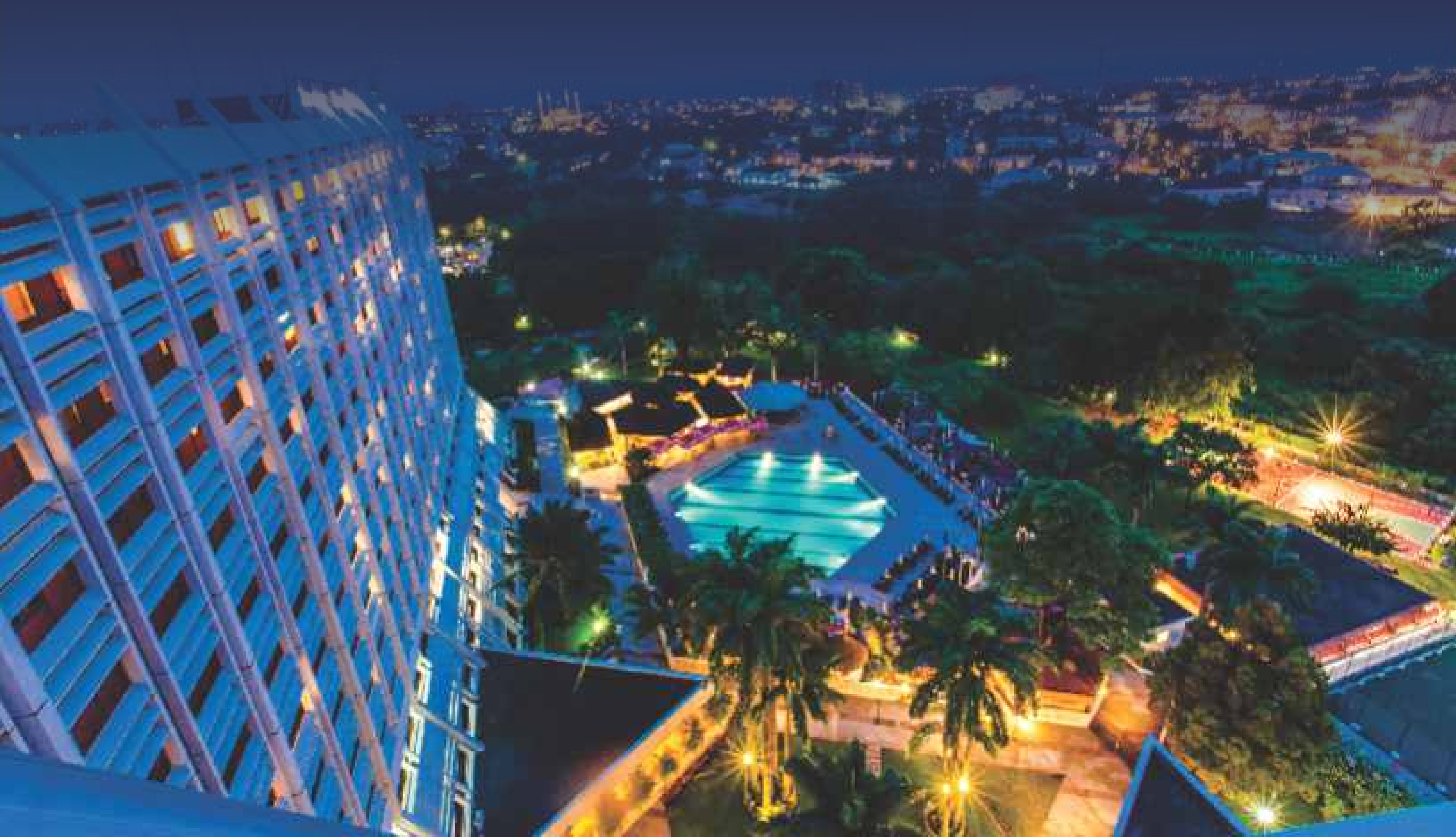
transcorp Hotels

RC 248514

Re-defining hospitality...

ANNUAL REPORT 2015

For the year ended 31 December



CONTENTS

CORPORATE INFORMATION

Transcorp Hotels Plc is the hospitality subsidiary of Transnational Corporation of Nigeria Plc (Transcorp), a diversified conglomerate with interests in the Power, Hospitality, Agriculture and Oil & Gas sectors.

Transcorp Hotels Plc aims to build Africa's choice hospitality assets, starting from Nigeria but building a strong footprint in high population cities across the West Africa region. With an award-winning property in Abuja; the Transcorp Hilton Hotel Abuja, a destination hotel in Calabar; Transcorp Hotels Calabar, and planned properties in Lagos and Port Harcourt, Transcorp Hotels Plc continues to achieve excellence within the hospitality industry and develop strategies in the medium to long term that position the company as a key industry player on the continent.

VISION

To be the premier hospitality company in Africa creating maximum and sustainable value for our stakeholders.

MISSION

To build Africa's choice hospitality assets underpinned by excellence, entrepreneurship and execution.

CORE VALUES - HEIRS

Hardwork

- Passionate about extraordinary results
- Discipline
- Commitment to excellence

Emotional Intelligence

- Self-awareness and emotional self-control
- Empathy
- Respect for others

Integrity

- Delivering on your promise
- Exceeding expectations
- Living the brand

Resilience

- Can-do Spirit
- Breakthrough thinking
- Following-through to ensure results

Synergy

- Collaborating with colleagues
- Leveraging group relationships

Company and Bond Rating

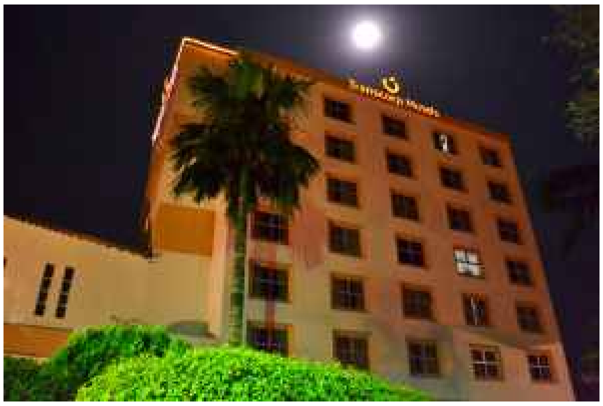
Rating Company	Company	Bond
Global Credit Rating Company	Long term : A - Short Term : A2	A -
Agusto& Co. Limited	Bbb	Bbb

Transcorp Hilton Abuja

Transcorp Hilton Abuja is situated in the heart of Nigeria's Federal Capital Territory, a 40-minute drive from the Nnamdi Azikiwe International Airport, Abuja. It is a 670–room, luxury hotel that provides luxury accommodation, exotic cuisine, fully equipped meeting rooms and leisure facilities to business travellers and tourists from all over the world. The hotel offers the benefit of the international-standard guest reward programme, Hilton Honors, which awards points and miles to members who stay at any of the Hilton Group's 3,700 hotels world-wide, and airline miles in partnership with over 50 airlines. Under Transcorp's effective leadership, the Transcorp Hilton Abuja was named the best Hilton Hotel in Africa, Middle East and Asia for the year 2010. The hotel was also named the winner of Hilton Worldwide Prize for the 2012 GC& E (Group Conference and Events) Sales Team of the year for the Middle East and Africa regions. In 2013, we won the prestigious World Travels Award as Nigeria's Leading Hotel. In 2014, the hotel repeated this feat by again winning the award of Nigeria's Leading Hotel and additionally, Nigeria's Leading Meetings, Incentives, Conventions and Exhibitions (MICE) Hotel 2014, both awarded by the World Travel Awards (known as the "Oscars"' of Travel Awards).

The Oriental Buffet for Iftar Ramadan prepared by Chef Goma. The Iftar promotion is the winner for Best Tactical Campaign for Hilton MEA hotels

Transcorp Hotels Calabar Limited



The 146-room Transcorp Hotels Calabar is a premier destination hotel in Calabar, Cross River State, which still retains its reputation as the destination stop for vacations and conferences in Nigeria. The hotel is located in the heart of Calabar and is a well-known landmark for both locals and visitors. It is the perfect meeting ground for business and pleasure. Transcorp Hotels Calabar also provides outstanding conferencing facilities: fine dining, 24-hour room service, a fitness centre, complimentary airport pick up, complimentary Wi-Fi connection in all guest rooms and guest discounts with local merchants. Transcorp continues to develop strategies in the medium and long term that will consistently position the hotel as a key player in the hospitality industry.

Transcorp Hotels Ikoyi Limited

Building on its successful years of partnership, Transcorp has executed a Management Agreement with the Hilton Worldwide for the development of a 300-room five-star Transcorp Hilton in Ikoyi Lagos. The proposed Transcorp Hilton Lagos will be the Hilton Group's second hotel in Nigeria by Transcorp, following the award-winning Transcorp Hilton Hotel Abuja, which is one of the leaders in Hilton's global network. The new hotel will be jointly owned by Transcorp Hotels Plc, Transcorp's hospitality arm, and Heirs Holdings Limited.

Transcorp Hotels Port Harcourt Limited

Transcorp Hotels Plc has signed an agreement with Hilton Worldwide, to develop a 250-guestroom Hilton Hotels & Resorts-branded property in Nigeria's garden city, Port Harcourt. The proposed Transcorp Hilton Port Harcourt will be situated at Evo Road in the city and will be a full-service, upscale hotel featuring almost 1,400sqm of state-of-the art conference facilities and meeting rooms, alongside stylish and creative leisure facilities including six restaurants and bars, a gym, spa, pools, and tennis and squash courts, all targeting Nigeria's burgeoning middle class.

Board of Transcorp Hotels Plc and Management of the Nigerian Stock Exchange, at the listing of Transcorp Hotels Plc's N10billion Bonds on the Nigeria Stock Exchange.

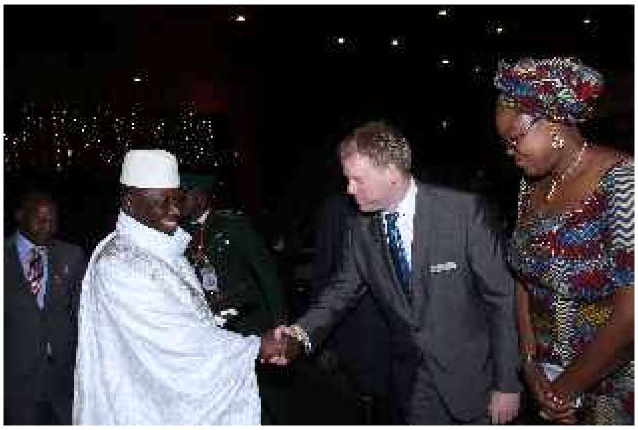
Group CEO of United Capital Plc, Mrs. Toyin Sanni, MD/CEO of Transcorp Hotels Plc, Mr. Valentine Ozigbo and MD/CEO of FMDQ OTC Securities Exchange, Mr. Bola Onadele at the listing at the FMDQ of Transcorp Hotels Plc's N10billion 7 year Bond.

Chairman, Transcorp Hotels Plc, Olorogun O'tega Emerhor, ***OON****, MD/CEO, Valentine Ozigbo and the ED Customer Service Okaima Ohizua at the Transcorp Hotels Plc innaugural Annual General Meeting.*

President/CEO Transcorp Plc, Emmanuel N. Nnorom, Chairman Transcorp Hotels Plc, Olorogun O'tega Emerhor, ***OON****, Chairman Heirs Holdings Limited, Tony O. Elumelu,* ***CON****, and MD/CEO Transcorp Hotels Plc, Valentine Ozigbo.*

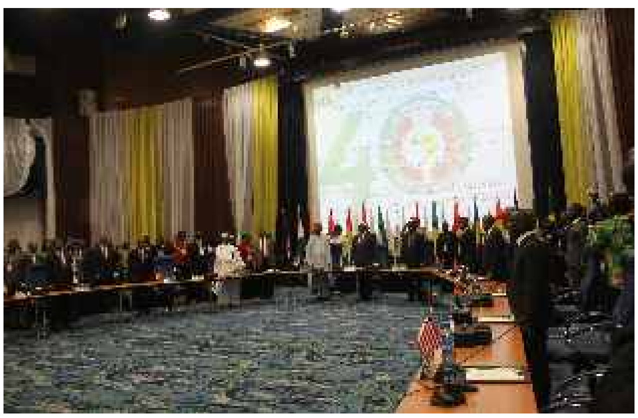
MD/CEO, Transcorp Hotels Plc, Valentine Ozigbo and the CEO of the Nigerian Stock Exchange Oscar N. Onyema, ***OON.***

The Board of Transcorp Hotels Plc with the Group CEO United Capital Limited and the MD/CEO of FMDQ OTC at the N10billion Bonds at the FMDQ OTC.

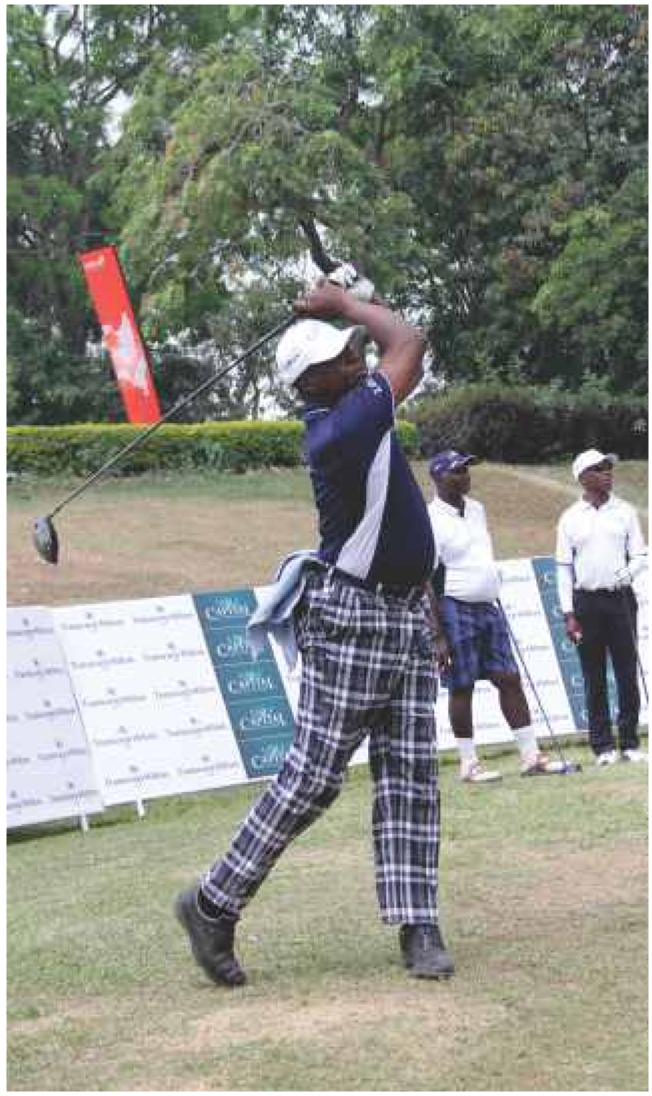


President Yahya Jammeh of The Gambia received on arrival at Transcorp Hilton Abuja for the 48th ordinary session of the ECOWAS Authority of Heads of State and Government by Rhys Owain, Director of Operations and Odachi Ayewoh, Guest Relations Supervisor (December 15, 2015).

Nigeria's President Muhammadu Buhari and other delegates in a group photograph at the opening of the 48th ordinary session of the ECOWAS Authority of Heads of State and Government at the Transcorp Hilton Abuja (December 16, 2015).



Nigeria's President Muhammadu Buhari and other delegates rise for the national anthem at the opening of the 48th ordinary session of the ECOWAS Authority of Heads of State and Government at the Congress Hall Transcorp Hilton Abuja (December 16 2015).



2015 Annual Capital Golf Event in IBB Golf Club sponsored by Transcorp Hilton Abuja.

MD/CEO of Transcorp Hotels Plc welcoming the Ghanaian President, John Dramani Mahama to the Transcorp Hilton Abuja.

RESULTS AT A GLANCE

	GROUP		
	2015	2014	Increased/(Decreased)
	N'Million	N'Million	%
For the year ended 31 December			
Gross earnings	13,979	15,105	(7)
Cost of sales	3,362	3,505	(4)
Gross profit	10,617	11,599	(8)
Administrative expenses	5,943	7,477	(21)
Profit before tax	5,378	4,540	18
Profit after tax	3,497	3,221	9
As at 31 December			
Non -current assets	65,367	53,728	22
Current assets	25,974	15,896	63
Total assets	91,341	69,624	31
Share capital	3,800	3,800	-
Shareholders fund	52,145	51,752	1
Number of employees	1,822	1,612	1 3
Per Share data			
Earnings per share (Kobo)	46	59	(22)
Net assets per share (Kobo)	686	681	1

	Company		
	2015	2014	Increased / (Decreased)
	N'Million	N'Million	%
For the year ended 31 December			
Gross earnings	13,383	14,487	(8)
Cost of sales	3,132	3,286	(5)
Gross profit	10,251	11,201	(8)
Administrative expenses	5,473	6,970	(21)
Profit before tax	5,476	4,646	18
Profit after tax	3,575	3,330	7
As at 31 December			
Non -current assets	62,722	53,398	17
Current assets	26,167	16,074	63
Total assets	88,889	69,472	28
Share capital	3,800	3,800	-
Shareholders fund	52,559	52,089	1
Number of employees	1,623	1,515	7
Per Share data			
Earnings per share (Kobo)	47	61	(23)
Net assets per share (Kobo)	692	685	1

BOARD OF DIRECTORS, OFFICERS AND PROFESSIONAL ADVISERS

Directors

Olorogun O'tega Emerhor, OON	Chairman
Valentine Ozigbo	Managing Director/CEO
Okaima Ohizua	Executive Director
Emmanuel N. Nnorom	Director
Peter Elumelu	Director
Benjamin Dikki	Director
HRH Baba Mohammed	Director
Gogo Kurubo	Director
Omoniyi Fagbemi, *mni*	Director

Company Secretary

Helen Iwuchukwu

Registered Office

1, Aguiyi Ironsi Street
Maitama, Abuja

Auditors

PricewaterhouseCoopers
Chartered Accountants
5B Water Corporation Road
Victoria Island, Lagos

Registrar and Transfer Office

Africa Prudential Registrars Plc
220B Ikorodu Road, Palmgrove, Lagos
Tel: 01-4612373-76
info@africaprudentialregistras.com

Bankers

United Bank for Africa Plc
Zenith Bank Plc
Skye Bank Plc

BOARD OF DIRECTORS

Olorogun O'tega Emerhor, *OON*
Chairman

Olorogun O'tega Emerhor, OON, is the Vice Chairman/Group CEO of Standard Alliance Insurance Plc; Vice Chairman of former First Inland Bank Plc; Chairman Synetics Technologies Ltd and Heroes Group. He holds a First Class degree in Accountancy from University of Nigeria, Nsukka (1983). He holds fellowships from Institute of Chartered Accountants of Nigeria, Institute of Credit and Risk Management of Nigeria and Academy for Entrepreneurial Studies. He is also a member of the Institute of Marketing Consultants.

