,415,640	5,964,239	-	-
Direct Operating Expenses	3	(2,914,564)	(3,630,074)	-	-
Gross Profit		1,501,076	2,334,165	-	-
Indirect Operating (Admin) Expenses	4	(1,083,337)	(1,694,075)	(50,397)	(67,479)
Other Income	5	120,966	(11,696)		-
Earnings Before Interest and Taxes		**538,705**	**628,393**	**(50,397)**	**(67,479)**
Finance Cost	6	(329,959)	(425,412)	243	(233)
Profit/(loss) Before Tax		**208,746**	**202,981**	**(50,154)**	**(67,712)**
Income Tax	7.1	(99,159)	(94,742)		
Profit/(loss) After Tax		**109,587**	**108,239**	**(50,154)**	**(67,712)**
Profit/(loss) attributable to:					
Owners of the Company		108,491	107,156	-	-
Non-controlling interest		1,096	1,083	-	-
Profit/(loss) for the year		109,587	108,239	**(50,154)**	(67,712)
Other Comprehensive income		-	-	-	-
Total Comprehensive income for the year, net of tax		109,587	108,239	**(50,154)**	(67,712)
Basic/diluted earnings per share (N)	8.1	0.03	0.03		

Olabode Makanjuola - Chief Executive Officer
FRC/2013/IODN/00000002456

Titi Adigun - Chief Finance Officer
FRC/2013/ICAN/00000002398

The accompanying notes on pages 8 to 29 are integral part of these consolidated financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

		The Group		The Company	
		31 Mar 2016	**31 Mar 2015**	**31 Mar 2016**	**31 Mar 2015**
Assets		₦'000	₦'000	₦'000	₦'000
Non-current assets					
Property, plant and equipment	9	20,085,182	18,106,314	-	16
Intangible assets	10	30,473	40,949	-	-
Goodwill	11	6,026,909	6,026,909	-	-
Investment in subsidiaries		-	-	8,514,000	8,514,000
Deferred tax assets		201,215	-	-	-
		26,343,779	24,174,172	8,514,000	8,514,016
Current assets					
Inventories	12	1,463,135	1,240,914	-	-
Trade and other receivables	13	8,892,425	8,706,663	88,605	88,605
Due from related parties	14	8,711	1,507,729	998,072	674,789
Prepayments	15	116,786	81,011	-	-
Cash and bank	16	2,381,109	4,004,876	2,959	904,075
		12,862,166	15,541,193	1,089,636	1,667,470
Total assets		**39,205,945**	**39,715,365**	9,603,636	10,181,485
Equity and liabilities					
Equity					
Ordinary share capital	17	1,675,255	1,675,255	1,675,255	1,675,255
Share premium	17	6,616,991	6,616,991	6,616,991	6,616,991
Retained earnings		4,329,172	3,688,580	(440,389)	265,866
Non-Controlling Interest		72,794	59,011	-	-
Total equity		12,694,212	12,039,837	7,851,857	8,558,112
Interest-bearing loans and borrowings	18.1	11,461,930	14,768,362	-	-
Other non-financial liabilities	18.2	2,277,283	-	-	-
Deferred tax liabilities	7.2	-	472,917	-	16
		13,739,213	15,241,279	-	16
Current liabilities					
Trade and other payables	19	8,981,937	9,020,615	44,898	86,523
Due to related parties	14	-	(25,219)	1,183,339	978,292
Interest-bearing loans and borrowings	18.3	223,292	1,324,618	-	-
Deferred revenue	20	813,409	12,993	-	-
Income tax payable	7.2	2,646,231	2,101,241	523,543	558,543
Provisions	21	107,651	-	-	-
		12,772,520	**12,434,249**	**1,751,780**	**1,623,358**
Total liabilities		**26,511,753**	**27,675,528**	**1,751,780**	**1,623,374**
Total equity and liabilities		**39,205,945**	**39,715,365**	**9,603,635**	**10,181,486**

Olabode Makanjuola - Chief Executive Officer
FRC/2013/IODN/00000002456

Titi Adigun - Chief Finance Officer
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016