He trained as a chartered accountant at the renowned PricewaterhouseCoopers and has worked in several Banks including Citi Bank, Fidelity Bank Plc, Guaranty Trust Bank and as Managing Director of erstwhile Crystal Bank. He holds directorships in a number of companies and has received various prestigious awards

Valentine Ozigbo
Managing Director/CEO

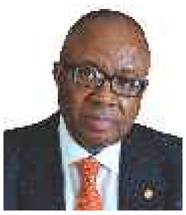
Valentine Ozigbo is the MD/CEO of the Company. He is a banker and accountant with over 20 years experience in commercial, retail, investment and international banking. Valentine graduated from Lancaster University, UK where he bagged a Distinction in M.Sc Finance. He also has an MBA in Banking & Finance and a B.Sc. in accounting both from the University of Nigeria, Nsukka.

Prior to joining the Company, Valentine was General Manager and Divisional Head in charge of Global Transaction Banking at Keystone Bank Plc, successor to Bank PHB. His remit covered product development, international business, global trade and eBusiness. Before then, he was the Divisional Head of International Banking and Head of Global Strategic Alliances at United Bank for Africa Plc. Valentine had also worked with FSB International Bank Plc (now Fidelity Bank Plc), Continental Trust Bank Ltd (now part of UBA) and Diamond Bank Plc. He is a Fellow of the Institute of Chartered Accountants of Nigeria and the Chartered Institute of Taxation of Nigeria.

Okaima Ohizua
Executive Director

Okaima Ohizua is the Executive Director of the Company. She has over 24 years of working experience, post-graduation from the University of Benin and the Nigerian Law School. Okaima also holds an Advanced Management Program Certificate from the Pan-African University - Lagos Business School. Until her appointment, she served as the Chief of Staff to the Chairman of Heirs Holdings, and was responsible for providing support to the Chairman and assisting with the co-ordination and implementation of goals of investee companies.

Before she joined Heirs Holdings, she worked in reputable financial services organizations like Citi Group and United Bank for Africa Plc (UBA), where she served in various capacities. Consistent meritorious service at Citi Group for over fifteen years saw Okaima rise through the ranks to become Assistant Vice President and Head of Electronic Banking & Implementation; where she also held other senior management positions in Sales and Products. At UBA, Okaima served as Director, Customer Service.



Emmanuel N. Nnorom
Non-Executive Director

Emmanuel Nnorom is the President/CEO of Transnational Corporation of Nigeria Plc (Transcorp). Prior to assuming this position, he was the President and Chief Operating Officer of Heirs Holdings Limited. Previously, he was an Executive Director at UBA and Managing Director/CEO of UBA Africa, overseeing the Group's African subsidiaries. He had also held the position of UBA Group Chief Operating Officer with responsibility over information technology, operations, corporate services, marketing and corporate communications, customer service, UBA Properties, human resources and regulatory affairs.

ENN, as he is called by colleagues, is an Alumnus of the Oxford University, Templeton College and a Fellow of both the Institute of Chartered Accountants of Nigeria (ICAN) and the Chartered Institute of Bankers of Nigeria (CIBN). He trained as an accountant with Peat Marwick Castleton Elliot & Co., winning the First Prize in the finals of the May 1982 diet of ICAN examinations. He is a seasoned auditor and accountant with over two decades of experience working with several quoted companies.

Peter Elumelu
Non-Executive Director

Hon. Peter Elumelu is an astute businessman cum politician with proven track record created by well over 27 years' experience gained from different sectors including public, private, and academia. He holds a Bachelor of Science Degree in Business Management from the Rivers State University of Science &Technology, Port Harcourt. He also holds a Masters Degree in Financial Management Technology from the Federal University of Science & Technology (FUTO) Owerri. He is a member of the Institute of Directors.

As a successful businessman and corporate governance advocate, Hon. Elumelu is a seasoned member of several corporate boards. He is currently the Chairman/Chief Executive of Pet Jibson & Company Limited, Pet Jibson Construction Company Limited, Vanguard Petroleum Company Limited and Peton Engineering Company Limited. He was former Chairman, Board of Directors of Delta State Urban Water-Board, Asaba. He successfully managed and executed various laudable projects during his tenure.

Benjamin Dikki
Non-Executive Director

Mr Benjamin Ezra Dikki is the Director General of the Bureau of Public Enterprises ("BPE"). Prior to this appointment, he was the Director of Industries and Services at BPE.

Mr. Dikki joined the BPE as a Director on December 1, 2004 and has served BPE in the following capacities: Director of Power and Communications; Director, Finance and Management Support; Director Transport and Aviation; Director Communications and Capital Market; Director Information and Communication; and Director Oil and Gas. Mr Dikki is an Accounting graduate of Ahmadu Bello University (ABU), Zaria. He also holds an M.B.A from ABU. A licensed stockbroker, Mr. Dikki is also a Fellow of the Chartered Institute of Stock Brokers (CIS). He has attended several courses and seminars in Nigeria and abroad.

HRH Baba Mohammed
Non-Executive Director

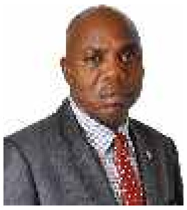
HRH Baba Mohammed is the Head, National Parks & Capital Market at the Presidency, Bureau of Public Enterprises (BPE). He has spent over 20 years working at the BPE as a representative of the Federal Government on the Boards of companies including Nigerdock Nigeria Plc, Afribank Nigeria Plc, Nigerian Security Printing & Minting (NSPM), NITEL, Mtel, Nigeria Reinsurance, NICON Insurance and Transcorp Hotels.

He has also worked as Member/Secretary, African Privatisation Network (APN) and Member, committee for the establishment of National Depository in Nigeria. He also acted as Director, Mines and Steel Development at the BPE.

Gogo Kurubo
Non-Executive Director

Gogo Kurubo is the President/CEO of Hartlite Energy Limited. He is a highly motivated and result-oriented business professional with a wealth of experience and knowledge in investment analysis, corporate finance, capital markets, hospitality and energy. He has over 20 years proven track record of value delivery to leading global organisations. Gogo has worked as the Executive Secretary of Corporate Nigeria Ltd. He was the Director of Business Development of EFFBEEGEE Services Limited from 2000-2002. Previously, he served as the Relationship Manager of ENTO Enterprises Inc, New Jersey, and the Nigeria-Investment Analyst of Negotiable Finance Ltd.

A Management graduate of the University of Port-Harcourt, Rivers State, Gogo is a Member of the Chartered Institute of Stockbrokers.

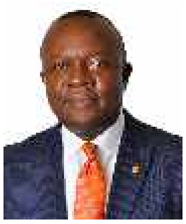


Omoniyi Fagbemi, *mni*
Non-Executive Director

Mr Omoniyi Fagbemi is the Director Revenue and Investment at the Office of the Accountant General of the Federation (OAGF), Federal Ministry of Finance. Prior to now, Mr Fagbemi worked as an Audit Officer in an accounting firm before joining Inland Containers Nigeria Limited (ICNL). He joined the Public Service in 1993 and has risen through the ranks. In 2011, he was appointed the Director (Finance and Accounts) of OAGF. Thereafter, he was redeployed to the Office of the Accountant General of the Federation as Director (Consolidated Accounts), a position he held until July 2014 when his current appointment was made.

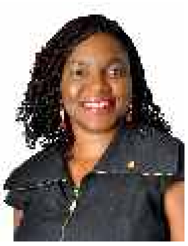
A graduate of accounting from the Obafemi Awolowo University, Ile-Ife, Mr. Fagbemi is a Chartered Accountant and a Fellow of ICAN. He is an associate member of the Chartered Institute of Taxation of Nigeria and holds a Master of Business Administration Degree from the Obafemi Awolowo University. Mr. Fagbemi is a Member, of the prestigious National Institute for Policy and Strategic Studies, Kuru, Jos.

OUR MANAGEMENT TEAM



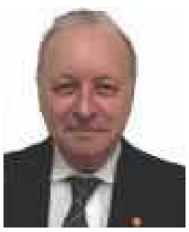
Valentine Ozigbo
Chief Executive Officer

He has over 20 years rich and varied experience in banking (commercial, retail, investment and international), business development and transformation and more recently hospitality asset development and management. He Holds a B.Sc. in Accounting and an MBA in Banking and Finance from the University of Nigeria, Nsukka. He graduated from the Lancaster University, UK with a Distinction in M.Sc. Finance. Mr. Ozigbo is a Fellow of the Institute of Chartered Accountants of Nigeria and the Chartered Institute of Taxation of Nigeria.



Okaima Ohizua
Executive Director

Okaima has over 24 years of experience garnered primarily in the financial services sector in areas as varied as Sales, Products, Electronic and Customer Services; before joining Transcorp Hotels Plc in 2013. A lawyer by training and called to the Nigerian Bar, she served in various senior capacities in banks such as United Bank for Africa Plc (UBA), where she was Director for Customer Service; prior to that, she was at Citi Group (for over 15years), leaving as an Assistant Vice President and Head of Electronic Banking & Implementation. Okaima also has an Advanced Management Program Certificate from the Pan-African University – Lagos Business School.

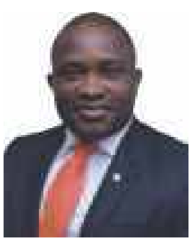


Peter Donnellan
Project Director

Peter has over 25 years of experience in large capital projects spanning across hotel and resort constructions, shopping malls, railroads, ports, power plants, bridges, housing and commercial buildings. He is a Civil Engineering graduate and is currently studying for a Master's Degree in Law, LLM specializing in Construction and Arbitration. In addition to these, he also holds a number of degrees and certifications in various disciplines including Logistics Management, Electronic Engineering and Business Management.

Helen Iwuchukwu
Company Secretary

She has over 23 years of experience in corporate, commercial, legal, company secretarial and human resource management across di erent sectors. She holds an LL.B (Honours) degree in Law from Abia State University and a Master of Laws (LLM) degree from Middlesex University Business School, London, specialising in Employment Law.



Adekunle Elumaro
Chief Finance Officer

Adekunle has over 15 years of diverse experience in statutory, internal and forensic audits, tax and financial advisory services (including buy side and sell side). He holds a First Class Honours B.Sc. (Honours) degree in Accounting from University of Ado Ekiti in Ekiti State. He is a Fellow of the Institute of Chartered Accountants of Nigeria and Fellow of the Institute of Credit Administration. He is a level 3 Candidate of Chartered Financial Analysts (CFA) Institute. He is currently pursuing a Master's degree in Finance & Control with the SMC University, Switzerland.

Irene Nwankwo
Head Internal Audit

Irene has over 9 years varied experience in internal audit and control, quality assurance, compliance and process reviews, accounting and corporate governance. She holds a second class upper degree (BSc) in Microbiology and Brewing from the Nnamdi Azikiwe University Awka. She is a Certified Internal Auditor (CIA) and Certified as a Financial Service Auditor (CFSA). Irene has also been certified by the Institute for International Research in conjunction with the George Washington University School of Business on Corporate Governance Best Practices.

OUR BUSINESS MANAGERS

Etienne Gailliez
General Manager, Transcorp Hilton Abuja

Etienne has 25 years experience in international Hotel Management across different international operators. He is hands-on with a specialised Food & Beverage background, as well as multiple project experience as owner's representative. He holds a higher degree in Hotel Management from the Belgian University and further education at IMD, Switzerland and Cornell University, United States. He is a Certified General Manager within Hilton, as well as the Winner of the 2014 Hilton Presidents' Award.

Chuma Mgbojikwe
General Manager, Transcorp Hotels Calabar

He is a consummate hospitality services professional with over 15 years corporate experience spanning some of the biggest hotel chains in the world, such as Marriott, Hilton and the Wyndham Hotels. He holds a MSc. (International Hotel and Tourism Management) degree from Oxford Brookes University, Oxford, UK and a BSc. (Estate Management) degree from the University of Greenwich, UK.

CHAIRMAN'S STATEMENT

Distinguished shareholders, Ladies and Gentlemen, it is my pleasure to welcome you on behalf of the Board of Directors to the 2nd Annual General Meeting of Transcorp Hotels Plc ("Transcorp Hotels" or "the Company") as a publicly quoted company.

The last financial year was important especially as it was the first year on our journey as a Public Listed Company. The year presented challenges which we seized as opportunities to continue to build on our strong Brand and strengthen our capacity to deliver superior value on promises.

It is on this premise that I present Transcorp Hotels Plc's Annual Report and Financial Statement for the financial year ended, December 31st, 2015.

INTERNATIONAL BUSINESS ENVIRONMENT

Three (3) major simultaneously occurring incidents impacted the global economy in the 2015 Financial Year: first, a sharp decline in the price of crude oil, which contributes the largest share of Nigeria's foreign exchange earnings; second, geopolitical tensions along critical trading routes in the world including between Russia and western powers, Saudi Arabia and Iran, etc; and third, normalisation of the monetary policy by the United States Federal Reserve Bank.

As expected, growth in the global economy in the first two quarters of 2015 was less than envisaged, thereby leading to a weak outlook for the rest of the year. Estimates of global growth for 2015 have been revised from almost 4% to 3.1%.

The challenges of these global developments are having lopsided effects in many emerging and developing countries, including Nigeria.

DOMESTIC BUSINESS ENVIRONMENT

The year 2015 was indeed challenging as a result of the uncertainties created by the sharp decline in oil price, earlier uncertainty from the political climes, the continued insecurity and widening gaps between the official and parallel rates of exchange of Naira.

Notwithstanding these challenges and uncertainties, we believe that our domestic economy has a positive outlook in the long term. The CBN Governor's press statement on January 12, 2016, states;

"Within this context, and especially when juxtaposed with comparable countries, the Nigerian economy remains moderately robust. Nonetheless, these strong global headwinds are impacting the domestic economy considerably.

In 2015, GDP growth decelerated from 3.9% in the first quarter to 2.4% in the second quarter. However, it has increased slightly to 2.8% in the third quarter, with inflation remaining at single digit, staying slightly above the Central Bank's tolerance range of 6—9%, having risen marginally from 9.3% in October to 9.4% in November 2015."

OUR FINANCIAL PERFORMANCE AND SIGNIFICANT ACHIEVEMENTS IN 2015

Transcorp Hotels Plc experienced an 8% decrease in gross earnings, from N14.5billion in 2014 FY to N13.4billion in 2015 FY, following challenges faced by both the domestic and international business environment as earlier enumerated.

However, a significant increase in operational profit was posted by the Company as 2015 Profit Before Tax (PBT) of N5.5billion represents 20% growth over 2014 PBT of N4.6billion. The Company's 2015 Profit After Tax (PAT) of N3.6billion also increased by 7% from N3.3billion achieved in 2014. The Profit After Tax recorded for the year translates into a 47 kobo earnings per share, as against 61 kobo recorded in the 2014 financial year.

Our Company also successfully achieved a 100% subscription on its bonds issued in the last quarter of the year. This step further reinforces our commitment and your continued support to ensuring our strategic intent and vision is achieved.

Transcorp Hilton Abuja, for the second consecutive year, was honoured at the World Travellers Award ceremony with five (5) awards: Leading Business hotel (Africa), Leading Hotel, Leading MICE, Leading Hotel Suite and Leading Business hotel (Nigeria). For the first time in the history of our hotel and Nigeria, our hotel was adjudged as Africa's best.

We were also recognized by the Kaizen Institute International as having the best case study of the successful implementation of the Kaizen principles of executing operational excellence.

Over the next three to five years, the Company will take a phased approach in developing high-end hotels in Ikoyi and Port Harcourt as well as a convention centre and apartment complex in Abuja. Transcorp Hotels will also leverage on the Transcorp Hilton brand and strong customer base to provide excellent guests experience and achieve superior returns from the new assets.

Dividend

In line with our promise of keeping our shareholders happy, I am pleased to inform you that we will be declaring final dividend at this meeting. With this, we hope to always count on your support so that our company can continue to grow from strength to strength.

Outlook for 2016:

In 2016, we will commence the renovation of Transcorp Hilton Abuja, starting with the guest rooms, meeting rooms (including Congress Hall) and public areas; already the upgrade of the guest lifts is underway and should be completed before the end of 2017. The various upgrades we are embarking on are in fulfilment of our promise and a demonstration of responsiveness to the feedback from our Guests, and more importantly, to stay competitive and remain world-class in infrastructure and service.

We will continue the furtherance of our work on the expansion program with the building of new properties in Lagos and Port Harcourt.

Our Company is also exploring additional business lines, specifically the food franchise business, because of the opportunities this presents and the strong alignment we see with our existing business. Discussions in this area have been ongoing and hopefully within the year, we should have reached a decision on best strategy to adopt in this regard.

CONCLUSION

Transcorp Hotels performed well in 2015, we have commenced the Transcorp Hilton upgrade and the foundation works for Transcorp Hilton Ikoyi. We have also executed a lot of service improvements initiatives both at Transcorp Hilton Abuja and Transcorp Hotels Calabar. The fruits of our efforts have become visible and are rightly being acknowledged by different stakeholders both locally and internationally.

I would like to express our appreciation to you our shareholders for your support and steadfast loyalty. With the wealth of experience of Board members, Management expertise, a dedicated workforce and strong customer partnership, we are poised for a bright 2016.

We look forward to 2016 with a high degree of confidence, in both our Company and the Nigerian economy. Distinguished shareholders, ladies and gentlemen, I thank you for your kind attention.

CEO's REPORT

For the year ended 31 December 2015

Distinguished shareholders, it is my utmost pleasure to welcome you to the 2nd Annual General Meeting of your Company, Transcorp Hotels Plc. I am pleased to present to you, the financial and operating results for the year ended 31st December 2015.

Economic and Sectoral Overview

You may recall that at the inaugural Annual General Meeting of our Company in 2015, we highlighted some of the challenges we encounter in the hospitality industry. Despite the fact that some of the challenges remain, including insecurity in some parts of Northern Nigeria, the sharp fall in oil prices and other geo-political tensions have created even newer challenges, especially availability of, and the rate of exchange, for official and parallel market transactions.

Operating Results and Financial Performance Review

Revenue

Gross revenue for the year was N13.4billion (2014: N14.5billion)

Profit

The company gross profit decreased by 8% to N10billion in 2015 (2014:N11billion) following a sharp decline in revenue due to security concerns and apprehensions generated on the postponement of the general elections in 2015.

Operating profit however went up by 12% to N4.9billion from the N4.4billion recorded in 2014. The improvement was due to prudent cost management and efficient procurement strategy implemented during the year. This also grew our Profit Before Tax by 17%, from N4.6billion in 2014 to N5.5billion. The company Profit After Tax for the year was N3.6billion (2014: N3.3billion).

Balance Sheet

In 2015, the Company's total assets grew by 28% to N89billion from N69billion while Total Liabilities increased by 109% from N17billion in 2014 to N36billion. This significant improvement is attributed to the N19billion realised from the Bond issued to investors in the last Quarter of 2015.

Funding

In line with the Company's upgrade agenda for Transcorp Hilton Abuja, a debt funding strategy was executed in 2015 by way of issue to the public, a N10billion 7 years, 16% fixed rate and N9.758billion 5 years, 15.5% fixed rate bonds. Both offers were fully subscribed and proceeds realised. The first series maturing in 2022 was successfully listed in January 2016 on the floor of the Nigerian Stock Exchange and FMDQ OTC Securities Exchange. United Capital, FSDH Merchant Bank and Stanbic IBTC acted as issuing houses.

Key Achievements in 2015 and Outlook for 2016

2015 Hilton Brand Awards Winner

Transcorp Hilton Abuja has been recognized as 2015 Hilton Hotels & Resorts Brand Award winner. The hotel was honored with the awards of 2015 Director of Sales, 2015 Sales Team of the Year and 2015 Best Tactical Marketing Campaign for Middle East & Africa (MEA), awarded by Hilton Hotels & Resorts brand.

Kaizen Institute Best Case Study Award

In August 2015, Kaizen Institute Africa, entered the Transcorp Hilton case study in Kaizen Institute's internal case-study competition in Frankfurt, Germany. This was an internal competition in which all 28 business units participated. The evaluation process requires all participating contestants to evaluate all case studies on several parameters. It is with great pleasure that we announce that the Transcorp Hilton case study was adjudged as the best case study globally! The Kaizen team expressed their gratitude for the sincere, smart work put in by the Transcorp Hilton team to achieve extra ordinary results.

World Travel Awards 2015

Voters at the 22nd World Travel Awards honoured Transcorp Hilton Abuja with an unprecedented five awards. The hotel emerged winner of five (5) prestigious World Travel Awards. The awards include: Africa's Leading Business Hotel, Nigeria's Leading Business Hotel, Nigeria's Leading Hotel, Nigeria's Leading Meeting, Incentives, Conventions, and Exhibitions (MICE) Hotel and Nigeria's Leading Hotel Suite (the Presidential Suite).

Projects

Transcorp Hilton Lagos

We commenced piling works in 2015 after receiving Approval from the Lagos State Government. These works are now nearing completion, after which we will proceed to construct the superstructure. Site expansion plans are advanced and we are designing a commercial multi-use tower adjacent to the proposed hotel - both the hotel and commercial tower are in detailed design phase, with construction scheduled to start in the 2nd half of 2016.

Transcorp Hilton Abuja

Hotel renovations are underway, with replacement of the guest elevators and procurement for the guestrooms and meeting rooms ongoing. Site works have also commenced on the external areas, starting with construction of new access, construction warehouse and car parking on the Ademola Adetokunbo axis of the premises. The project is on track for completion in 2017.

Transcorp Hilton Port Harcourt

We have expanded our site by 2500sqm and completed clearing and demolition work. We have also obtained planning approval from the authorities, and are currently revising our design to optimise use of the newly expanded plot.

New Developments in Abuja

Multipurpose Banquet Centre: We are in the process of selecting a General Contractor for the Multipurpose Banquet Centre, with construction due to start this year. The target is to complete construction within 24 months of commencement.

Luxury Apartments: We are reconsidering the design direction for the proposed apartment complex and various design options are being considered for this. We aim to complete the design this year and embark on construction in 2017.

Corporate Social Responsibility

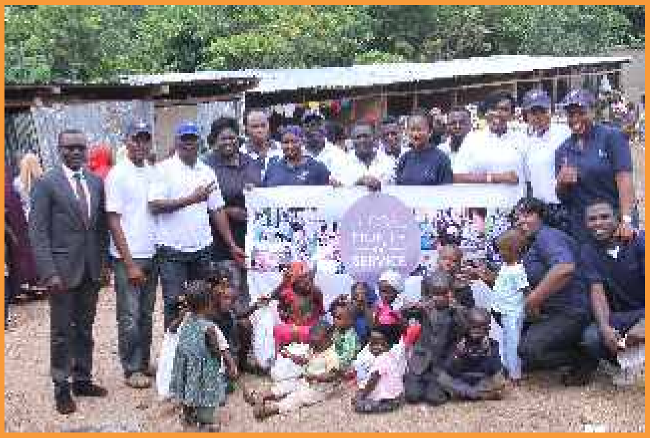
In 2015, the company did not make any cash donations. We took care of our local communities as pledged in our corporate Vision and as part of our annual Corporate Social Responsibility by donating food, clothing items, shoes, appliances and other hotel discards, to charity homes and orphanages in Abuja and in Calabar, IDP camp in Durumi

FCT-Abuja and the Rotary Club of Nigeria. We supported the Zoe Foundation, Calabar during the Spelling Bee competition by providing them with a free venue for the competition. We also held the Career@Hilton/Youth in Hospitality programme which resulted in the employment of 3 Youths.

Conclusion

I am indeed glad that 2015 can be said to be a year of consolidation for Transcorp Hotels Plc given that we consolidated on our excellent service ratings and regional and national awards, successfully issued our corporate bond following regulatory approvals and shifted from a year of planning to execution as far as our expansion projects are concerned. With these come new expectation, new hope and a new future, because in few months we will begin to see a rebirth of our iconic Transcorp Hilton Abuja, a turning point in the services and performances at Transcorp Hotels Calabar, and of course, steady progress in our new expansions. We are also hoping to launch successfully a major food franchise business in 2016. All of these could not have happened or been contemplated without the support of our dear shareholders and bondholders, and indeed the entire stakeholders. Our customers have been the most loyal, our regulators, the most supportive and our vendors and partners (especially Hilton Worldwide), the most professional. Our teaming staff remain our greatest assets. I am indeed most grateful to you all and hope we can continue to count on future support as we continue to lead the industry at both national and regional levels.

Shola Adeyemo, Public Relations Manager and Ijeoma Osuji, Public Relations Executive donating linens to victims at the IDP Camp in Durumi, Abuja (October 13 2015)



Our Team members in a group photograph with displaced families/victims at the IDP Camp in Durumi after the donation of food, hygiene kits and linens to the displaced families to commemorate the Global Month of Service in October 2015

CORPORATE GOVERNANCE REPORT

Transcorp Hotels Plc ("the Company") places great importance on maintaining high standards of Corporate Governance through a culture of strong business ethics, sound policies & procedures and effective internal control systems.

The responsibility for Corporate Governance lies with every member of the Company, creating a system of checks and balances among the Board, management and investors to produce an efficiently functioning Company, geared towards the creation and sustenance of shareholder and other stakeholder value.

During the year ended December 31, 2015, the Company complied with the provisions of the Code of Corporate Governance issued by Securities & Exchange Commission (SEC), as well as its Corporate Governance Policies.

1. Overview

Transcorp Hotels Plc continues to strengthen its Corporate Governance practices through the institution of governance policies that entrench good corporate governance practices. Our philosophy is based on a commitment to value creation and sustenance and placing good corporate governance principles at the centre of our business.

The Board performs certain of its functions through its Committees. The delegation of these functions does not in any way mitigate or dissipate the discharge by members of their duties and responsibilities. These Committees are the Nomination and Governance Committee (NGC), the Finance and Investment Committee (FIC) and the Statutory Audit Committee (SAC).

Our corporate governance policies approved by the Board of Directors remained operational throughout the period under review. These are:

- **Governance Framework**
  This framework explains the governance policies applicable to the Company's businesses. It provides for policy development and application, policy classification, review and revision as well as policy deviations and guiding templates.

- **Board Governance and Board Committees Governance Charter;**
  This charter provides the governance framework for the Board and Board Committees, which framework would promote effective governance of the Company.

- **Executive Management Charter**
  This charter provides for the Executive Management Committee (EMC) of the Company – its composition, role, terms of reference, proceedings and general governance framework.

2. Board of Directors

2.1 General

The Board is the focal point of the Company's corporate governance system. Members of the Board are required to uphold good corporate governance practices when performing their fiduciary duties and responsibilities. Its primary responsibility is to effectively represent and promote the interest of shareholders and relevant stakeholders, by adding value to the Company's performance.

In accordance with the requirements of the relevant Corporate Governance Codes, the positions of Chairman and Managing Director/Chief Executive Officer are held by different persons, there are seven (7) non-executive directors, two (2) executive directors, and the Chairman of the Board, who does not serve on any Committee. The Chairman of the Board of Directors presides over Board and General Meetings.

The Board meets at least four times in a year in line with the provisions of the Securities and Exchange Commission, Code of Corporate Governance 2011 ("SEC Code"). The Board has established formal delegations of authority, defining the limits of Management's power and authority and delegating to Management certain powers to run the day-to-day operations of the Company. Any responsibility not delegated remains with the Board and its Committees.

In order to achieve its objectives, we have brought together nine highly accomplished individuals who comprise the Board of Directors of Transcorp Hotels Plc. seven (7) of whom are Non-executive Directors in line with leading Corporate Governance Practices.

2.2 Membership of the Board

During the year under review, there were no changes on the Board. The Directors remained the same as in the previous year.

Resignations - Nil
Appointments - Nil

Consequently, the Board of Directors of the Company comprised the following as at the end of the year 2015:

1. Olorogun O'tega Emerhor, OON - Chairman - Appointed Director in 2009 and became Chairman in September, 2011. Re-elected in April, 2015.

2. Valentine Ozigbo - MD/CEO - Appointed: October, 2011

3. Okaima Ohizua - Executive Director - Appointed: June, 2013

4. Emmanuel Nnorom - Non-executive Director - Appointed: January, 2014

5. Gogo Kurubo - Non-executive Director - Appointed: September, 2011

6. Baba Mohammed - Non-executive Director - Appointed: June, 2013

7. Benjamin Dikki - Non-executive Director - Appointed: January 2013

8. Omoniyi Fagbemi, mni - Non-executive Director - Appointed: November, 2014

9. Peter Elumelu - Non-executive Director - Appointed: November, 2014

2.3 Board Meeting Attendance

A total of six (6) Board meetings were held in the 2015 Financial Year. The table below shows Directors' attendance at Board meetings for the Year.

Director	Total Attendance	25-Feb-15	11-Mar-15	15-Apr-15	11-Jul-15	9-Oct-15	4-Dec-15
Olorogun O'tega Emerhor, OON	3	X	X	X	Ö	Ö	Ö
Mr. Valentine Ozigbo	6	Ö	Ö	Ö	Ö	Ö	Ö
Ms. Okaima Ohizua	6	Ö	Ö	Ö	Ö	Ö	Ö
Mr. Emmanuel Nnorom	6	Ö	Ö	Ö	Ö	Ö	Ö
Mr. Gogo Kurubo	5	Ö	Ö	Ö	X	Ö	Ö
HRH. Baba Mohammed	6	Ö	Ö	Ö	Ö	Ö	Ö
Mr. Benjamin Dikki	6	Ö	Ö	Ö	Ö	Ö	Ö
Mr. Peter Elumelu	5	X	Ö	Ö	Ö	Ö	Ö
Mr. Omoniyi Fagbemi	5	X	Ö	Ö	Ö	Ö	Ö

Key

Ö= Director was present for Meeting

X = Director was absent with an apology

2.4 Board Committees

2.4.1 Nomination & Governance Committee

The Nomination and Governance Committee ("NGC") is made up entirely of Non-executive Directors in accordance with the SEC Code of Corporate Governance. As the name suggests, this Committee provides oversight on matters as it regards Governance. Some functions of the Committee include:

i. Advise the Board on corporate governance standards and formulate policies.
ii. Establish procedures for the nomination of Directors
iii. Advise and recommend to the Board the composition of the Board.
iv. Approve recruitments, promotions, redeployments and disengagements for the Company heads of departments that make up the Executive Management Committee
v. Review and evaluate the skills of members of the Board.
vi. Recommend to the Board compensation for all staff of the Company.
vii. Review and approve all human resources and governance policies for the Group
viii. Review and recommend to the Board and Shareholders any changes to the memorandum and articles of association.
ix. Evaluate and appraise the performance of the Board and Board Committees and its members annually in conjunction with consultants.

NGC members:

1. Mr. Emmanuel Nnorom – Chairman
2. Mr. Peter Elumelu – Member
3. HRH Baba Mohammed – Member
4. Mr. Omoniyi Fagbemi – Member
5. Mr. Gogo Kurubo – Member

Table below shows the frequency of meetings of NGC and members' attendance:

		NOMINATION & GOVERNANCE COMMITTEE			
Director	**Total Attendance**	**11 - Mar - 15**	**10 - Jul - 15**	**09 - Oct - 15**	**26 - Nov - 15**
Mr. Emmanuel Nnorom	4	Ö	Ö	Ö	Ö
HRH Baba Mohammed	4	Ö	Ö	Ö	Ö
Mr. Gogo Kurubo	3	Ö	X	Ö	Ö
Mr. Peter Elumelu	3	Ö	Ö	X	Ö
Mr. Omoniyi Fagbemi	4	Ö	Ö	Ö	Ö

Key

Ö= Director was present for Meeting

X = Director was absent with an apology

2.4.1 Finance and Investment Committee

The Finance and Investment Committee ("FIC") has primary responsibility for providing oversight and guidance on matters as it relates to Finance, Company performance and Strategy. Some specific functions of the Committee include:

i. Discharge the Board's responsibilities with regard to strategic direction and budgeting.
ii. Provide oversight on financial matters and the performance of the Company.
iii. Review and recommend investment opportunities or initiatives to the Board for decision.
iv. Recommend financial and investment decisions within its approved limits.
v. Assist the Board in fulfilling its oversight responsibilities with regard to audit and control.
vi. Ensure that effective system of financial and internal control is in place
vii. Monitor and assess the overall integrity of the financial statements and disclosures of the financial condition and results of the Company.
viii. Monitor and evaluate on a regular basis, the qualifications, independence and performance of external and internal auditors and the financial control departments.
ix. Review the budget of the Company and make recommendations to the full Board for approvals above its limit;
x. Monitor performance of the Company's budget against actual results
xi. Review from time to time the capital (debt/equity) requirements of the Company and recommend to the Board for approval.

FIC members:

1. Mr. Emmanuel Nnorom – Chairman
2. Mr Benjamin Dikki – Member
3. Mr. Peter Elumelu – Member
4. Mr. Valentine Ozigbo – Member
5. Ms. Okaima Ohizua – Member

The FIC met six (6) times in the year under review. The table below shows the frequency of meetings of the FIC and members' attendance:

		FINANCE & INVESTMENT COMMITTEE					
Director	Total Attendance	26-Feb-15	11-Mar-15	10-Jul-15	18-Sept-15	9-Oct-15	26-Nov-15
Mr. Emmanuel Nnorom	6	Ö	Ö	Ö	Ö	Ö	Ö
Mr. Benjamin Dikki	6	Ö	Ö	Ö	Ö	Ö	Ö
Mr. Valentine Ozigbo	6	Ö	Ö	Ö	Ö	Ö	Ö
Ms. Okaima Ohizua	6	Ö	Ö	Ö	Ö	Ö	Ö
Mr. Peter Elumelu	5	Ö	Ö	Ö	Ö	X	Ö

Key

Ö= Director was present for Meeting

X = Director was absent with an apology

2.4.1 Statutory Audit Committee

The Audit Committee functions have been developed in accordance with the provisions of section 359(3) to (6) of the Companies and Allied Matters Act. These include but are not limited to the following:

i. To ascertain whether the accounting and reporting policies of the company are in accordance with legal requirements and agreed ethical practices;
ii. To review the scope and planning of audit requirements;
iii. To review the findings on management matters in conjunction with the external auditor and departmental responses thereon;
iv. To keep under review the effectiveness of the company's system of accounting and internal control;
v. To make recommendations to the Board with regard to the appointment, removal and remuneration of the external auditors of the company; and
vi. To authorise the internal auditor to carry out investigations into any activities of the company which may be of interest or concern to the Committee.

The Statutory Audit Committee ("SAC") was inaugurated following the election of its members at the company's last Annual General Meeting (as a quoted company) held in April 2015. The Committee comprises equal numbers of shareholders representatives and Board representatives. The Chairman of the SAC is a shareholders' representative.

Members of the SAC as at the end of the Financial Year are as follows:

Shareholders' representatives

1. Mr. Sanusi Mudasiru – Chairman
2. Mr. Akaninyene Obot – Member
3. Mr. Olusegun Owoeye – Member

Board representatives

4. Mr. Omoniyi Fagbemi, mni – Member
5. Mr. Peter Elumelu – Member
6. Mr. Gogo Kurubo – Member

The Statutory Audit Committee was constituted on April 15, 2015 and have met three (3) times in the year under review. The table below shows the frequency of meetings of the Statutory Audit Committee and members' attendance.

		STATUTORY AUDIT COMMITTEE		
Members	**Total Attendance**	**10 - Jul - 15**	**9 - Oct - 15**	**26 - Nov - 15**
Mr. Sanusi Mudasiru	2	Ö	X	Ö
Mr. Akaninyene Obot	3	Ö	Ö	Ö
Mr. Olusegun Owoeye	3	Ö	Ö	Ö
Mr. Omoniyi Fagbemi	3	Ö	Ö	Ö
Mr. Gogo Kurubo	2	X	Ö	Ö
Mr. Peter Elumelu	2	Ö	X	Ö

Key

Ö= Director was present for Meeting

X = Director was absent with an apology

2.4.1 Executive Management Committee

The Executive Management Committee (EMC) is charged with the primary responsibility of making policy decisions on the effective and efficient management of the Company. Below are other specific functions of the EMC:

I. Articulate the strategy of the Company and recommend same to the Board for approval.
ii. Discuss strategic matters and their impact on the Company's business.
iii. Recommend to the Board the framework or policy for investment; and monitor the implementation of investment procedures.
iv. In line with Board approvals and guidance, outline the Company's philosophy, policy, objectives and resultant tasks to be accomplished.
v. Recommend to the Board, structures and systems through which activities are arranged, defined and coordinated in terms of specific objectives.
vi. Prepare an annual financial plan for the approval of the Board and ensure the achievement of set objectives.