	The Group						The Company			
	Issued Share Capital	**Share Premium**	**Retained Earnings**	**Total**	**Non-controlling Interest**	**Total equity**	Issued Share Capital	Share Premium	Retained Earnings	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
As at 1 January 2016	1,675,255	6,616,991	4,220,681	12,512,927	71,698	12,584,625	1,675,255	6,616,991	390,235	7,902,011
Profit for the year	-	-	108,491	108,491	1,096	109,587	-	-	(50,154)	(50,154)
As at 31 March 2016	1,675,255	6,616,991	4,329,172	12,621,418	72,794	12,694,212	1,675,255	6,616,991	440,389	7,851,857
As at 1 January 2015	1,675,255	6,616,991	3,581,421	11,873,669	57,929	11,931,596	1,675,255	6,616,991	333,579	8,625,825
Dividend paid	-	-	(335,051)	(335,051)	-	(335,051)		-	(335,051)	(335,051)
Profit for the year	-	-	974,311	974,311	13,769	988,080	-	-	(388,763)	(388,763)
As at 31 December 2015	1,675,255	6,616,991	4,220,681	12,512,927	71,698	12,584,625	1,675,255	6,616,991	(390,235)	7,902,011
As at 1 January 2015	1,675,255	6,616,991	3,581,421	11,873,669	57,929	11,931,596	1,675,255	6,616,991	333,579	8,625,825
Profit for the year	-	-	107,157	107,157	1,082	108,239	-	-	(67,713)	(67,713)
As at 31 March 2015	1,675,255	6,616,991	3,688,580	11,980,826	59,011	12,039,837	1,675,255	6,616,991	265,866	8,558,112

The accompanying notes on pages 8 to 29 are integral part of these consolidated financial statements.

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2016

	The Group		Company	
	March 2016	March 2015	March 2016	March 2015
	N 000	N 000	N 000	N 000
Operating activities				
Profit before tax	208,746	202,981	(50,155)	(67,712)
Non-cash adjustment to reconcile profit before tax to net cash flows	-			
Depreciation of property, plant and equipment	411,045	555,381	-	39
Amortisation and impairment of intangible assets	2,871	1,362		-
Effect of foreign exchange differences on cash				
Finance costs – interest	321,457			-
Loss on sale of property, plant and equipment	-			-
Asset written off	-			-
Intangible asset written off	-			-
Working capital adjustments:	-			-
(Increase)/Decrease in trade and other receivables	(260,138)	(1,721,262)	126	-
(Increase) in due from related parties	41,833	76,907	-	492,985
(Increase) in prepayments	(18,398)	(5,810)	-	-
Increase in inventories	(5,948)	(29,197)	-	-
Increase /(decrease) in trade and other payables	(201,207)	3,055,178	300	(208,292)
Increase/(Decrease) in Due to related parties	(57,901)	(102,126)	55,099	424,372
Tax charged/provision	(4,188)	-	(4,188)	-
Increase (decrease) in deferred revenue	(50,025)	-	-	-
(Increase)/Decrease in provisions	107,651	-	-	-
Decrease in other non financial liabilities	801,720			
	1,297,517	2,033,414	1,183	641,392
Income tax paid	-	(31,500)	-	-
Net cash flows from operating activities	1,297,517	2,001,914	1,183	641,392
Investing activities				
Proceeds from sale of property, plant and equipment	-	-	-	-
Purchase of property, plant and equipment	(205,765)	(10,563)	-	-
Purchase of intangible assets	-	(21,344)		-
Net cash flows from/(used in) investing activities	(205,765)	(31,907)	-	-
Financing Activities				
Proceeds from borrowings	-	754,702		-
Repayment of borrowings	(1,152,403)	(792,511)		-
Interest paid	(321,457)	-		-
Dividend paid	-	-	-	
Net cash flows from/(used in) financing activities	(1,473,860)	(37,809)	-	-

Net increase/(decrease) in cash and cash equivalents	(382,108)	1,932,198	1,182	641,392
Effect of foreign exchange differences on cash	-	-	-	-
Cash and cash equivalents at 1 January	2,763,217	1,813,640	1,777	262,685
Cash and cash equivalents at 31 March 2016	2,381,109	3,745,837	2,959	904,077

The accompanying notes on pages 8 to 29 are integral part of these consolidated financial statements.

Notes to the Financial Statements

1. Basis of preparation

The Group prepared its consolidated and separate financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The consolidated and separate financial statements also comply with the requirements of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004 and Financial Reporting Council of Nigeria Act No. 6, 2011. The financial statements have been prepared on a going concern basis.

The financial statements of the Group have been prepared in compliance with IFRS. The Group has consistently applied the accounting policies used in the preparation of its financial statements throughout all the periods presented. The financial statements have been prepared on historical cost basis, except where stated otherwise.

The financial statements are presented in Naira and all values are rounded to the nearest thousand (₦'000), except when otherwise indicated.

1.1 Basis of consolidation

The consolidated and separate financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2016. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Notes to the Financial Statements - Continued

1.2 Summary of significant accounting policies

The following are the significant accounting policies applied by the Group in preparing its consolidated financial statements:

1.2.1 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest (NCI) in the acquiree. For each business combination, the Group elects to measure the components of NCI that are present ownership interests that entitle their holders to a proportionate share of the entity's net assets in the event of liquidation either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses. When the Group acquires a business, it assesses the assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value as at the acquisition date (being the date the Group gains control) through profit or loss.

Any contingent consideration to be transferred by the Group will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IAS 39 - Financial Instruments: Recognition and measurement either in profit or loss or , for acquisitions taking place prior to 1 July 2015 as change to other comprehensive income. If the contingent consideration is classified as equity, it shall not be re-measured. Subsequent settlement is accounted for within equity. In instances, where the contingent consideration does not fall within the scope of IAS 39, it is measured in accordance with the appropriate IFRS.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for NCI over the fair value of the identifiable net assets acquired and liabilities assumed. If this consideration is lower than the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised in profit or loss.
After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Where goodwill forms part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

1.2.2 Foreign currencies

The consolidated and separate financial statements are presented in Naira, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are

Notes to the Financial Statements - Continued

translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary measured at fair value is treated in line with the recognition of gain or loss on change in fair value in the item in which case the translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively.

1.2.3 Revenue 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 payment 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.

Rendering of services

Revenue from the rendering of aviation and marine services is recognised by reference to the stage of completion based on the underlying contract. Stage of completion is measured by reference to service hours incurred to date as a percentage of total estimated service hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

1.2.4 Corporate taxes

1.2.4.1 Current Income Tax

Current income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in the profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The group is subject to education tax and CITA.

1.2.4.2 Deferred Tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Notes to the Financial Statements - Continued

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Value Added tax

Expenses and assets are recognised net of the amount of Value Added tax, except:

- When the Value Added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the Value Added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of Value Added tax included
  The net amount of Value Added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

1.2.5 Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use, is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, Plant and Equipment transferred from customers is initially measured at the fair value at the date on which control is obtained. The straight-line method is used to depreciate the cost less any estimated residual value of the assets over their expected useful lives.

The Group estimates the useful lives of assets in line with their beneficial periods. Where a part of an item of property, plant and equipment has different useful live and is significant to the total cost, the cost of that item is allocated on a component basis among the parts and each part is depreciated separately. The useful lives of the Group’s property, plant and equipment for the purpose of depreciation are as follows:

Property, Plant and Equipment	Years
Leasehold Land	87
Building and structures	15 - 40
Aircraft	8 -10
Vessels	5 -15
Plants and machinery	3 -10
Aircraft equipment	15-20
Motor vehicles	3
Furniture, fittings and office equipment	4

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.2.6 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Notes to the Financial Statements - Continued

Group as a lessee

Finance leases that transfer to the Group substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in the profit or loss on a straight-line basis over the lease term.

1.2.7 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.
Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the profit or loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the asset is derecognised.

1.2.8 Financial Instruments

Financial assets and financial liabilities are recognised on the Group’s statement of financial position when the Group becomes a party to the contractual provisions of the instrument. The Group determines the classification of its financial assets and liabilities at initial recognition. All financial assets and liabilities are recognised initially at fair value plus directly attributable transaction costs, except for financial assets and liabilities classified as fair value through profit or loss.

Subsequent measurement

i) Financial assets

The subsequent measurement of financial assets depends on their classification.

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, if any.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group’s financial assets include trade and other receivables, due from related parties, cash and short term deposits. These are all classified as loans and receivables.

Loans and receivables

Notes to the Financial Statements - Continued

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other operating income in profit or loss. The losses arising from impairment are recognised in finance costs in profit or loss in finance costs.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of it, the asset is recognised to the extent of the Group's continuing involvement in it.

In such case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets
The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost
For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current 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 recognised in the profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest

Notes to the Financial Statements - Continued

income is recorded as part of other operating income in profit or loss. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the profit or loss

ii) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classifications.

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade payables, other payables and loans and borrowings. These are classified as loans and borrowings.

Loans and borrowings

After initial recognition, loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the consolidated and separate statement of financial position only if there is a current enforceable legal right to offset the recognised amounts and intent to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.2.9 Inventories

Inventories are defined as assets held for sale in the ordinary course of business or in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services. The Group's inventories primarily consist of spare parts and tools (consumables within one accounting period). Cost of inventory represents purchase cost including freight and other incidental expenses.