3 Internal Control / Audit

The entire staff and Management of Transcorp Hotels Plc take ownership and responsibility for protecting the Company against fraudulent transactions. However, the Internal Audit and Compliance Unit is entrusted with internal control functions.

The Compliance Unit takes responsibility for ensuring and promoting compliance with statutory and regulatory requirements, as wells as with internal policies approved by the Board. The primary functions of Internal Audit are to review transactions entered into by the Company to ensure accuracy, completeness, compliance and accuracy. Internal Audit also provides assurance to the Board and Management that internal control process are in place and adequate. The Head of Internal Control/ Audit reports directly to the Board Chairman.

4. Safety, Health And Environmental (SHE) Policy

Transcorp Hotels Plc (Transcorp Hotels) is committed to achieving the highest performance in Safety, Health and Environment management, maintaining a healthy and safe working environment throughout its operations for all its Employees, Consultants, Sub-Consultants and any third parties, ensuring compliance and prevention of loss of any life, equipment or property.

Recognizing our need to provide the highest quality of activities, products and services, we proactively integrate the Safety, Health and Environment objectives into our management systems at all levels, actively reinforced by rewards and recognition programs.

In view of the above, Transcorp Hotels management is committed to the following:

a. Allocating all necessary resources to achieve our set goals;
b. Providing and maintaining safe and healthy working conditions taking into account the Nigeria statutory requirements;
c. Making available all necessary safety devices, protective equipment and supervising their usage;
d. Maintaining a constant and continued interest in the health and safety matters relating to the Hotel by ensuring employees undertake hazard spotting as a normal part of their duties;
e. Providing appropriate training to enable employees to perform their work safely and efficiently;

All Transcorp Hotels Employees or Consultants have an obligation to co-operate in conformity with this SHE Policy by doing the following:

a. carrying out their assignments in a manner that prevents injury to themselves and others;
b. using the protective equipment provided as and when required;
c. adhering to our Company's procedures for minimizing the environmental elects of its activities;
d. assisting in the investigation of accidents with the aim of preventing their re-occurrence;
e. reporting any damaged equipment, accidents, to the responsible departmental head;
f. minimizing waste through re-use and recycling where applicable;
g. suspending any activity if the employee or consultant notices any unsafe situation.

All employees of Transcorp Hotels and subsidiaries understand their specific responsibilities at all times for Safety, Health, and Environment within the organization. We shall drive for continual improvement by monitoring our performance and ensure its integrity and effectiveness without any compromise.

DIRECTORS' REPORT

The Directors present their annual report on the affairs of Transcorp Hotels Plc ("the Company") together with the audited financial statements for the year ended 31 December 2015, to the members of the Company. This report discloses the state of the Company and the Group.

Transcorp Hotels Plc, formerly known as Transnational Hotels and Tourism Services Limited, was incorporated in Nigeria under the Companies and Allied Matters Act as a private limited liability company and is domiciled in Nigeria. Through an extra-ordinary general meeting held in March 2014, it was agreed that the company be re- registered at the Corporate Affairs Commission as a public limited liability company and an initial public offer (IPO) of the shares of the company was authorised. The IPO was approved by the Securities and Exchange Commission in August 2014.A total of 418,403,900 (Four hundred and eighteen million, four hundred and three thousand, nine hundred) 50k ordinary shares @ N10 per share were subscribed for during the initial public offer (IPO).

The Company maintains controlling interest in Transcorp Hotels Calabar Limited (formerly known as Transcorp Metropolitan Hotels and Conferencing Limited.) On 30 September 2012, the company acquired 100% equity interest in Transcorp Hotels Calabar Limited.

The address of its registered office is:1 Aguiyi Ironsi Street Federal Capital Territory Abuja, Nigeria.

Principal Activities
The Company is engaged in the hospitality industry; particularly the rendering of hotel services.

Results and Dividend
The Company's result for the year is set out on page 34. The profit for the year is N3.6billion (Group – N3.5billion). The results are driven by the strategic investments made by the company.
The summarised results are presented below:

	Group		Company	
	Dec 31 2015	Dec 31 2014	Dec 31 2015	Dec 31 2014
	N'000	N'000	N'000	N'000
Revenue	13,979,324	15,104,796	13,383,004	14,486,575
Gross Profit	10,617,359	11,599,352	10,251,002	11,200,714
Total comprehensive income for the year	3,497,341	3,220,615	3,574,872	3,330,290
Earnings per share (Kobo)	46	59	47	61

The Directors recommend a final dividend of **N3,105,100,975** or **40.85 kobo per share** of the outstanding ordinary shares of 7,600,403,900 tobe paid to shareholders of the company for the year ended December 31, 2015. This dividend shall become payable upon declaration by shareholders at the Annual General Meeting.

Directors' Interests in Contracts

None of the directors notified the Company of any interest in contracts for the purpose of section 277 of the Companies and Allied Matters Act, of their direct or indirect interest in contracts or proposed contracts with the Company during the year.

Directors' Shareholding

The directors who held office during the year, together with their direct and indirect interests in the shares of the Company, were as follows:

Full Name (with title)	Position	Direct Holding	Indirect Holding	Companies represented by indirect Holding
Olorogun O'tega Emerhor, OON	Chairman	N/A	6,344,100,000	Transnational Corporation of Nigeria Plc
Emmanuel Nnorom	Non Executive Director	1,000,000	6,344,100,000	Ditto
Peter Elumelu	Non Executive Director	100,000	6,344,100,000	Ditto
Gogo Kurubo	Independent Director	N/A	N/A	N/A
HRH Baba Mohammed	Non Executive Director	N/A	N/A	N/A
Benjamin Dikki	Non Executive Director	N/A	N/A	N/A
Omoniyi Fagbemi, mni	Non Executive Director	50,000	837,900,000	Ministry of Finance Incorporated
Valentine Ozigbo	Managing Director	1,000,000	N/A	N/A
Okaima Ohizua	Executive Director, Customer Service	50,000	N/A	N/A

Shareholding of more than 5%

According to the register of members at 31 December 2015, the following had more than 5% shareholding in the Company:

S/N	Name of Shareholder	Holding	% Holding
1.	Transnational Corporation of Nigeria Plc	6,344,100,000	83%
2.	Bureau of Public Enterprise/ Ministry of Finance	837,900,000	11%

Shareholding Analysis

According to the register of members at December 31, 2015, the analysis of shareholding in the Company was as follows:

Range	*No. of Holders*	*Holders %*	*Holders Cum.*	*Units*	*Units %*	*Units Cum.*
1 - 999	91	6.51%	91	19,315	0.00	19,315
1,000 - 9,999	810	57.98%	901	1,817,490	0.02	1,836,805
10,000 - 99,999	390	27.92%	1291	8,461,416	0.11	10,298,221
100,000 - 999,999	91	6.51%	1382	13,054,579	0.17	23,352,800
1,000,000 - 9,999,999	8	0.57%	1390	25,101,100	0.33	48,453,900
10,000,000 - 99,999,999	3	0.21%	1393	81,000,000	1.07	129,453,900
100,000,000 - 999,999,999	3	0.21%	1396	1,126,850,000	14.83	1,256,303,900
1,000,000,000 - 9,999,999,999	1	0.07%	1397	6,344,100,000	83.47	7,600,403,900
Grand Total	**1,397**	**100.00%**		**7,600,403,900**	**100.00**	

Share Capital History

The capitalisation history of the company as at December 31, 2015 is as follows:

Date	**Authorised Increase Units**	**Authorised Cummulative Units**	**Issued Increase Units**	**Issued Cummulative Units**	**Consideration Units**
12/07/1994	10,000,000	10,000,000	5,000,000	5,000,000	Cash
13/01/2014	20,000,000	30,000,000	16,000,000	21,000,000	Cash
13/03/2014	7,470,000,000	7,500,000,000	3,570,000,000	3,591,000,000	Bonus Issue
13/03/2014	7,500,000,000	15,000,000,000	3,591,000,000	7,182,000,000	Stock Split
11/11/2014	-	15,000,000,000	418,403,900	7,600,403,900	Cash

Fixed Assets

Information relating to changes in the fixed assets of the Company is given in Note 11 to the financial statements.

Employment of Physically Challenged Persons

The Company has a policy of fair consideration of job applications by disabled persons having regard to their abilities and aptitude. The Company's policy prohibits discrimination against disabled persons in the recruitment, training and career development of its employees. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged.

Employee Health, Safety and Welfare

The Group maintains business premises and work environments that guarantee the safety and health of its employees and other stakeholders. The Group's rules and practices in these regards are reviewed and tested regularly. Also, the Group provides free medical insurance for its employees and their families through selected health management organizations and hospitals.

Employee Training and Involvement

The directors maintain regular communication and consultation with the employees on matters affecting employees and the Company. Employees are kept fully informed regarding the Company's performance and the Company operates an open door policy whereby views of employees are sought and given due consideration on matters which particularly affect them. The Company's employees at various hotels are also involved in the affairs of the Company through the service charge bonus scheme, which entitles them to a percentage of the hotel's service charge revenue. Training is carried out at various levels through in-house and external courses. The Company's skill base has been extended by a range of training provided to the employees whose opportunity for career development within the Company has been enhanced.

Donations and CSR

The company did not make any cash donations during the year under review. Through its hotels, the Company engaged in the following as part of Corporate Social Responsibility to contribute to their local communities

S/N	Service	Beneficiary/Date
1.	Donating food	Daughters of Charity Orphanage, Kubwa, Monthly
2.	- Giving daily lunch - Donation of clothing items, shoes, appliances and Hotel discards – Bed Linens, Duvets, Pillows, Towels, Bathrobes	Durumi IDP Camp. November to December, 2015. January 2015
3.	Visitation and Provisions	Government Orphanage Home, Calabar South, February 2015
4.	Free hall for Spelling Bee Competition.	Zoe Foundation, Calabar, November 2015
5.	Career@Hilton/Youth in Hospitality programme which resulted in the employment of 3 Youths.	Abuja Youth, May 2015
6.	Donation of Hotel discards – Bed Linens, Duvets, Pillows, Towels.	Rotary Club of Nigeria, July 2015
7.	Provision of Lunch packs for 100 pupils.	Durumi IDP Camp, Monday – Friday from November 2015 to January 2016
8.	Weekly delivery of recycled papers and Newspapers for the production of affordable cooking briquettes for the less privileged.	Naijabrics, ongoing

Auditors

Messrs. PricewaterhouseCoopers have indicated their willingness to continue in office as the auditors of the Company in accordance with section 357(2) of the Companies and Allied Matters Act.

BY ORDER OF THE BOARD

Mrs. Helen Iwuchukwu
Company Secretary
FRC/2015/NBA/00000012716
March 10, 2016

BOARD EVALUATION REPORT

SOCIETY FOR CORPORATE GOVERNANCE NIGERIA

8 Ongelon Road, Palace Way, Oniru, P.O.Box 73002, Victoria Island, Lagos.
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BOARD EVALUATION REPORT FOR THE BOARD OF TRANSCORP HOTELS PLC (SUMMARY)

The Society for Corporate Governance Nigeria was invited to conduct an independent evaluation/assessment of the Board of the Transcorp Hotels Plc.

Below is a summary of our findings:

Based on our findings, nothing has come to our attention to make us believe that the performance of the Directors has not been consistent with the criteria set out in the Code

The main responsibility of the Board is to oversee the company's business strategy and business plan and to ensure that the management of the Company is consistent with the shareholders' resolution and in compliance with the law.

The Board is composed of highly experienced individuals with diverse backgrounds and are conversant with their oversight functions.
The Chairman handles meetings in a firm and fair manner, allowing every Director express an opinion, thereafter building a consensus.

Peer assessment results showed that the Director's main areas of strength are Communication both in the Board and Committees and the Director's knowledge and understanding spanning across their diversity, experience and resounding knowledge.

We rate the board far above average in regulatory compliance and transparency.

In our opinion, the Board takes its oversight functions very seriously and is committed to the business. This is demonstrated by the attendance at Board and committee meetings of the Directors and the depth of discussions and resolutions arrived at during these meetings. In 2015, the Board sat 6 times (more than the required number of times in a year) because it became necessary to do so.

In as much as there is still room for improvement and continuous director development, we are happy to state that the Board of Transcorp Hotels Plc conducted its affairs in an acceptable and satisfactory manner.

For: **SOCIETY FOR CORPORATE GOVERNANCE NIGERIA**

THE SOCIETY FOR CORPORATE GOVERNANCE NIGERIA LTD/GTE

Hilda Nkor (Mrs.)
General Manager

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Companies and Allied Matters Act (Cap C20) requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the company at the end of the year and of its profit or loss. The responsibilities include ensuring that the company:

(a) Keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the company and comply with the requirements of the Companies and Allied Matters Act;

(b) Establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

(c) Prepares the company's financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, and are consistently applied.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its profit or loss. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the company will not remain a going concern for at least twelve months from the date of this statement.

Olorogun O'tega Emerhor, OON
Chairman
FRC/2013/ICAN/00000003211

Mr. Valentine Ozigbo
Managing Director/CEO
FRC/2013/ICAN/00000005347

REPORT OF THE AUDIT COMMITTEE

TO THE MEMBERS OF TRANSCORP HOTELS PLC

In compliance with section 359 (6) of the Companies and Allied Matters Act, (Cap C20), Laws of the Federation of Nigeria, 2004, members of the Audit Committee of Transcorp Hotels Plc hereby report as follows:

1) The Audit Committee met in exercise of its statutory responsibilities in accordance with section 359 (6) of the Companies and Allied Matters Act.
2) We have examined the Auditors report including the financial statements for the year ended 31 December 2015.
3) We have deliberated with the external Auditors, reviewed their findings and recommendations and confirm that the Auditors report for this period is consistent with our review.
4) We are satisfied that the accounting and reporting policies of the Company are in accordance with legal requirements and meet ethical standards.

Mr. Sanusi Mudasiru
Chairman, Audit Committee

Members of the Audit Committee

1)	Mr. Sanusi Mudasiru	(Chairman)	- Shareholder
2)	Mr. Akaninyene Obot	(Member)	- Shareholder
3)	Mr. Olusegun Owoeye	(Member)	- Shareholder
4)	Mr. Omoniyi Fagbemi, *mni*	(Member)	- Director
5)	Mr. Peter Elumelu	(Member)*	- Director
6)	Mr. Gogo Kurubo	(Member)	- Director
7)	Mr. Baba Mohammed	(Member)**	- Director

*Mr. Peter Elumelu was a member of the Audit Committee until November, 2015

**HRH Baba Mohammed has been nominated by the Board to replace Mr. Elumelu on the Committee.

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REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF TRANSCORP HOTELS PLC

Report on the financial statements

We have audited the accompanying financial statements of Transcorp Hotels Plc (the company) and its subsidiaries (together, the group). These financial statements comprise the statement of financial position as at 31 December 2015 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Companies and Allied Matters Act and for such internal control, as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers Chartered Accountants, 252E Muri Okunola Street, Victoria Island, Lagos, Nigeria

pwc

Opinion

In our opinion the accompanying financial statements give a true and fair view of the state of the financial affairs of the company and the group at 31 December 2015 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria Act.

Report on other legal requirements

The Companies and Allied Matters Act requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) the company has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from branches not visited by us;

iii) the company's statements of financial position and comprehensive income are in agreement with the books of account.

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
A0882281

23 March 2016

Edafe Erhie

Engagement Partner: Edafe Erhie
FRC/2013/ICAN/00000001143
For: PricewaterhouseCoopers
Chartered Accountants
Lagos, Nigeria

STATEMENT OF FINANCIAL POSITION

	Note	Group 31 December 2015	31 December 2014	Company 31 December 2015	31 December 2014
		N'000	N'000	N'000	N'000
ASSETS					
Non Current assets					
Property, plant and equipment	11	63,334,139	48,943,763	54,068,669	47,087,750
Intangible assets	12	2,032,567	2,029,637	52,025	47,946
Investment in subsidiaries	13	-	-	3,529,781	3,508,621
Investment properties	14	-	1,138,164	1,507,000	1,138,164
Long term intercompany receivables	22.2	-	1,616,010	3,564,516	1,616,010
Total non current assets		**65,366,706**	**53,727,574**	**62,721,991**	**53,398,491**
Current assets					
Inventories	17	691,442	820,285	658,216	779,100
Trade and other receivables	18	11,098,053	12,387,410	11,510,857	12,669,926
Cash and bank balances	19	14,184,829	2,688,578	13,998,377	2,624,925
Total current assets		**25,974,324**	**15,896,273**	**26,167,450**	**16,073,951**
Total assets		**91,341,030**	**69,623,847**	**88,889,441**	**69,472,442**
LIABILITIES					
Non-current liabilities					
Borrowings- Non-current	15	16,313,564	-	16,313,564	-
Deposit for shares	20.2	2,410,000	-	-	-
Deferred tax liability	16	7,482,786	7,503,856	7,221,889	7,215,154
Total non-current liabilities		**26,206,350**	**7,503,856**	**23,535,453**	**7,215,154**
Current liabilities					
Trade and other payables	20	6,818,425	7,275,336	6,643,246	7,086,385
Borrowings- Current	15	3,238,531	-	3,238,531	-
Current income tax liabilities	10	2,932,574	3,092,585	2,912,972	3,081,435
Total current liabilities		**12,989,530**	**10,367,921**	**12,794,749**	**10,167,820**
Total liabilities		**39,195,880**	**17,871,777**	**36,330,202**	**17,382,974**
Equity					
Ordinary share capital	26	3,800,202	3,800,202	3,800,202	3,800,202
Share premium	26	4,034,411	4,034,411	4,034,411	4,034,411
Retained earnings		44,309,697	43,917,457	44,724,626	44,254,855
Capital and reserves attributable to owners of the parent		**52,144,310**	**51,752,070**	**52,559,239**	**52,089,468**
Non-controlling interests		840	-	-	-
Total equity		**52,145,150**	**51,752,070**	**52,559,239**	**52,089,468**
Total equity and liabilities		**91,341,030**	**69,623,847**	**88,889,441**	**69,472,442**

The notes on pages 37 to 76 are an integral part of these financial statements

The financial statements on pages 33 to 36 were approved and authorised for issue by the Board of Directors on March 23, 2016 and were signed on its behalf by;

Olorogun O'tega Emerhor, OON
FRC/2013/ICAN/00000003211
Chairman

Adekunle Elumaro
FRC/2013/ICAN/00000004862
Chief Financial Officer

Valentine Ozigbo
FRC/2013/ICAN/00000005347
Managing Director/ CEO

INCOME STATEMENT

	Note	Group 31 December 2015 N'000	Group 31 December 2014 N'000	Company 31 December 2015 N'000	Company 31 December 2014 N'000
Revenue	5	13,979,324	15,104,796	13,383,004	14,486,575
Cost of sales	6	(3,361,965)	(3,505,444)	(3,132,002)	(3,285,861)
Gross profit		**10,617,359**	**11,599,352**	**10,251,002**	**11,200,714**
Administrative expenses	7	(5,943,159)	(7,476,574)	(5,473,493)	(6,969,634)
Other operating income/ (expenses) -net	8	108,970	139,493	108,327	137,162
Operating profit		**4,783,170**	**4,262,271**	**4,885,836**	**4,368,242**
Finance income	9	594,798	277,729	590,316	277,729
Net finance income		**594,798**	**277,729**	**590,316**	**277,729**
Profit before taxation		**5,377,968**	**4,540,000**	**5,476,152**	**4,645,971**
Income tax expense	10	(1,880,627)	(1,319,385)	(1,901,280)	(1,315,681)
Profit for the year		**3,497,341**	**3,220,615**	**3,574,872**	**3,330,290**
Total comprehensive income for the year		**3,497,341**	**3,220,615**	**3,574,872**	**3,330,290**
Total comprehensive income is attributed to:					
Owners of Transcorp Hotels Plc		3,497,341	3,220,615	3,574,872	3,330,290
Non Controlling Interest		-	-	-	-
Basic EPS (kobo)	25	46	59	47	61
Diluted EPS (kobo)	25	46	59	47	61

The notes on pages 37 to 76 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

Group	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Non Controlling Interest N'000	Total Equity N'000
At 1 January 2014	**5,000**	**-**	**43,508,991**	**-**	**43,513,991**
Profit for the year	-	-	3,220,615	-	3,220,615
Total comprehensive income for the year	**-**	**-**	**3,220,615**	**-**	**3,220,615**
Total transactions with owners recognised directly in equity					
Initial public offer	209,202	3,974,837	-	-	4,184,039
Right issue	16,000	3,984,000	-	-	4,000,000
Bonus issue	3,570,000	(3,570,000)	-	-	-
Share issue expense	-	(354,426)	-	-	(354,426)
Interim dividend for 2014	-	-	(2,812,149)	-	(2,812,149)
	3,795,202	**4,034,411**	**(2,812,149)**	**-**	**5,017,464**
Balance at 31 December 2014	**3,800,202**	**4,034,411**	**43,917,457**	**-**	**51,752,070**
Balance at 1 January 2015	**3,800,202**	**4,034,411**	**43,917,457**	**-**	**51,752,070**
Profit for the year	-	-	3,497,341	-	3,497,341
Shares alloted to NCI	-	-	-	840	840
Total comprehensive income for the year	**-**	**-**	**3,497,341**	**-**	**3,498,181**
Total transactions with owners recognised directly in equity					
Interim dividend for 2015	**-**	**-**	(3,105,101)	-	**(3,105,101)**
Balance at 31 December 2015	**3,800,202**	**4,034,411**	**44,309,697**	**840**	**52,145,150**

Company	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Total Equity N'000
Balance at 1 January 2014	**5,000**	**-**	**43,736,714**	**43,741,714**
Profit for the year	-	-	3,330,290	3,330,290
Total comprehensive income for the year	**-**	**-**	**3,330,290**	**3,330,290**
Total transactions with owners recognised directly in equity				
Initial public offer	209,202	3,974,837	-	4,184,039
Right issue	16,000	3,984,000	-	4,000,000
Bonus issue	3,570,000	(3,570,000)	-	-
Share issue expense	-	(354,426)	-	(354,426)
Interim dividend for 2014	-	-	(2,812,149)	(2,812,149)
	3,795,202	**4,034,411**	**(2,812,149)**	**5,017,464**
Balance at 31 December 2014	**3,800,202**	**4,034,411**	**44,254,855**	**52,089,468**
Balance at 1 January 2015	**3,800,202**	**4,034,411**	**44,254,855**	**52,089,468**
Profit for the year	-	-	3,574,872	3,574,872
Total comprehensive income for the year	**-**	**-**	**3,574,872**	**3,574,872**
Total transactions with owners recognised directly in equity				
Interim dividend for 2015	**-**	**-**	(3,105,101)	**(3,105,101)**
Balance at 31 December 2015	**3,800,202**	**4,034,411**	**44,724,626**	**52,559,239**

The notes on pages 37 to 76 are an integral part of these financial statements.

STATEMENT OF CASH FLOW

		Group		Company	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
	Note	N'000	N'000	N'000	N'000
Cash flows from operations					
Cash generated from operating activities	27	8,983,761	(2,638,729)	6,404,586	(1,585,783)
Tax paid	10	(2,063,008)	(2,025,819)	(2,063,008)	(2,025,819)
Net cash generated from/ (used in) operating activities		**6,920,753**	**(4,664,548)**	**4,341,578**	**(3,611,602)**
Cash flows from investing activities					
Proceeds from sale of property plant and equipment	11	16,587	542	16,595	542
Investment in subsidiary	13	-	-	(21,160)	(1,345,000)
Increase/ (decrease) in long term receivables		1,616,010	(1,616,010)	(1,948,506)	(1,616,010)
Purchase of property, plant and equipment	11	(15,475,601)	(2,433,309)	(7,922,075)	(2,161,984)
Purchase of investment property	14	1,100,000	(1,138,164)	(407,000)	(1,138,164)
Purchase of intangible assets	12	(16,242)	(6,128)	(16,242)	-
Interest received	9	594,798	277,729	590,316	277,729
Net cash used in investing activities		**(12,164,448)**	**(4,915,340)**	**(9,708,072)**	**(5,982,887)**
Cash flows from financing activities					
Proceeds from bond issues		19,552,095	-	19,552,095	-
Proceeds from share issue		-	7,829,612	-	7,829,612
Dividends paid		(2,812,149)	(4,200,000)	(2,812,149)	(4,200,000)
Net cash generated from financing activities		**(16,739,946)**	**3,629,612**	**16,739,946**	**3,629,612**
Net increase/ (decrease) in cash and cash equivalents		**(11,496,251)**	**(5,950,276)**	**11,373,452**	**(5,964,877)**
Cash and cash equivalents at the beginning of the year		2,688,578	8,638,854	2,624,925	8,589,802
Cash and cash equivalents at end of year	19	**(14,184,829)**	**2,688,578**	**13,998,377**	**2,624,925**

The notes on pages 37 to 76 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENT

1 General Information

"Transcorp Hotels Plc was incorporated on 12 July 1994 in Nigeria under the Companies and Allied Matters Act as a private limited liability Company, and is domiciled in Nigeria. The Company is engaged in the hospitality industry; particularly the rendering of hotel services.

The Company owns and operates Transcorp Hilton Hotel Abuja. The hotel which is situated in Abuja provides luxury accommodation, exotic cuisines, fully equipped meeting rooms and leisure facilities to business travellers and tourists from all over the world.
The Company holds 100% equity interest in Transcorp Hotels Calabar Limited and Transcorp Hotels Port Harcourt Limited and also has interests in Transcorp Hotels Ikoyi Limited.

The "Group" consists of Transcorp Hotels Plc and the above named subsidiaries.
The Company's registered office is 1 Aguiyi Ironsi Street, Federal Capital Territory, Abuja, Nigeria.

2 Summary of Significant Accounting Policies

2.1 Basis of Preparation

The financial statements have been prepared in compliance with the Companies and Allied Matters Act (CAMA) and in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

The preparation of financial statements, in conformity with IFRS, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.2

The preparation of financial statements, in conformity with IFRS, requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the directors' best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The financial statements have been prepared on a historical cost basis except for the fair value basis applied to certain property, plant and equipment, investment properties and intangible assets. These assets are subsequently carried at cost less accumulated depreciation except for investment properties which are revalued annually.

The financial statements are presented in Nigerian Naira being the functional currency of the primary economic environment in which the Company operates and all values are rounded to the nearest thousand (N'000), except when otherwise indicated."

2.1.1 Going Concern

The financial statements have been prepared on a going concern basis. The directors have no doubt that the Company would remain in existence for at least 12 months after the reporting date.

2.1.2 Changes in Accounting Policy and Disclosures

(a) New and amended standards adopted by the Group

The following standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2015 and have a material impact on the Group.

Amendment to IFRS 8, 'Operating segment'. This amendment requires disclosure of the judgements made by management in aggregating operating segments and clarifies that a reconciliation of segment assets must only be disclosed if segment assets are reported.

Amendments to IFRS 13, 'Fair value measurement' This amendment confirms that short-term receivables and payables can continue to be measured at invoice amounts if the impact of discounting is immaterial.

Amendment to IAS 40, 'Investment Property. The interpretation clarifies that IAS 40 and IFRS 3 are not mutually exclusive when distinguishing between investment property and owner-occupied property and determining whether the acquisition of an investment property is a business combination.

Amendment to IAS 24, 'Related-Party Disclosures'. The interpretation addresses where an entity receives management personnel services from a third party (a management entity), the fees paid for those services must be disclosed by the reporting entity, but not the compensation paid by the management entity to its employees or directors.

Other standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2015 are not material to the group.

NOTES TO THE FINANCIAL STATEMENT *(contd)*

(b) New standards and interpretations not yet adopted

Title of standard	Nature of change	Impact	Mandatory application date/ Date of adoption by group
IFRS 9 Financial Instruments	IFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting. In July 2014, the IASB made further changes to the classification and measurement rules and also introduced a new impairment model. These latest amendments now complete the new financial instruments standard.	Following the changes approved by the IASB in July 2014, the group no longer expects any impact from the new classification, measurement and derecognition rules on the group's financial assets and financial liabilities. Hence there will be no change to the accounting for these assets. There will also be no impact on the group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the group does not have any such liabilities.	Must be applied for financial years commencing on or after 1 January 2018. Based on the trans itional provisions in the completed IFRS 9, early adoption in phases was only permitted for annual reporting periods beginning before 1 February 2015. After that date, the new rules must be adopted in their entirety.
IFRS 15 Revenue from Contracts with Customers	The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.	Management is currently assessing the impact of the new rules.	Mandatory for financial years commencing on or after 1 January 2017 . Expected date of adoption by the group: 1 January 2017.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

The group did not early adopt any new or amended standards in 2015.

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the group has control. Control exists when the group has power over the investee, is exposed to, or has rights to variable returns from its involvement with investee, and has the ability to use its power to affect the returns. Subsidiaries are accounted for at cost in the separate financial statements of Transcorp Hotels Plc. In the consolidated financial statements, subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

Business Combination

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are with limitations, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the present ownership instrument's proportionate share of the recognised amounts of acquiree's identifiable net assets for components that are present and entitle their holders to a proportionate share of net assets in the events of liquidation. All other components of non-controlling interests are measured at fair value.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income.

Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill.

If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Inter-Company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group."

b) Disposal of subsidiaries

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(c) Common control transactions

The group applies predecessor values method in accounting for business combination under common control. The financial statements are prepared using predecessor book values, i.e. the book values of the net assets of the acquiree company in the consolidated accounts of Transcorp Hotels Plc before the transaction, without any step up to fair value. The difference between any consideration given and the aggregate book value of the assets and liabilities (as of the date of the transaction) of the acquired entity is recorded as an adjustment to equity. This is recorded in retained earnings. No additional goodwill is created by the transaction.

2.3 Segment Reporting

The chief operating decision-maker has been identified as the Board of Directors of Transcorp Hotels Plc. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. The directors have determined the operating segments based on these reports. Assessment of performance is based on operating profits of the operating segment that is reviewed by the Board. Other information provided to the Board is measured in a manner consistent with that of the financial statements.

The Board considers the business from an industry perspective and has identified one (1) operating segment which is the hospitality business as none of the subsidiaries consolidated qualify for segment analysis.

The hospitality business is made up of Transcorp Hotels Plc (THP) and its subsidiaries, Transcorp Hotels Calabar Limited (THC), Transcorp Hotels Ikoyi Limited and Transcorp Hotels Port Harcourt Limited.

2.4 Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which Transcorp Hotels Plc operates ('the functional currency'). The functional currency of Transcorp Hotels Plc and its subsidiaries is the Nigerian Naira (N). All entities in the group have the same functional currency. The financial statements are also presented in Naira.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the income statement within 'other (expenses)/income – net'. Translation differences related to changes in amortised cost are recognised in profit or loss.

2.5 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost can be measured reliably.

All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity.

As often as it occurs, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the property, plant and equipment revaluation surplus to retained earnings."

Freehold land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their costs or revalued amounts to their residual values over their estimated useful lives, as follows:

Leasehold buildings	2%	Plant and machinery	10%
Furniture and fittings	20%	Computer equipment	33%
Motor vehicles	25%		

The group allocates the amount initially recognized in respect of an item of property, plant and equipment to its significant parts and depreciates separately each such part. The carrying amount of a replaced part is derecognized when replaced. Residual values, method of amortization and useful lives of the assets are reviewed annually and adjusted if appropriate.

Where an indication of impairment exists, an asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than it's estimated recoverable amount.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in other income or expense - net in the Statement of profit or loss for the period.

2.6 Intangible Assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over Transcorp Hotel Plc's interest in the net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units (CGUs), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

The goodwill in the books arose from the purchase of Transcorp Hotels Calabar Limited which operates the Transcorp Hotel, Calabar.

For purposes of impairment testing, the entire business is treated as one cash generating unit (CGU).

(b) Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- the directors intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available;
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development, employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives from the point at which the asset is ready for use. The estimated useful lives of the software of the group is between three to eight years.

2.7 Investment Properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the entities in the consolidated Group, are classified as investment properties.

Recognition of investment properties takes place only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost can be measured reliably. This is usually the day when all risks are transferred.

Investment properties are measured initially at cost, including transaction costs, in the year of acquisition. The carrying amount includes the cost of replacing parts of an existing investment property at the time the cost was incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the date of the consolidated statement of financial position.

Gains or losses arising from changes in the fair value of investment properties are included in the consolidated income statement in the year in which they arise. Subsequent expenditure is included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the consolidated profit or loss during the financial period in which they are incurred.

The fair value of investment properties is based on the nature, location and condition of the specific asset. The fair value is obtained from professional third party valuers contracted to perform valuations on behalf of the Group. The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure. These valuations are performed annually by external appraisers.

If entity owns property that is leased to, and occupied by, another entity in the same group, the property does not qualify as investment property in consolidated financial statements that include both entities. This is because the property is owner-occupied from the perspective of the group as a whole. However, from the perspective of the individual entity that owns it, the property is investment property.

2.8 Impairment of Non-Financial Assets

Assets that have an indefinite useful life – for example, goodwill are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.9 Financial Assets

The group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

2.9.1 Classification of Financial Instruments

Management determine the classification of its financial instruments at initial recognition.

(a) Financial assets and liabilities at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The group's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the balance sheet.

(c) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the directors have the positive intention and ability to hold to maturity, other than:

(a) those that the group upon initial recognition designates as at fair value through profit or loss;
(b) those that the group designates as available-for-sale; and
(c) those that meet the definition of loans and receivables.

(d) Financial liabilities at amortized cost

Financial liabilities at amortized cost consists of trade payables.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less.

2.9.2 Recognition and Measurement

(a) Loans and receivables

Loans and receivables are initially recognized at the amount expected to be received, less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost using the effective interest method less a provision for impairment.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

(b) Held-to-maturity investments

Held-to-maturity investments are initially recognised at fair value including direct and incremental transaction costs and measured subsequently at amortised cost, using the effective interest method.

(c) Financial liabilities at amortized cost

Trade payables are initially recognized at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, trade payables are measured at amortized cost using the effective interest method.

2.10 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.11 Impairment of Financial Assets

Assets carried at amortised cost

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the group uses to determine that there is objective evidence of an impairment loss include:

- significant financial difficulty of the debtor or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the company, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
  (i) adverse changes in the payment status of borrowers in the portfolio; and
  (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio."

The group first assesses whether objective evidence of impairment exists.
For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statement of profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of profit or loss.

2.12 Inventories

Inventories are stated at the lower of cost and estimated net realisable value. Cost is determined using the weighted average method. This includes the cost of direct materials to the company's premises and other direct costs. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses.

2.13 Cash, Cash Equivalents and Bank Overdrafts

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

2.14 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in Profit or Loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

The fair values of borrowings are based on cash flows discounted using a rate based on the borrowing rate of 21% (2014: nil). The rate used is the average interest rate obtainable from commercial banks and has been determined as a level 2 measure within the fair value hierarchy.

2.15 Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, (i.e. capitalised) until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.17 Current and Deferred Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is recognised in other comprehensive income or directly in equity, respectively.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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 profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the statement of profit or loss, except when it relates to items charged or credited to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax liabilities on a net basis.

Deferred tax assets and liabilities are presented as non-current in the statement of financial position.

2.18 Employee Benefits

a) Defined contribution scheme

The group operates a defined contributory pension scheme in line with the provisions of the Pension Reform Act 2014. The employer's contributions are recognised as employee benefit expenses when they are due. The group has no further payment obligation once the contributions have been paid.

b) Profit-sharing and bonus plan

The Group operates a bonus plan where staff are remunerated based on parameters determined by the Board. Bonus payments are at the discretion of the Board and the expense is recognised as in the year it is incurred. There is no contractual obligation neither has there been a past practice to create a constructive obligation.

2.19 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable stated net of discounts, returns and value added taxes. The group earns revenue from the sale of goods and services.

Revenue comprises the fair value of the consideration received or receivable from the sale of goods and services in the ordinary course of the Company's activities. Revenue is recognised when it is probable that the economic benefits associated with a transaction will flow to the Company and the amount of revenue and associated costs incurred or to be incurred can be measured reliably.