Inventories are measured at the lower of cost (determined on a first in first out ('FIFO') basis) and net realizable value. Inventory costs include purchase price, freight inwards and transit insurance charges and other directly attributable costs incurred in bringing inventories to present location and condition. Where appropriate, allowance is made for slow moving, obsolete and defective stock based on management's estimates on the usability of those stocks.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs to sell.

1.2.10 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An

Notes to the Financial Statements - Continued

asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining fair value less costs to sell an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit or loss in those expense categories consistent with the function of the impaired asset. For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

The following criteria are also applied in assessing impairment of specific assets:

Goodwill
Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than their carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets
Intangible assets with indefinite useful life are tested for impairment annually as at 31 December either individually or at the CGU level, as appropriate. All intangible assets are tested for impairment when circumstances indicate that the carrying value may be impaired

1.2.11 Cash and Short-term deposit
Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated and separate statement cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

1.2.12 Dividend Distribution
The Group recognises a liability to make cash or non-cash distributions to owners of equity when the distribution is authorised and is no longer at the discretion of the Group.

1.2.13 Provisions
General
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to the Financial Statements - Continued

Contingencies

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Group, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote. Where the Group makes contributions into a separately administered fund for restoration, environmental or other obligations, which it does not control, and the Group's right to the assets in the fund is restricted, the obligation to contribute to the fund is recognized as a liability where it is probable that such additional contributions will be made.

1.2.14 Pension benefits

The Group operates a defined contribution plan in line with the provisions of the Pension Reform Act 2014. This plan is in proportion to the services rendered to the Group by the employees with no further obligation on the part of the Group.
The Group and its employees each contribute a minimum of 10% and 8% respectively of employee's total emoluments. Staff contributions to the scheme are funded through payroll deductions while the group's contribution is recorded as personnel expenses in the profit or loss.

1.2.15 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (a qualifying asset) are capitalized as part of the cost of the respective assets. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where surplus funds are available for a short term out of money borrowed specifically to finance a project, the income generated from the temporary investment is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the year.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

1.2.16 Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset. All loans obtained at below the market rate as a result of government intervention are recognised as grant, measured as the difference between the initial carrying amount of the loan determined in accordance with IAS 39 or IFRS 9 and the proceeds received

1.2.17 Key management personnel

For the purpose of related party disclosures, key management personnel are those who have authority and responsibility for planning, directing and controlling the activities of Group. For Caverton Offshore Support Group key management personnel are considered to be designations from Director Level at the Group.

Notes to the Financial Statements - Continued

2. Revenue	**The Group**		**The Company**	
	31 Mar 2016	**31 Mar 2015**	**31 Mar 2016**	**31 Mar 2015**
	₦'000	₦'000	₦'000	₦'000
Helicopter Charter	95,680	508,696	-	-
Helicopter maintenance	3,547	95,552	-	-
Helicopter/Airplane contract	4,298,037	4,660,666	-	-
Vessel Time Charter		683,540	-	-
Dividend income	-	-	-	-
Vessel Agency Services	18,376	39,177	-	-
	4,415,640	5,964,239	-	-

Revenue relates to amount generated from ordinary activities of the Group from Helicopters and Marine services

3. Direct Operating Expenses	**The Group**		**The Company**	
	31 Mar 2016	**31 Mar 2015**	**31 Mar 2016**	**31 Mar 2015**
	₦'000	₦'000	₦'000	₦'000
Aircraft rental	1,032,287	1,273,174	-	-
Crew Salaries	932,350	1,372,354	-	-
Charter hire	-	9,075	-	-
Aircraft insurance premium	119,879	90,659	-	-
Consumables , Aviation fuel & Others	830,048	884,812	-	-
	2,914,564	3,630,074	-	-

4. Indirect Operating (Admin) Expenses	**The Group**		**The Company**	
	31 Mar 2016	**31 Mar 2015**	**31 Mar 2016**	**31 Mar 2015**
	₦'000	₦'000	₦'000	₦'000
Audit fee	1,962	-	-	-
Employee benefit expense	301,445	370,393	35,084	31,250
Business development	1,077	276	-	-
Depreciation	411,046	556,063	-	39
Amortisation	2,871	1,362	-	-
Communication	3,914	8,667	-	-
Exchange loss	6,044	302,586	-	-
Donation	-	-	-	-
Key management expenses	77,828	74,617	8,600	21,031
Fuel and diesel	11,416	15,487	-	-
Insurance	3,681	5,437	-	-
Legal and professional fees	6,069	6,226	-	-
Licence and levy	1,478	75	-	-
Printing	1,432	1,094	-	-
Repairs and maintenance	19,853	14,292	1,200	148
Transport and travels	52,545	84,797	-	-
Other expenses & Overheads	180,678	252,702	5,514	15,012
	1,083,337	1,694,075	50,397	67,479

Other administrative expenses consist of fuelling, licenses and renewal permit, AGM expenses, freight and courier; and other admin related costs incurred by the Group during the year.