Revenue includes hotel, entertainment and restaurant revenues, other service fees, rental income and the invoiced value of goods and services sold less returns and allowances. Value Added Tax (VAT) and other taxes are excluded from revenue and treated as overhead expenses, as these are borne by the Company and not by its customers. VAT on all other revenue transactions is considered to be a tax collected by the Company as an agent on behalf of the revenue authorities and is excluded from revenue.

Transcorp Hilton Hotel Abuja offers a customer loyalty programme called the Hilton Honours Guest Reward Programme on behalf of the Hilton International. Under this programme, registered members earn points when they pay for rooms or services at the hotel. The group accounts for the points as a separately identifiable component of the sales transaction in which they are granted (the 'initial sale' of rooms or service). The consideration received or receivable in respect of the initial sale is allocated between the points and the sale of rooms or service with reference to the fair value of the points. Revenue is measured as the net amount retained by the hotel, i.e. the difference between the consideration allocated to the award credits and the amount payable to the Hilton International for supplying the awards.

Interest income is recognised using the effective interest method. When a receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

2.20 Leases

Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Finance lease

Leases of items by the group where the group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the asset and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2.21 Dividend Distribution

Dividend distribution to the shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the group's shareholders. In respect of interim dividends, these are recognised when declared by the Board of Directors.

2.22 Share Capital

Ordinary shares are classified as 'share capital' in equity. Any premium received over and above the par value of the shares is classified as 'share premium' in equity.

3. Financial risk Management

This note explains the group's exposure to financial risks and how these risks could affect the group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

Risk	Exposure arising from	Measurement	Management
Market risk– foreign exchange	Future commercial transactions, Recognisedfinancial assets and liabilities not denominated in Naira units	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk– interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk– security prices	Investments in equity securities	Sensitivity analysis	Portfoliodiversion
Credit risk	Cash and cash equivalents, trade receivables, availablefor-sale debt instruments and heldto-maturity investments	Aginganalysis Credit ratings	Diversificationof bank deposits, credit limits and letters of credit Investment guidelines for available-for-sale and held-to-maturity investments.
Liquidity risk	Borrowings and other liabilities	Rollingcash flow forecasts	Availability of committed credit lines and borrowing facilities.

The group's risk management is carried out by a central treasury department (group treasury) under policies approved by the board of directors. Group treasury identifies, evaluates and manages financial risks in close co-operation with the group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

3.1 Market Risk

(i) Foreign exchange risk
The group and company's exposure to foreign currency risk at the end of the reporting period, expressed in the individual foreign currency units was as follows:

Exposure		31 Dec 2015	
Group	**USD**	**GBP**	**Euro**
	000	**000**	**000**
Cash and cash equivalents	2,079	156	62
Trade payables	2,446	-	-
		31 Dec 2014	
Cash and cash equivalents	1,254	155	29
Trade payables	118,515	-	-
		31 Dec 2015	
Company	**USD**	**GBP**	**Euro**
	000	**000**	**000**
Cash and cash equivalents	2,033	156	62
Trade payables	2,446	-	-
		31 Dec 2014	
	000	**000**	**000**
Cash and cash equivalents	1,254	155	29
Trade payables	118,515	-	-

Amounts recognised in profit or loss and other comprehensive income

During the year, the following foreign-exchange related amounts were recognised in profit or loss and other comprehensive income:

		Group		Company	
	Note	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
		N'000	N'000	N'000	N'000
Net foreign exchange gain/(loss) included in other income	8	13,418	138,951	13,418	136,620

Sensitivity

As shown in the table above, the group is primarily exposed to changes in US Dollars/Naira exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from US-dollar denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges.

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2015
	N'000	N'000	N'000	N'000
Impact on post tax profit US$/=N= exchange rate – increase 25%	18,075	19,576	20,340	19,576

(ii) Cash flow and fair value interest rate risk

The group's main interest rate risk arises from long-term borrowings with fixed interest rates. The group's borrowings at fixed rate were mainly denominated in Nigerian currency (Naira).

The group's fixed rate borrowings and receivables are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

3.2 Credit Risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

(i) Risk management
Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum national rating of 'A' are accepted.

There is no independent rating for customers. Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The compliance with credit limits by customers is regularly monitored by line management.

Sales to customers are required to be settled in cash or using major credit cards, mitigating credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The credit ratings of the investments are monitored for credit deterioration.

(ii) Security
No security is obtained for trade receivables either in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

There are no credit ratings for Transcorp Hotel Plc's trade and other receivables. Credit rating for cash at bank and short term deposits is highlighted below:

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	N'000	N'000	N'000	N'000
Cash at bank and short-term bank deposits A+	14,184,829	2,688,578	13,998,377	2,624,925

None of the amounts receivable from related parties are past due or impaired and repayments have been received regularly and on time historically. Management has established a related entity risk management framework including pre-determined limits for extending credit to key management personnel.

(iii) Impaired trade receivables

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount directly. The other receivables are assessed collectively to determine whether there is objective evidence that an impairment has been incurred but not yet been identified.

For these receivables the estimated impairment losses are recognised in a separate provision for impairment.

The group considers that there is evidence of impairment if any of the following indicators are present:
- significant financial difficulties of the debtor
- probability that the debtor will enter bankruptcy or financial reorganisation, and
- default or delinquency in payments (more than 90 days overdue).

Receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash.

Impairment losses are recognised in profit or loss within other expenses. Subsequent recoveries of amounts previously written off are credited against other expenses.

Individually impaired trade receivables relate to customers who had defaulted for more than 90 days where there is no evidence for recoverability of amounts owed. The group expects that a portion of the receivables will be recovered and has recognised impairment losses of N240million and N220million for group and company respectively. The ageing of these receivables is as follows:

	Group		Company	
	31 Dec 2015	**31 Dec 2014**	**31 Dec 2015**	**31 Dec 2014**
	N'000	**N'000**	**N'000**	**N'000**
1 to 3 months	-	110	-	110
3 to 6 months	3,381	71,581	3,381	71,581
Over 6 months	236,345	76,962	216,353	56,970
	239,726	**148,653**	**219,734**	**128,661**

Movements in the provision for impairment of trade receivables that are assessed for impairment collectively are as follows:

	Group		Company	
	N'000	**N'000**	**N'000**	**N'000**
At 1 January	148,653	140,562	128,661	119,933
Provision for impairment recognised during the year	91,176	8,728	91,176	8,728
Receivables written off during the year as uncollectible	(103)	(637)	(103)	-
At 31 December	**239,726**	**148,653**	**219,734**	**128,661**

	Group		Company	
	31 Dec 2015	**31 Dec 2014**	**31 Dec 2015**	**31 Dec 2014**
	N'000	**N'000**	**N'000**	**N'000**
Amounts recognised in profit or loss	91,073	8,091	91,073	8,728

(iv) Past due but not impaired

As at 31 December 2015, trade receivables of N447million (Company- N397million) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	N'000	N'000	N'000	N'000
Up to 3 months	249,964	422,220	249,964	410,983
3 to 6 months	196,833	353,383	147,224	294,884
	446,797	**775,603**	**397,188**	**705,867**

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due. The group does not hold any collateral in relation to these receivables.

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Neither past due not Impaired	N'000	N'000	N'000	N'000
Less than 3 months	**10,589,913**	**11,290,803**	**11,057,996**	**11,649,928**

3.3 Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the group held deposits at call of N12,917 million (2014 –N1,668 million) that are expected to readily generate cash inflows for managing liquidity risk.

Management monitors rolling forecasts of the group's liquidity reserve and cash and cash equivalents (note 19) on the basis of expected cash flows.

This is generally carried out at each of the respective companies of the group in accordance with practice and limits set by the group. These limits vary to take into account the liquidity of the market in which the entity operates.

In addition, the group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. For trade payables, balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities (Company)	**Less than 6 months**	**6 – 12 months**	**Between 1 and 5 years**	**Over 5 years**	**Total contractual cash flows and carrying amount**
31-Dec-15	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Trade payables	138,247	145,452	-	-	283,699
Borrowings	-	-	3,200,000	16,558,000	19,758,000

Contractual maturities of financial liabilities (Group)	**Less than 6 months**	**6 – 12 months**	**Between 1 and 5 years**	**Over 5 years**	**Total contractual cash flows and carrying amount**
31-Dec-15	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Trade payables	163,016	148,792	-	-	311,808
Borrowings	-	-	3,200,000	16,558,000	19,758,000

The N3.2 billion disclosed in the 2015 borrowings time band 'between 1 and 5 years' relates to interest on borrowings. The group is not considering early repayment of principal in the 2016 financial year (2014 – nil).

4 Capital risk Management

(a) Risk management

The group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The group monitors capital on the basis of the following gearing ratio:

- Net debt as per note 28 divided by total 'equity' (as shown in the balance sheet, including non-controlling interests).

During 2015, the group's strategy was to maintain a gearing ratio within 20% to 30% and a B credit rating. The credit rating was unchanged and the gearing ratios at 31 December 2015 and 31 December 2014 were as follows:

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	N'000	N'000	N'000	N'000
Net debt (note 28)	5,367,266	-	5,553,718	-
Total equity	52,144,310	51,752,070	52,559,239	52,089,468
Net debt to equity ratio	10%	0%	11%	0%

(i) Loan covenants

Under the terms of the major borrowing facilities, the group is required to comply with the following financial covenants:

- Maximum net debt: EBITDA of 3.0 from the Issue date to the maturity date.
- Minimum historical Debt Service Coverage Ratio ("DSCR") to be maintained at 1.2 times. The DSCR would be calculated as (Cash Flow Available for Debt Service/Total Debt - Service net of available cash and cash equivalents);
- Minimum Interest Cover to be maintained at 2.0 times. This will be calculated as the historical EBITDA/Net Interest Expenses;
- Secured indebtedness shall not exceed 50% of the Issuer's Net Asset determined on the basis of total assets less total liabilities, as stated in the Issuer's most recent consolidated financial statements.

The group has complied with these covenants throughout the reporting period. As at 31 December 2015, the ratio of net debt to EBITDA was 1.22 times (2014: 0), DSCR is 1.5 times. Interest cover was 9 times and secured indebtness is 36%.

4.1 Recognised Fair Value Measurements

This note explains the judgements and estimates made in determining the fair values of the non-financial assets that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial assets and liabilities into the three levels prescribed under the accounting standards.

At 31 December 2015	Notes	Level 1	Level 2	Level 3	Total
		N'000	N'000	N'000	N'000
Investment properties	14	-	1,507,000	-	1,507,000
Total Non -financial assets		-	1,507,000		1,507,000
At 31 December 2014					
Investment properties	14	-	1,138,164	-	1,138,164
Total Non -financial assets		-	1,138,164	-	1,138,164

The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.

The investment property was carried at cost in the prior period, being the year of acquisition.

ii) Valuation techniques used to determine level 2 fair values

The group obtains independent valuations for its investment properties at least annually.

At the end of each reporting period, the directors update their assessment of the fair value of its property, taking into account the most recent independent valuations. The directors determine a property's value within a range of reasonable fair value estimates.
The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the directors consider information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

All resulting fair value estimates for properties are included in level 3 .The key inputs under this approach are the price per square metre from current year sales of comparable lots of land in the area (location and size).

iii) Valuation processes

The group engages external, independent and qualified valuers to determine the fair value of the group's investment properties at the end of every financial year and for other land and buildings at least every three years.

As at 31 December 2015, the fair values of the investment properties have been determined by Ubosi Eleh & Company Estate Surveyors and Valuers.

In valuing the property, the valuers assumed :

i. that the title of the property is good and marketable;
ii. that the property is not adversely affected by or subject to compulsory acquisition, road widening, new proposal or planning scheme;
iii. that the property is free from all onerous charges and restrictions.

The basis of valuation is the market value that is the price, which an interest in a property might reasonably be expected to realize in a sale by private treaty assuming:

i. a willing buyer;
ii a reasonable period within which to negotiate the sale taking into account the nature of the property and the state of the market;
iii. values will remain static throughout the period;
iv. the property will be freely exposed to the market;
v. no account is to be taken of an additional bid by a special purchaser;
vi. no account is to be taken of expenses of realization, which may arise in the event of a disposal.

The investment property was carried at cost in prior period, being the year of acquisition.
The main level 3 inputs used by the group are derived and evaluated as follows:

- Leased Land – discount rates, terminal yields, expected vacancy rates and rental growth rates are estimated by Ubosi Eleh & Company Estate Surveyors and Valuers.

The estimates are consistent with the valuer's experience and knowledge of market conditions.

4.2 Critical Accounting Estimates and Judgements

Critical accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. The following discusses the most significant accounting judgments and estimates that the company has made in the preparation of the financial statements:

Impairment of goodwill

The Group reviews goodwill at least annually and other non-financial assets when there is any indication that the assets might be impaired. The Group has estimated the value in use and fair value of operating segments to which goodwill is allocated using discounted cash flow models that required assumptions about future cash flows, margins, and discount rates. See note 12 for methods and assumptions used in estimating net recoverable amount.

Sensitivity

If the average budgeted gross margin used in the value-in-use calculation for Transcorp Hotels Calabar Limited (CGU) had been 9% lower than management's estimates at 31 December 2015 (65% instead of 74%), the group would have had to recognise an impairment against the carrying amount of goodwill of N92 million.

The reasonably possible change of 9% reduction in budgeted gross margin represents a reasonably possible reduction in sales of 5% (i.e. annual growth rate of 15% instead of 20%).

If the pre-tax discount rate applied to the cash flow projections of this CGU had been 3% higher than management's estimates (20% instead of 17%), the group would have had to recognise an impairment against investment in Transcorp Hotels Calabar Limited (THCL) of N230 million.

In the prior year there were no reasonably possible changes in any of the key assumptions that would have resulted in an impairment write-down in Investment in THCL.

5 Revenue

	31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
Rooms	9,060,026	9,624,109	8,747,601	9,267,808
Food and beverages	3,560,761	4,186,639	3,310,195	3,964,202
Shop rental	644,952	557,477	644,952	557,477
Service charge	152,414	166,837	138,276	166,837
Other operating revenue	561,171	569,734	541,980	530,251
	13,979,324	15,104,796	13,383,004	14,486,575

The group earns revenue from the sale of goods and services, mainly hotel accommodation, sale of food and beverages, entertainment and restaurant revenues, other related service fees and rental income.

All the revenue was generated in Nigeria. The group does not have any customer that accounts for more than 5 % of its revenue. The revenue from external parties is measured in the same way as in the statement of profit or loss.

6 Cost of Sales

	Group		Company	
	31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
Rooms	724,199	707,980	701,218	681,532
Food and beverages	1,369,720	1,576,049	1,252,193	1,467,406
Other operating departments	27,542	22,081	27,542	22,081
Staff costs	1,240,504	1,199,334	1,151,049	1,114,842
	3,361,965	3,505,444	3,132,002	3,285,861

7 Administrative Expenses

		Group		Company	
		31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
Staff costs		1,105,152	1,120,155	1,037,739	1,062,949
Depreciation		1,041,987	1,026,059	897,913	898,604
Auditors remuneration		45,000	45,000	30,000	30,000
Management and incentive fees	20.2	1,194,896	1,403,102	1,194,896	1,403,102
Professional fees		130,021	137,599	129,961	132,902
Directors' remuneration		93,801	144,523	91,591	144,073
Bank charges		45,230	43,052	43,865	41,764
Repairs and maintenance		679,914	760,954	622,222	701,134
Energy cost		893,780	900,493	776,242	746,804
Amortisation		12,491	13,711	12,163	10,862
Donations		-	316,000	-	316,000
Insurance		184,449	150,277	175,520	150,277
Group services and benefits		272,869	295,004	272,869	295,004
Bank card charges		145,846	204,166	145,846	204,166
Other operating expenses		97,723	916,479	42,666	831,993
		5,943,159	7,476,574	5,473,493	6,969,634

N3.27 million being tax advisory fees was paid to the auditors - PwC in the year (2014: nil). This non-audit service was carried out with the consent of the audit engagement partner and these services pose no threat to PwC's independence and objectivity.

8 Other Operating Income/ (expense) - net

	Group		Company	
	31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
Profit on fixed asset disposal	16,595	542	16,595	542
Net foreign exchange gains/ (loss)	13,418	138,951	13,418	136,620
Other income	117,121	-	116,478	-
Fair value adjustment to investment properties	(38,164)	-	(38,164)	-
	108,970	139,493	108,327	137,162

NOTES TO THE FINANCIAL STATEMENT *(contd)*

9 Finance Income and Cost

	Group		Company	
	31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
Finance income				
Interest on bank deposits	349,411	277,729	344,929	277,729
Interest on intercompany loan	245,387	-	245,387	-
	594,798	277,729	590,316	277,729
Finance cost				
Interest expense	599,793	-	599,793	-
Less amount capitalised	(599,793)	-	(599,793)	-
Finance cost expensed	-	-	-	-

Capitalised borrowing cost

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the group's specific borrowings during the year, in this case 16% (2014 – 0%).