Notes to the Financial Statements - Continued

5. Other Income

	The Group		The Company	
	31 March 2016	31 March 2015	31March 2016	31 March 2015
	₦'000	₦'000	₦'000	₦'000
Profit on disposal of PPE			-	-
Interest Income	64,136	820	-	-
Exchange gain	-	(10,123)	-	-
Sundry income	-	(2,393)	-	-
Grant Income	56,831	-	-	-
	120,966	(11,696)	-	-

The profit on disposal of PPE accrues from the sale and lease back arrangement of one of the aircrafts.

6. Finance Cost

	The Group		The Company	
	31 March 2016	31 March 2015	31 March 2016	31March 2015
	₦'000	₦'000	₦'000	₦'000
Interest on debts and borrowings	(329,959)	(425,412)	243	(233)

7.1 Income Tax

	The Group		The Company	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	₦'000	₦'000	₦'000	₦'000
Current income tax:				
Current income tax charge	84,994	89,328	-	-
Education tax	14,165	5,414	-	-
Minimum tax	-	-	-	-
Under provision of previous years	-	-	-	-
	99,159	94,742	-	-
Deferred tax charge	-	-	-	-
Relating to origination and reversal of temporary differences	-	-	-	-
Income tax expense reported in profit or loss	99,159	94,742	-	-

The under provision of previous years is the tax liability raised during the tax audit and investigation by the Tax Authority. The findings of this review resulted in additional charges arising on years of assessment from 2009-2014.

Notes to the Financial Statements - Continued

7.2 Reconciliation of effective tax rate

Reconciliation of Current Tax Liabilities	The Group		The Company	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	₦'000	₦'000	₦'000	₦'000
Opening Balance at 1 January 2016	2,547,072	2,037,999	523,543	558,543
Tax Charged	99,159	94,742	-	-
Payment during the year	-	(31,500)	-	-
	2,646,231	2,101,241	523,543	558,543

Reconciliation of deferred tax	The Group		The Company	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	₦'000	₦'000	₦'000	₦'000
Balance at 1 January 2016	-	472,917	-	16
	-	472,917	-	16

8. Earnings Per Share

	The Group		The Company	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Authorised shares:	₦'000	₦'000	₦'000	₦'000
5,000,000,000 ordinary shares of 50k each	2,500,000	2,500,000	2,500,000	2,500,000
Issued and fully paid	₦'000	₦'000	₦'000	₦'000
3,350,509,750 ordinary shares of 50k each				
	1,675,255	1,675,255	1,675,255	1,675,255

8.1 Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Group and Company by the weighted average number of ordinary shares in issue during the year.

	The Group		The Company	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Average number of shares outstanding('000)	3,350,510	3,350,510	3,350,510	3,350,510
Profit attributable to equity holders (₦'000)	109,587	108,239	(50,154)	(67,712)
Basic earnings per share (₦)	0.3	0.3		

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorization of these financial statements.

Notes to the Financial Statements – Continued

9. Property, Plant and Equipment (The Company)

	Furniture N'000	Plant and Machinery N'000	Motor vehicles N'000	Office equipment N'000	Total N'000
Cost					
At 1 January 2016	180	2,840	8,720	435	12,175
Additions	-	-	-	-	-
At 31 March 2016	180	2,840	8,720	435	12,175
Depreciation					
At 1 January 2016	180	2,840	8,720	435	12,175
Depreciation charge for the year	-	-	-	-	-
At 31 March 2016	180	2,840	8,720	435	12,175
Net book value					
31 March 2016	-	-	-	-	-
31 March 2015	5	11	-	-	16