10 Taxation

	Group		Company	
Current tax	31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
Income tax	1,770,780	1,314,290	1,764,749	1,287,096
Education tax	130,917	99,532	129,796	99,532
	1,901,697	1,413,822	1,894,545	1,386,628
Deferred income tax				
Decrease/ (increase) in deferred tax liabilities (note 16)	(21,070)	(94,437)	6,735	(70,947)
Total deferred tax write back	(21,070)	(94,437)	6,735	(70,947)
Income tax expense	**1,880,627**	**1,319,385**	**1,901,280**	**1,315,681**

The movement in tax payable is as follows:

	Group		Company	
	31 December 2015 N'000	31 December 2014 N'000	31 December 2015 N'000	31 December 2014 N'000
At 1 January	3,092,585	3,709,963	3,081,435	3,720,625
Adjustments for current tax of prior periods	1,300	(5,382)	-	-
Provision for the year	1,901,697	1,413,822	1,894,545	1,386,628
Payment during the year	(2,063,008)	(2,025,818)	(2,063,008)	(2,025,818)
At 31 December	**2,932,574**	**3,092,585**	**2,912,972**	**3,081,435**

A reconciliation between tax expense and the product of accounting profit multiplied by Nigeria's domestic tax rate for the years ended 31 December 2015 and 2014 is as follows:

	Group		Company	
	31 December 2015 N'000	31 December 2014 N'000	31 December 2015 N'000	31 December 2014 N'000
Profit before tax	5,377,968	4,540,000	5,476,152	4,645,971
Tax at Nigeria Corporation tax rate of 30% (2014: 30%)	1,613,390	1,311,366	1,642,846	1,389,521
Education tax	130,917	99,532	129,796	99,533
Expenses not deductible for tax purposes	225,850	3,424	225,850	3,424
Tax effect of income not subjected to tax	(90,830)	(89,555)	(97,212)	(176,797)
Income tax under provision in prior years	1,300	(5,382)		-
Tax charge for the year	**1,880,627**	**1,319,385**	**1,901,280**	**1,315,681**

NOTES TO THE FINANCIAL STATEMENT *(contd)*

11 Property Plant and Equipment

Group	Freehold Land	Leasehold Building	Plant & Machinery	Capital work in progress	Computer Equipment & Furniture & Fittings	Motor Vehicle	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost							
1 January 2014	31,358,513	15,267,007	2,429,506	58,676	1,949,574	345,700	51,408,976
Additions	-	156,227	251,595	1,514,667	436,395	74,425	2,433,309
Impairment	-	(2,339)	(52,636)	-	-	-	(54,975)
Reclassifications	-	30,855	1,397	(34,161)	1,909	-	-
Write offs	-	-	-	(3,860)	-	-	(3,860)
Disposals	-	-	-	-	-	(2,800)	(2,800)
31 December 2014	**31,358,513**	**15,451,750**	**2,629,862**	**1,535,322**	**2,387,878**	**417,325**	**53,780,650**
1 January 2015	31,358,513	15,451,750	2,629,862	1,535,322	2,387,878	417,325	53,780,650
Additions	3,639,500	115,451	375,898	10,938,590	257,154	149,008	15,475,601
Write-offs	-	13,782	520	-	(8,124)	-	6,178
Reclassifications	-	16,408	-	(16,844)	436	-	-
Disposals	-	-	-	-	(1,151)	(92,435)	(93,586)
31 December 2015	**34,998,013**	**15,597,391**	**3,006,280**	**12,457,068**	**2,636,193**	**473,898**	**69,168,843**
Accumulated depreciation and impairment losses							
1 January 2014	-	1,047,931	1,051,027	-	1,519,896	222,732	3,841,586
Charge for the year	-	353,318	394,071	-	231,269	47,425	1,026,083
Disposals	-	-	-	-	-	(2,800)	(2,800)
Impairment	-	(165)	(27,817)	-	-	-	(27,982)
31 December 2014	**-**	**1,401,084**	**1,417,281**	**-**	**1,751,165**	**267,357**	**4,836,887**
1 January 2015	-	1,401,084	1,417,281	-	1,751,165	267,357	4,836,887
Depreciation for the year	-	364,703	410,622	-	197,471	69,191	1,041,987
Disposals	-	-	-	-	(1,151)	(92,003)	(93,154)
Write-offs	-	4,853	36,791	-	(2,519)	9,859	48,984
31 December 2015	**-**	**1,770,640**	**1,864,694**	**-**	**1,944,966**	**254,404**	**5,834,704**
Net Book value							
At 1 January 2015	**31,358,513**	**14,050,666**	**1,212,581**	**1,535,322**	**636,713**	**149,968**	**48,943,763**
	34,998,013	**13,826,751**	**1,141,586**	**12,457,068**	**691,227**	**219,494**	**63,334,139**

Company	Freehold Land	Leasehold Building	Plant & Machinery	Capital work in progress	Computer Equipment & Furniture & Fittings	Motor Vehicle	Total
Cost							
1 January 2014	30,872,625	14,253,372	2,076,959	20,290	1,695,378	334,866	49,253,490
Additions	-	131,204	140,353	1,394,197	421,806	74,425	2,161,985
Disposals	-	-	-	-	-	(2,800)	(2,800)
31 December 2014	**30,872,625**	**14,384,576**	**2,217,312**	**1,414,487**	**2,117,184**	**406,491**	**51,412,675**
1 January 2015	30,872,625	14,384,576	2,217,312	1,414,487	2,117,184	406,491	51,412,675
Additions	-	17,160	360,522	7,147,495	247,890	149,008	7,922,075
Write-offs	-	13,782	520	-	(8,124)	-	6,178
Reclassification	-	(436)	-	-	436	-	-
Disposals	-	-	-	-	(1,151)	(92,435)	(93,586)
31 December 2015	**30,872,625**	**14,415,082**	**2,578,354**	**8,561,982**	**2,356,235**	**463,064**	**59,247,342**
Accumulated depreciation and impairment losses							
1 January 2014	-	981,509	901,957	-	1,330,887	214,769	3,429,122
Charge for the year	-	325,186	327,707	-	199,414	46,296	898,603
Disposals	-	-	-	-	-	(2,800)	(2,800)
31 December 2014	-	1,306,695	1,229,664	-	1,530,301	258,265	4,324,925
1 January 2015	-	1,306,695	1,229,664	-	1,530,301	258,265	4,324,925
Charge for the year	-	327,108	340,828	-	161,916	68,062	897,914
Write-offs	-	4,853	36,791	-	(2,519)	9,863	48,988
Disposals	-	-	-	-	(1,151)	(92,003)	(93,154)
31 December 2015	**-**	**1,638,656**	**1,607,283**	**-**	**1,688,547**	**244,187**	**5,178,673**
Net Book Value							
At 1 January 2015	**30,872,625**	**13,077,881**	**987,648**	**1,414,487**	**586,883**	**148,226**	**47,087,750**
At 31 December 2015	**30,872,625**	**12,776,426**	**971,071**	**8,561,982**	**667,688**	**218,877**	**54,068,669**

None of the non-current assets have been pledged as security by the group.

Borrowing costs capitalised amounted to N599.7million (2014: nil).

12 Intangible Assets

	Group			Company
	Goodwill	Computer software	Total	Computer software
Cost	**N'000**	**N'000**	**N'000**	**N'000**
1 January 2014	1,974,756	92,054	2,066,810	86,899
Additions	-	6,128	6,128	-
31 December 2014	**1,974,756**	**98,182**	**2,072,938**	**86,899**
Balance at 1 January 2015	1,974,756	98,182	2,072,938	86,899
Additions	-	16,242	16,242	16,242
Disposals	-	(821)	(821)	-
31 December 2015	**1,974,756**	**113,603**	**2,088,359**	**103,141**
Accumulated amortisation				
1 January 2014	-	29,590	29,590	28,091
Amortisation for the year	-	13,711	13,711	10,862
31 December 2014	**-**	**43,301**	**43,301**	**38,953**
Balance at January 1, 2015	-	43,301	43,301	38,953
Amortisation for the year	-	12,491	12,491	12,163
31 December 2015	**-**	**55,792**	**55,792**	**51,116**
Net Book Value 20.2				
1 January 2015	**1,974,756**	**54,881**	**2,029,637**	**47,946**
31 December 2015	**1,974,756**	**57,811**	**2,032,567**	**52,025**

The group determines at each reporting date whether there is any objective evidence that intangible assets are impaired. The remaining amortisation period for computer software cost is between 3 to 6 years. Goodwill is not amortised but tested for impairment annually.

The group periodically evaluates its non- current assets for impairment, whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The group's judgements regarding the existence of impairment indicators are based on market conditions and operational performance of the business. Future events could cause management to conclude that impairment indicators exist.

12.1 Goodwill

Goodwill arose from the excess of the consideration over acquisition-date fair values of identifiable assets and liabilities of Transcorp Hotels Calabar Limited acquired as disclosed in note 12. The goodwill amount relates to pre-existing goodwill from previous acquisition of Transcorp Hotels Calabar Limited. No additional goodwill was recorded during the year.

In assessing goodwill for impairment at 31 December 2015 and 2014, the Company compared the aggregate recoverable amount of the assets included in the CGU to its respective carrying amounts. Recoverable amount has been determined based on the value in use of the CGUs using five year cash flow budgets approved by directors that made maximum use of observable markets for inputs and outputs. For periods beyond the budget period, cash flows were extrapolated using growth rates that do not exceed the long-term average growth rate for the business.

Based on the results of the impairment evaluation described above, the recorded goodwill was not impaired as the recoverable amount of the subsidiary exceeded the carrying value.

The key assumptions used for the value-in-use calculations are as follows:

	31 Dec 2015	31 Dec 2014
Budgeted gross margin %	74%	73%
Weighted average growth rate	6%	6%
Pre-tax discount rate	17%	17%
Recoverable amount of CGU (N'000)	4,055,039	3,565,145

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption Used	Approach used to determining values
Sales volume	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
Sales price	Average annual growth rate over the five-year forecast period; based on current industry trends and including long term inflation forecasts.
Budgeted gross margin	Based on past performance and management's expectations for the future.
Other operating costs	Fixed costs of the CGU, which do not vary significantly with sales volumes or prices. Management forecasts these costs based on the current structure of the business, adjusting for inflationary increases but not reflecting any future restructurings or cost saving measures. The amounts disclosed above are the average operating costs for the five-year forecast period.
Annual capital expenditure	Expected cash costs in the CGU. This is based on the historical experience of management, and the planned refurbishment expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.
Long - term growth rate	This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.
Pre - tax discount rates	Reflect specific risks relating to the CGU and the countries in which they operate.

Reasonably possible changes in key assumptions would not cause the recoverable amount of goodwill to fall below the carrying value.

Goodwill has been allocated to the following CGU as follows

	31 Dec 2015	31 Dec 2014
	N'000	N'000
Transcorp Hotels Calabar Limited (THCL)	1,974,756	1,974,756

13 Investment in Subsidiaries

	Company	
	31 Dec 2015	31 Dec 2014
	N'000	N'000
Transcorp Hotels Calabar Limited	3,508,621	3,508,621
Transcorp Hotels Port Harcourt Limited	20,000	-
Transcorp Hotels Ikoyi Limited	1,160	-
	3,529,781	**3,508,621**

Movement in investment in subsidiaries is analysed as follows:

	Company	
	31 Dec 2015	31 Dec 2014
	N'000	N'000
At beginning of year	3,508,621	2,163,621
Additions - cost	21,160	1,345,000
At end of year	**3,529,781**	**3,508,621**

Transcorp Hotels Ikoyi (formerly Multi-Mega Investments and Properties Nigeria Limited) was incorporated on July 2000 as a private limited liability company.

On August 2013, the company acquired 1,160,000 shares (representing 52% shareholding) in Transcorp Hotels Ikoyi Limited. Based on the events that occurred during the year, Transcorp Hotels Plc gained control over Transcorp Hotels Ikoyi Limited in 2015.

The shareholders of Transcorp Hotels Ikoyi are Transcorp Hotels Plc (52%) and Heirs Holdings Limited (48%)."

Transcorp Hotels Port Harcourt Limited is a wholly owned subsidiary of Transcorp Hotels Plc. The company was incorporated on registered 1 March 2014 as a private limited liability company.

Non-controlling interests are not material to the group, hence no summarised information has been disclosed.

14 Investment Property

	Group		Company	
	31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
At beginning of year	1,138,164	-	1,138,164	-
Additions	407,000	1,138,164	407,000	1,138,164
Fair value loss on investment property	(38,164)	-	(38,164)	-
Transfer to property, plant and equipment	(1,507,000)	-	-	-
Closing balance	**-**	**1,138,164**	**1,507,000**	**1,138,164**

Investment property as at 31 December 2015 relates to the 12,550.70 square Meters of land at Ikewere street, Oromeruezingbu Village, Port Harcourt, Rivers State, Nigeria.

As at 31 December 2015, the rental income from investment properties amount to N4,1 million and loss on revaluation amounting to N38.1 million. There are no direct operating expenses from property that generated rental income.

Changes in fair values are presented in profit or loss as part of other income.

This investment property was occupied by Transcorp Hotels Port Harcourt Limited in 2015.

In line with IAS 40, this investment property has been reclassified to property plant and equipment in the consolidated financial statement.

15 Borrowings

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	N'000	N'000	N'000	N'000
Unsecured and non-current bond	16,313,564	-	16,313,564	-
Unsecured and current bond	3,238,531	-	3,238,531	-
Total borrowings	**19,552,095**	**-**	**19,552,095**	**-**

The company issued:

i) a N10 billion 7-year 16.00% fixed rate bonds made through 100% firm underwriting process wherein the Issue is offered to Qualified Institutional Investors ("QIIs") and High Net Worth Investors ("HNIs") as defined under Rule 321 of the Rules and Regulations of the Securities and Exchange Commission, and

ii) a N9.758 billion subscribed 5-year 15.50% fixed rate bonds made through Book building process wherein 100% of the subscribed Issue is offered to Qualified Institutional Investors ("QIIs") and High Net Worth Investors ("HNIs") as defined under Rule 321 of the Rules and Regulations of the Securities and Exchange Commission

See note 4a(i) for details of loan covenant.

The fair values of borrowings are based on cash flows discounted using a rate based on the borrowing rate of 16% (2014: nil) and the rate used is the average interest rate obtainable from commercial banks.

This has been determined as a level 1 measure within the fair value hierarchy as the bond is traded on an active market.

Use of Proceeds:

N10 billion 7-year 16.00% fixed rate bonds

Purpose	Amount (N'000)	% of Net proceeds	Estimated completion period
Upgrade and refurbishment of Transcorp Hilton Abuja	7,611,496	76%	April 2017
Construction of Multipurpose Banquet Hall in Transcorp Hilton Abuja	1,902,874	19%	December 2017
Cost of Issue	235,630	2%	Paid
Underwriting Fee	250,000	3%	Paid
	10,000,000	**100%**	

N9.758 billion 5-year 15.50% fixed rate bonds

Purpose	Amount (N'000)	% of Net proceeds	Estimated completion period
Upgrade and refurbishment of Transcorp Hilton Abuja	7,615,821	78%	April 2017
Construction of Multipurpose Banquet Hall in Transcorp Hilton Abuja	1,930,955	20%	December 2017
Cost of Issue	238,224	2%	Paid
	9,785,000	**100%**	

NOTES TO THE FINANCIAL STATEMENT *(contd)*

16 Deferred Tax

Movements

Group	Property, plant and equipment N'000	Tax losses and provisions N'000	Others N'000	Total N'000
At 1 January 2014	7,675,416	(100,050)	22,927	7,598,293
Charged/(credited) to profit or loss	(70,947)	(23,490)		(94,437)
At 31 December 2014	**7,604,469**	**(123,540)**	**22,927**	**7,503,856**
At 1 January 2015	7,604,469	(123,540)	22,927	7,503,856
Charged/(credited) to profit or loss	(151,137)	130,067	-	(21,070)
At 31 December 2015	**7,453,332**	**6,527**	**22,927**	**7,482,786**

Company	Property, plant and equipment N'000	Tax losses and provisions N'000	Others N'000	Total N'000
At 1 January 2014	7,409,641	(123,540)	-	7,286,101
Charged/(credited) to profit or loss	(70,947)			(70,947)
At 31 December 2014	**7,338,694**	**(123,540)**	**-**	**7,215,154**
At 1 January 2015	7,338,694	(123,540)	-	7,215,154
Charged/(credited) to profit or loss	(107,915)	114,650	-	6,735
At 31 December 2015	**7,230,779**	**(8,890)**	**-**	**7,221,889**

Temporary differences is attributable to:

	Group		Company	
	31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
Property, plant and equipment	(151,137)	(70,947)	(107,915)	(70,947)
Tax losses and provisions	130,067	(23,490)	114,650	-
Total deferred tax liabilities	**(21,070)**	**(94,437)**	**6,735**	**(70,947)**

17 Inventories

	Group		Company	
	31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
Food and beverage	147,931	149,318	129,215	125,249
Fuel	36,824	14,820	36,824	10,169
Engineering spares	431,646	571,562	425,281	566,435
Guest supplies	104,676	115,185	96,531	106,882
	721,077	850,885	687,851	808,735
Less impairment	(29,635)	(30,600)	(29,635)	(29,635)
	691,442	**820,285**	**658,216**	**779,100**

The costs of individual items of inventory are determined using weighted average costs.

Inventories recognised as an expense during the year ended 31 December 2015 amounted to N1.44 billion and 1.31 billion for group and company respectively (2014 – N1.598 billion Company - N1.49 billion). These were included in cost of sales.

There was no write-downs of inventories to net realisable value during the year (2014: nil).

In the group accounts, Transcorp Hotel Plc's management has determined that a provision of N965,000 in previous years against inventories recorded in Transcorp Hotels Calabar Limited should be reversed as the affected inventories have been sold in the year.

The reversal of the provision has been included in cost of sales, as this was the line in the income statement against which the original provision had been charged.

The reversal of the provision will result in an increase in the entity's tax charge for the year of N290,000 (965,000 × 30%). This charge reverses the tax relief received in prior periods. The adjustment to the tax charge has been included in the tax line item in the income statement.

18 Trade and Other Receivables

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	N'000	N'000	N'000	N'000
Trade receivables	1,390,299	1,373,197	1,313,693	1,242,136
Less: Provision for impairment of trade receivables	(239,726)	(148,653)	(219,734)	(128,661)
	1,150,573	1,224,544	1,093,959	1,113,475
Pre-payment	61,443	321,004	55,673	314,131
Receivables from related parties	9,131,486	9,990,773	9,653,654	10,451,991
Other receivables	754,551	851,089	707,571	790,329
	11,098,053	12,387,410	11,510,857	12,669,926

Other Receivables

These amounts generally arise from transactions outside the usual operating activities of the group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. All other receivables are due and payable within one year from the end of the reporting period.

Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

NOTES TO THE FINANCIAL STATEMENT *(contd)*

19 Cash and Bank Balances

	Group		Company	
	31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
Cash in hand	9,770	10,093	9,770	9,041
Cash in bank	14,175,059	2,678,485	13,988,607	2,615,884
	14,184,829	**2,688,578**	**13,998,377**	**2,624,925**

For the purpose of the cash flow statement, cash and cash equivalents comprise the following:

Cash and bank balances	**14,184,829**	**2,688,578**	**13,998,377**	**2,624,925**

20 Trade and Other Payables

	Group		Company	
	31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
Trade payables	311,808	429,942	283,699	385,861
VAT payable	73,585	319,677	73,585	319,677
Accrued liabilities	2,613,572	1,596,513	2,460,574	1,471,118
Dividend payable	3,105,101	2,812,149	3,105,101	2,812,149
Payable to related parties (Note 20.1)	79,014	15,271	84,942	-
Deposits from guests	123,244	162,748	123,244	162,748
WHT Payable	364,640	1,846,705	364,640	1,842,501
Unearned income	147,461	92,331	147,461	92,331
Total	**6,818,425**	**7,275,336**	**6,643,246**	**7,086,385**

20.1 Payable to related parties

	Group		Company	
	31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
Transnational Corporation of Nigeria Plc (Parent)	79,014	15,271	63,782	-
Transcorp Hotels Port Harcourt Limited	-	-	20,000	-
Transcorp Hotels Ikoyi Limited			1,160	
	79,014	15,271	84,942	-

NOTES TO THE FINANCIAL STATEMENT *(contd)*

20.2 Deposit for Shares

Based on the Memorandum of Understanding between Transcorp Hotels Plc and Heirs Holdings Limited, THIL will issue shares to Heirs Holdings Limited on completion of the construction and start of operation of the hotel.