Notes to the Financial Statements - Continued

9 Property, Plant and Equipment (The Group)

	Land	Building structures	Aircraft	Plant and Machinery	Aircraft Equipment	Motor vehicles	Furniture fittings and office Equipment	Construction WIP	Total
	s₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Cost:									
1-Jan-16	5,470,965	3,623,528	11,432,426	55,129	109,303	153,438	342,821	5,734,937	26,922,547
Additions	-	-		-	364	-	534	204,868	205,766
Disposals	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-
31-March-16	5,470,965	3,623,528	11,432,426	55,129	109,667	153,438	343,355	5,939,805	27,128,313
1-Jan-16	136,440	1,347,163	4,640,575	38,170	72,4835	113,951	282,953	-	6,632,087
Charge for the year	15,794	42,390	327,464	2,166	3,176	7,718	12,336	-	411,044
Depreciation on disposals	-		-	-	-	-	-	-	-
31-Mar-16	152,234	1,389,553	4,968,039	40,336	76,010	121,669	295,289	-	7,043,131
Net book value:									
31-Mar-16	5,318,731	2,233,975	6,464,389	14,793	33,657	31,769	48,066	5,939,805	20,085,182
31-Mar-15	5,381,590	2,337,612	10,101,238	19,674	42,852	70,993	92,354	60,000	18,106,314

Notes to the Financial Statements - Continued

10. Intangible Assets (The Group)

	₦'000
Cost:	
1 January 2016	**45,899**
Additions	-
31 March 2016	**45,899**
Amortisation:	
1 January 2016	**12,557**
Charge for the year	2,871
31 March 2016	**15,427**
Net book value	
31 March 2016	**30,473**
31 March 2015	**40,949**

Interest cost
No interest cost was capitalized during the year

Intangible asset relates to acquired accounting software and it is amortised over the useful life

11. Goodwill

Goodwill acquired through business combinations has been allocated to two CGUs for impairment testing as follows:

Carrying amount of goodwill allocated to each of the CGUs:

	At March 2016 ₦'000	**At March 2015 ₦'000**
Helicopter Services	3,885,972	3,885,972
Marine service	2,140,937	2,140,937
	6,026,909	6,026,909

12. Inventories

	The Group		**The Company**	
	31 March 2016 ₦'000	**31 March 2015** ₦'000	**31 March 2016** ₦'000	**31 March 2015** ₦'000
Inventory Shell Project	1,376,055	864,631	-	-
Inventory- Spare parts	43,250	319,722	-	-
Jet A1 Aviation fuel	43,831	56,562	-	-
	1,463,135	1,240,914	-	-

Inventories are carried at lower of cost and net realisable value. There were no write down of inventory during the period and all inventory balances are current in nature.

Notes to the Financial Statements - Continued

13. Trade and Other Receivables

	The Group		The Company	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	₦'000	₦'000	₦'000	₦'000
Trade receivables	4,991,200	6,673,596	-	-
	4,991,200	6,673,596		
Withholding tax receivable	2,246,416	1,008,074	-	-
VAT receivables	-	-	-	-
Staff advances	5,296	4,492	-	-
Advance payments	1,416,107	856,838	-	-
Other receivables	233,406	163,663	88,605	88,605
	8,892,425	8,706,663	88,605	88,605

Trade receivables are non-interest bearing and are generally on terms of 30-60 days credit collection period.

14. Related Companies

	Nature of Relationship	The Group		The Company	
		31 March 2016	31 March 2015	31 March 2016	31 March 2015
		₦'000	₦'000	₦'000	₦'000
LE Global Oilfield Services	Sister Company	-	1,507,729	-	-
Caverton Helicopters	Subsidiary	-	-	998,072	674,789
Chairman's Account	Director	8,711	-		
Due from Related Companies:		8,711	1,507,729	998,072	674,789
Chairman's account	Director	-	(25,219)	1,183,339	-
Caverton Helicopters	Subsidiary	-	-	-	978,292
Due to Related Companies:		-	(25,219)	1,183,339	978,292

15. Prepayments

	The Group		The Company	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	₦'000	₦'000	₦'000	₦'000
Rent prepaid	108,713	80,879	-	-
Insurance prepaid	8,073	132	-	-
	116,786	81,011	-	-

Notes to the Financial Statements - Continued

16. Cash and Bank Balance

Cash and bank balances in the statement of financial position comprise cash at banks and on hand and short term deposits with a maturity of three months or less.

	The Group		The Company	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 15
	₦'000	₦'000	₦'000	₦'000
Cash and bank balances	2,381,109	4,004,876	2,959	904,075
	========	========	=======	=======

Cash at banks earns interest at floating rates based on daily bank deposit rates.

16.1 Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and bank balances as defined above, net of outstanding bank overdrafts as at 31 March:

	The Group		The Company	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	₦'000	₦'000	₦'000	₦'000
Cash and bank balance (Note 19)	2,381,109	4,004,876	2,959	904,075
Bank overdraft	-	-	-	-
	----------------	----------------	---------	------------
	2,381,109	4,004,876	2,959	904,075
	========	========	=====	=======

17. Ordinary Share Capital

	The Group		The Company	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	N'000	N'000	N'000	N'000
Authorised shares				
5,000,000,000 ordinary shares of 50k each	2,500,000	2,500,000	2,500,000	2,500,000
	========	========	========	========
Issued and fully paid				
3,350,509,750 ordinary				
Shares of 50k each	1,675,255	1,675,255	1,675,255	1,675,255
	========	========	========	========
Share premium	6,616,991	6,616,991	6,616,991	6,616,991
	========	========	========	========

Nature and Purpose of Share premium

Share premium represent amount at which subscription for ordinary share capital exceed the nominal value.

Notes to the Financial Statements - Continued

18.1 Interest Bearing Loans & Borrowings

	The Group		The Company	
	March 2016 N 000	March 2015 N 000	March 2016 N 000	March 2015 N 000
Non-current				
Nxxxm Access Bank Term Loan	-	-	-	-
Term Loan - Access Bank - N1.16b	740,907	-	-	-
Term Loan - Access Bank - N3.6b	3,133,856	-	-	-
Term Loan - Access Bank - N2.17b	1,492,582	-	-	-
Term Loan - Mainstreet N4.135b	-	3,242,203	-	-
Term Loan - Mainstreet /BOI - $17,391,550	2,820,899	3,269,206	-	-
Lecon Financial Services Loan Acct	335,982	1,354,346	-	-
Access Bank Invoice Discounting - USD	-	319,518	-	-
Access Bank Invoice Discounting - NGN	-	210,000	-	-
Access Bank N6.93b Loan Current Account	301,771	-	-	-
Term Loan-Heritage Bank	-	47,607	-	-
Term Loan - Access Bank Land Cruiser	2,547	11,135	-	-
Lecon Financial Services Vendor Acct	-	410,610	-	-
Heritage Bank Creditor Account	-	7,000	-	-
N4.13B Mainstreet Bank Vendor Acct	-	45,073	-	-
Bank of Industry Vendor Acct - $17.39m	-	247,312	-	-
$12m Access Bank Loan	1,953,495	2,152,750	-	-
Term Loan - Nexim USD3.5million	366,442	-	-	-
Heritage Bank USD $500K	112	-	-	-
Heritage Bank USD $120k	27,199	-	-	-
Heritage Bank USD $2.250M	286,137	-	-	-
SPDC advance	-	3,451,600	-	-
Total non-current interest-bearing loans and borrowings	11,461,930	14,768,362	-	-

18.2 Other Non-Financial Liabilities

	March 2016 N 000	March 2015 N 000	March 2016 N 000	March 2015 N 000
SPDC advance	2,277,283	-	-	-
	2,277,283	-	-	-

Notes to the Financial Statements - Continued

18.3 Interest Bearing Loans & Borrowings

	The Group		The Company	
	March 2016 N 000	March 2015 N 000	March 2016 N 000	March 2015 N 000
Current				
Bank overdrafts	-	259,039	-	-
Other current loans				
Remi Makanjuola - NGN Loan	16,051	63,501	-	-
Remi Makanjuola - USD Loan	-6,144	232,869	-	-
Capt. Josiah Choms Loan	10,350	766	-	-
Capt Ibrahim Bello	-15,066	-53	-	-
Access Bank Invoice Discounting - USD	58,102	-	-	-
Access Bank Invoice Discounting - NGN	160,000	-	-	-
Term Loan - Nexim USD3.5million	-	422,932	-	-
Heritage Bank USD $500K	-	313,686	-	-
Heritage Bank USD $2.250M	-	31,878	-	-
Total Current - interest bearing loans	223,292	1,324,618	0	0

SHELL Advance Payment for AW139
Caverton Helicopters Limited obtained advance from Shell Petroleum Development Company of Nigeria Ltd. in order to purchase an Aircraft (model: Agusta Westland). The repayment of the advance is done by offsetting the equivalent of the amount to be paid by Shell Petroleum when Caverton Helicopters Limited renders aircraft services. No interest is charged on the advance and the tenor is for 60 months ending July 2017, which coincides with the end of the contract. Caverton Helicopters Limited recognizes the Aircraft in its books as part of its property, plant and equipment.

19. Trade and Other Payables

	March 2016	March 2015	March 2016	March 2015
Trade and other payables	**N 000**	**N 000**	**N 000**	**N 000**
Trade payables	4,749,537	6,628,601	-	-
Other payables	3,067,407	1,604,224	44,898	86,523
VAT Output	580,795	433,888	-	-
Withholding Tax Payable	584,198	353,902	-	-
	8,981,937	9,020,615	44,898	86,523

Terms and conditions of the above financial liabilities:
a. Trade and other payables are non-interest bearing and are normally settled on 90-day terms.
b. Other payables are non-interest bearing and have an average term of 3-6months.
c. VAT output and Input are offset for tax purposes as permitted by the relevant tax laws.

Notes to the Financial Statements - Continued

20. Deferred Revenue/Government Grant

Deferred revenue	March 2016 N 000	March 2015 N 000	March 2016 N 000	March 2015 N 000
Advance Billing - Other Clients	14,443	12,993	-	-
Government Grant	798,966	-	-	-
	---------------	------------	----------	----------
	813,409	12,993	0	0
	======	======	=====	=====

21. Provisions

	March 2016 N 000	March 2015 N 000	March 2016 N 000	March 2015 N 000
At 1 January 2016	64,916	-	-	-
Charge for the year	42,735	-	-	-
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At 31st March 2016	107,651	0	0	0
	======	======	=====	=====

The deferred revenue represents advance payments from Total Nig. Plc and other customers for which related services have not been fully delivered by the Group.

Government grants have been received for the construction of training facilities at the Ikeja International airport. There are no unfulfilled conditions or contingencies attached to this grant.

22. Related Parties

The financial statements include equity of major shareholders as follow:

	No. of Shares	% of Capital
Foreign	610,056	0.02%
Corporate	2,325,775,722	69.42%
Various individual shareholders	1,024,123,972	30.57%
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Total	3,350,509,750	100%
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Subsidiaries: The Group has a 99% interest in both Caverton Helicopters Limited and Caverton Marine Limited (31 December 2014: 99%).

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made at terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year end are unsecured and interest free and it has no set repayment terms. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2015, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

In 2014, The Group has a finance leases contracts still running on one of its helicopters. These leases have no terms of renewal, but include a clause to enable upward revision of the rent at the option of the lessor.

Notes to the Financial Statements - Continued

23. Financial Risk Management Objectives and Policies

(a) Financial risk

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the Finance management committee under policies approved by the board of directors. Group treasury identifies, evaluates and manages financial risks in collaboration with the Group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk and investment of excess liquidity.

(i) Foreign exchange risk

Management has set up a policy requiring the Group to manage their foreign exchange risk against their functional currency. The Group Company is required to manage its entire foreign exchange risk exposure with the Group finance. To manage their foreign exchange risk arising from future commercial transactions and recognized assets and liabilities, companies in the Group ensure that significant transaction are contracted in the Group's functional currency.

(ii) Price risk

The Group is not exposed to significant price risk.

(iii) Interest rate risk

The Group exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Group does not hedge the floating rate interest exposure. Most of the group loans are at fixed rate which does not bear any risk of interest rates.

(b) Credit risk

Credit risk is managed on Group basis, except for credit risk relating to accounts receivable balances. Each company is responsible for managing and analysing the credit risk for both existing and new clients before standard payment and delivery terms and conditions are offered.
Credit risk arises from cash and cash equivalents, and short term deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. The Group assesses the credit quality of the customers, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored to ensure debts are easily collected.

The Group places premium on maintaining credit limits to ensure that there is little or no losses from non-performance by those counterparties.

(c) Liquidity risk

Cash flow forecasting is performed in the operating companies of the Group and aggregated by Group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient funds on a regular basis so that the Group does not breach borrowing covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal statement of financial position ratio targets and, if applicable external regulatory or legal requirements for example, currency restrictions. Surplus cash held by the operating Companies over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts, short term deposits, and other similar security. The entity's cash and cash equivalents and receivables are all redeemable between 0 and 90 days

24. Capital Management

Capital includes equity attributable to the equity holders of the parent. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or

Notes to the Financial Statements - Continued

adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the period ended 31 March 2016 (2014: Same).

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group policy is to raise additional debt but keep the gearing ratio below 70%.The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations if any.

25. Events after the reporting period

No event or transaction has occurred since the reporting date which would have a material effect upon these financial statements at that date or which would need to be mentioned in the financial statements in order to