Deposit for shares relates to Heirs Holding Nigeria Limited's contribution to the development of Transcorp Hotels Ikoyi Limited (THIL).

21 Financial Instruments and Fair Values

Measurement Categories

The following table shows the carrying values of financial assets and liabilities for each of these categories at 31 December 2015 and 31 December 2014.

Group	**31 Dec 2015 N'000**	**31 Dec 2014 N'000**
Financial Assets	*Loans and receivables*	*Loans and receivables*
Trade and other receivables	11,098,053	12,387,410
Cash and cash equivalents	14,184,829	2,688,578
	25,282,882	15,075,988

Measurement Categories continued

	31 Dec 2015 N'000	**31 Dec 2014 N'000**
Financial Liabilities	*Other financial liabilities*	*Other financial liabilities*
Trade payables and other liabilities	6,818,425	7,275,336
Borrowings	19,552,095	-
	26,370,520	7,275,336

Company	**31 Dec 2015 N'000**	**31 Dec 2014 N'000**
Financial Assets	*Loans and receivables*	*Loans and receivables*
Trade and other receivables	11,510,857	12,669,926
Cash and cash equivalents	13,998,377	2,624,925
	25,509,234	15,294,851
Financial Liabilities	*Other financial liabilities at amortised cost*	*Other financial liabilities at amortised cost*
Trade payables	283,699	385,861
Intercompany payables	84,942	-
Borrowings	19,552,095	-
	19,920,736	385,861

22 Related Parties

The parent company of the company is Transnational Corporation of Nigeria Plc. The company is owned by Nigerian citizens.

A number of transactions are entered into with related parties in the normal course of business. The volumes of related-party transactions, outstanding balances at the year-end, and relating expense and income for the year are as follows:

Sales to :	Group		Company	
	31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
Transnational Corporation of Nigeria Plc (Holding Company)	13,746	66,869	13,746	65,659
Afriland Properties Plc (Related Party)	-	103,885	-	103,885
Heirs Holdings (Related Party)	6,957	16,217	6,957	16,083
Avon Healthcare Limited (Related Party)	4,800	11,384	4,800	8,182

Year end balances arising from sales/purchases of goods and services.

22.1 Receivables from Related Parties

	Group		Company	
	31 Dec 2015 N'000	31 Dec 2014 N'000	31 Dec 2015 N'000	31 Dec 2014 N'000
Parent and Holding Company				
Transnational Corporation Nigeria Plc	7,186,548	5,967,018	7,186,548	5,966,484
Heirs Holding Nigeria Limited	60,022	2,290,022	60,022	2,290,022
	7,246,570	8,257,040	7,246,570	8,256,506
Subsidiary and fellow subsidiaries				
Transcorp Hotel Calabar	-	-	517,677	461,752
Transcorp Power Limited	1,861,450	1,710,210	1,861,450	1,710,210
Teragro Commodities Limited	6,241	6,334	6,241	6,334
Transcorp Hotels Port Harcourt Limited	-	-	4,491	-
Transcorp Energy Limited	-	15,525	-	15,525
Due from Transcorp OPL 281 Limited	17,225	1,664	17,225	1,664
Closing balance	**9,131,486**	**9,990,773**	**9,653,654**	**10,451,991**

22.2 Long term intercompany receivables

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	N'000	N'000	N'000	N'000
Opening balance	-	-	1,616,010	-
Additions				
Transcorp Hotels Port Harcourt Limited	-	180,153	380,627	180,153
Transcorp Hotels Ikoyi Limited	-	1,435,857	1,567,879	1,435,857
Closing balance	-	**1,616,010**	**3,564,516**	**1,616,010**

Long term Intercompany receivables relates to total amount incurred on on-going projects at Transcorp Hotels Port Harcourt and Transcorp Hotels Ikoyi Limited.

For group purposes, long term receivables has been represented as capital work in progress under property, plant and equipment.

22.3 Loans to Related Parties

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	N'000	N'000	N'000	N'000
Beginning of the year	4,222,040	-	4,222,040	-
Loan advanced				
Transnational company of Nigeria	3,600,000	2,512,040	3,600,000	2,512,040
Transcorp Power Limited	2,150,000	1,710,000	2,150,000	1,710,000
Loan repayments				
Transnational company of Nigeria	(1,992,552)	-	(1,992,552)	-
Transcorp Power Limited	(2,156,286)	-	(2,156,286)	-
Interest received				
Transnational company of Nigeria	89,053	-	89,053	-
Transcorp Ughelli Power Plant	156,334	-	156,334	-
End of the year	6,068,589	4,222,040	6,068,589	4,222,040

There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of receivables due from related parties. Loans to related parties are included in "Intercompany Receivables"

The company granted loans to key management personnel during the year. Total outstanding loan of N25,953,500 as at 31 December 2015 are generally for periods of 2 years repayable in monthly instalments at interest rates at 5% per annum. These loans are being deducted from their salaries on a monthly basis. Loans to key management personnel are unsecured.

Management services were bought from the parent entity (Transnational Corporation of Nigeria) as stipulated in the management service agreement at 5% of profit before tax amounting to N286,045,000 (2014 : N234,258,222)

All other transactions were made on normal commercial terms and conditions and at market rates, except that there are no fixed terms for the repayment of loans between the parties. The average interest rate on the other loans during the year was 14% (2014 – 16%).

Outstanding balances are unsecured and are repayable in cash or netted off receivables from the group.

23 Staff Numbers and Costs

The table below shows the number of employees (excluding directors), who earned over N240,000 as emoluments in the year and were within the bands stated.

NOTES TO THE FINANCIAL STATEMENT *(contd)*

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Staff Numbers per grade				
Managerial	34	32	34	22
Senior staff	147	182	138	163
Others	1,641	1,398	1,451	1330
	1,822	1,612	1,623	1,515
N240,00 - N500,000	909	767	724	704
N500,001 - N1,000,000	689	631	689	611
N1,000,001 - N2,000,000	163	153	149	149
N2,000,001 - N4,000,000	30	35	30	30
N4,000,000 - N5,000,000	31	26	31	21
	1,822	1,612	1,623	1,515

Staff costs for the above persons (excluding Directors):	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	N'000	N'000	N'000	N'000
Salaries and wages	2,175,749	2,175,015	2,022,881	2,036,472
Pension cost	169,907	144,474	165,907	141,319
	2,345,656	2,319,489	2,188,788	2,177,791
Analysis of staff costs:				
Cost of sales	1,240,504	1,199,334	1,151,049	1,114,842
Administrative and general expenses	1,105,152	1,120,155	1,037,739	1,062,949
	2,345,656	2,319,489	2,188,788	2,177,791

Emoluments of directors

The remuneration paid to the Directors of the Company was:	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	N'000	N'000	N'000	N'000
Salaries	93,532	93,532	93,532	93,532
Fees	93,801	64,921	91,591	64,471
Exit package	-	28,373	-	28,373
Benefit in kind	-	51,229	-	51,229
	187,333	238,055	185,123	237,605
	19,291	22,592	19,291	22,592

Amount paid to the highest paid director (excluding pension contributions)	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Chairman's emoluments				
Fees	19,291	13,592	19,291	13,592
Others	-	9,000	-	9,000
	19,291	22,592	19,291	22,592

The number of directors of the company (including the highest paid director) whose remuneration, excluding pension contributions, in respect of services to the company is within the following range:

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
				Number
Less than N700,000	7	7	7	7
Over N700,000	2	2	2	2
	9	9	9	9

24 Key Management Compensation

Key management includes directors (executive and non-executive). The compensation paid or payable to key management for employee services is shown below:

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	N'000	N'000	N'000	N'000
Salaries and other short-term employee benefits	88,662	95,245	88,662	95,245
Defined contributions	3,429	2,286	3,429	2,286
	92,091	97,531	92,091	97,531

25 Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing the profit after taxation by the weighted average number of ordinary shares outstanding during the year. The adjusted EPS is calculated using the weighted average number of shares in issue at reporting date.

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Profit attributable to owners (N)	3,497,341,000	3,220,615,000	3,574,872,000	3,330,290,000
Weighted average number of ordinary shares in issue	7,600,403,900	5,423,866,992	7,600,403,900	5,423,866,992
Basic Earnings per share (Kobo)	**46**	**59**	**47**	**61**
Diluted Earnings per share (Kobo)	**46**	**59**	**47**	**61**

26 Share Capital

	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Authorised: 15,000,000,000 ordinary shares of 50k each	15,000,000	15,000,000	15,000,000	15,000,000

	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	N'000	N'000	N'000	N'000
Issued, called up and fully paid 7,600,403,900 ordinary shares of 50k each	3,800,202	3,800,202	3,800,202	3,800,202

Share premium

	31 Dec 2015	31 Dec 2014
	N'000	N'000
At 1 January	4,034,411	-
Initial Public Offer	-	3,974,837
Right issue	-	3,984,000
Bonus shares	-	(3,570,000)
Share issue expense	-	(354,426)
At 31 December	**4,034,411**	**4,034,411**

27 Cash Generated from Operating Activities

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	N'000	N'000	N'000	N'000
Profit before tax	4,783,170	4,262,271	4,885,836	4,368,242
Adjustment for non cash items				
Depreciation of fixed assets	1,041,987	1,026,083	897,914	898,603
Amortisation of intangible assets	12,491	13,711	12,163	10,862
Fixed asset impairment and write off	43,242	30,488	43,242	-
Intangible assets impairment and write - off	-	-	-	-
Fair value difference - Investment property	38,164	-	38,164	-
Profit on disposal of property plant and equipment	(16,587)	(542)	(16,595)	(542)
Other adjustments to reconcile expenses for the year to cash from operating activities				
Decrease / (increase) in debtors and prepayment	1,292,314	(4,964,721)	1,159,069	(3,820,330)
Decrease in inventory	128,843	103,646	120,884	125,479
Increase/(decrease)in payables and accrued expenses	(749,863)	(3,109,665)	(736,091)	(3,168,097)
Increase in deposit for shares	2,410,000	-	-	-
Net cash generated from/ (used in) operations	8,983,761	(2,638,729)	6,404,586	(1,585,783)

28 Net Debt Reconciliation

Analysis of net debt and the movements in net debt for each of the periods presented.

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	N'000	N'000	N'000	N'000
Borrowings – repayable within one year	3,238,531	-	3,238,531	-
Borrowings – repayable after one year	16,313,564	-	16,313,564	-
Cash and cash equivalents	(14,184,829)	-	(13,998,377)	-
Net debt	5,367,266	-	5,553,718	-
Gross debt – fixed interest rates	19,552,095	-	19,552,095	-
Cash and liquid investments	(14,184,829)	-	(13,998,377)	-
Net debt (See note 4)	5,367,266	-	5,553,718	-

29 Capital Commitments

The group has committed capital expenditure up to N13.3 billion (2014: N1.7 billion) for hotel expansion and upgrade.

30 Contingent Liabilities

The group is involved in some legal action in the ordinary course of the business. Based on the advice from the group's legal counsel, the directors are of the opinion that the group has good defence against the claims and no material loss is anticipated.

31 Dividend Per Share

The interim dividends paid in 2015 and 2014 were N3,105,100,975 (41k/share) and N2,812,149,433 (37 kobo/share) respectively.

An interim dividend in respect of the year ended 31 December 2015 of 41k per share amounting to a total dividend of N3,105,100,975 was proposed at the 52nd meeting of the Board of Directors of Transcorp Hotels Plc held on 4 December 2015.

32 Subsequent Events

No subsequent events after the balance sheet date came to the notice of the directors, which would materially affect the position shown by the financial statements on the balance sheet date.

VALUE ADDED STATEMENT

	Group				Company			
	2015 N'000	%	2014 N'000	%	2015 N'000	%	2014 N'000	%
Revenue	13,979,324		15,104,796		13,383,004		14,486,575	
Other income	703,768		417,222		698,643		414,891	
	14,683,092		15,522,018		14,081,647		14,901,466	
Bought in services								
- Foreign	(1,687,429)		(2,894,578)		(1,448,215)		(2,620,171)	
- Local	(1,124,952)		(1,929,719)		(965,477)		(1,746,781)	
	(2,812,381)		(4,824,297)		(2,413,692)		(4,366,952)	
Value added	**11,870,711**	**100%**	**10,697,721**	**100%**	**11,667,955**	**100%**	**10,534,514**	**100%**
Distribution								
Employees								
Salaries and benefits	2,345,656	20%	2,319,489	22%	2,188,788	19%	2,177,791	21%
Provider of funds								
Dividend	3,105,101	26%	2,812,149	26%	3,105,101	27%	2,812,149	26%
Government								
Taxation	1,880,627	16%	1,319,385	12%	1,901,280	16%	1,315,681	12%
The Future								
Depreciation	1,041,987	9%	1,026,083	10%	897,914	7%	898,603	9%
Retained profit	3,497,341	29%	3,220,615	30%	3,574,872	31%	3,330,290	32%
	11,870,711	**100%**	**10,697,721**	**100%**	**11,667,955**	**100%**	**10,534,514**	**100%**

5-YEAR SUMMARY

The Group

Balance sheet	**2015 N'000**	**2014 N'000**	**2013 N'000**	**2012 N'000**	**2011 N'000**
Non-current asset	65,366,706	53,727,574	49,604,610	50,470,194	47,433,601
Current asset	25,974,324	15,896,273	16,985,474	11,264,473	13,773,330
Current liabilities	(12,989,530)	(10,367,921)	(15,477,800)	(10,112,811)	(7,523,097)
Non-current liabilities	(26,206,350)	(7,503,856)	(7,598,293)	(8,317,170)	(8,909,671)
Net assets	52,145,150	51,752,070	43,513,991	43,304,686	44,774,163
Capital and reserves					
Share capital	3,800,202	3,800,202	5,000	5,000	5,000
Share premium	4,034,411	4,034,411	-	-	-
Revenue reserves	44,309,697	43,917,457	43,508,991	43,299,686	44,769,163
Non-controlling interest	840	-	-	-	-
	52,144,310	51,752,070	43,513,991	43,304,686	44,774,163
Comprehensive income					
Revenue	13,979,324	15,104,796	15,384,722	13,258,127	13,724,724
Profit before taxation	5,377,968	4,540,000	6,122,054	4,049,543	5,425,878
Taxation	(1,880,627)	(1,319,385)	(1,712,749)	(1,139,749)	1,531,142
Profit after taxation	3,497,341	3,220,615	4,409,305	2,909,794	6,957,020
Other comprehensive income for the year, net of tax	-	-	-	180,919	-
Total comprehensive income for the year, net of tax	3,497,341	3,220,615	4,409,305	3,090,713	6,957,020
Basic earnings per share (kobo)	46	59	88,186	58,196	139,140

Company

Balance sheet	**2015**	**2014**	**2013**	**2012**	**2011**
Non-current asset	62,721,991	53,398,491	48,046,797	48,867,133	47,433,601
Current asset	26,167,450	16,073,951	18,343,977	12,610,725	13,773,330
Current liabilities	(12,794,749)	(10,167,820)	(15,362,959)	(10,166,454)	(7,523,097)
Non-current liabilities	(23,535,453)	(7,215,154)	(7,286,101)	(7,817,487)	(8,909,671)
	52,559,239	52,089,468	43,741,714	43,493,917	44,774,163
Capital and reserves					
Share capital	3,800,202	3,800,202	5,000	5,000	5,000
Share premium	4,034,411	4,034,411	-	-	-
Revenue reserves	44,724,626	44,254,855	43,736,714	43,488,917	44,769,163
	52,559,239	52,089,468	43,741,714	43,493,917	44,774,163
Comprehensive income					
Revenue	13,383,004	14,486,575	14,768,454	12,755,193	13,724,724
Profit before taxation	5,476,152	4,645,971	6,163,838	4,250,106	5,425,878
Taxation	(1,901,280)	(1,315,681)	(1,716,041)	(1,151,081)	1,531,142
Profit after taxation	3,574,872	3,330,290	4,447,797	3,099,025	6,957,020

The balances for 2015, 2014, 2013, 2012 and 2011 have been stated in accordance with International Financial Reporting Standard (IFRS) as issued by the International Accounting Standard Board (IASB).

NOTICE OF ANNUAL GENERAL MEETING OF TRANSCORP HOTELS PLC

NOTICE IS HEREBY GIVEN that the second Annual General Meeting of Transcorp Hotels Plc ("Company") will hold at Transcorp Hilton Abuja, No. 1, Aguiyi Ironsi Street, Maitama, Abuja, FCT, on **Friday, April15, 2016** at 10.00 a.m. to transact the following businesses:

ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the year ended 31st December, 2015 and the Report of the Directors, Audit Committee and Auditors thereon

2. To declare a Dividend

3. To approve the appointment of Directors

4. To re-elect retiring Directors

5. To authorize the Directors to determine the remuneration of the Auditors

6. To elect/re-elect members of the Statutory Audit Committee

SPECIAL BUSINESS

7. To fix the remuneration of Directors

SPECIAL RESOLUTIONS

To consider and if thought fit, pass the following as special resolutions:

8. That the memorandum of association of the Company ("memo") be and is hereby altered by deleting the phrase "**in all the states of the Federation and Federal Capital Territory"**appearing in Clause 3(b) of the memo.

9. That the articles of association of the Company be and are hereby altered as follows:
   (a) Insert a new Article 21 to read
   "**DOCUMENTS TO BE CONSIDERED AT GENERAL MEETINGS**
   Annual Reports and Accounts and/or other Reports, documents and information relating to any business to be transacted at a General Meeting of the Company may be distributed or circulated electronically to members and persons entitled to receive them".

   (b) Re-number existing Articles accordingly.

   (c) Insert a new Article 26 to read
   "**PROCEEDINGS OF DIRECTORS**
   The Directors may, as a Board or Committee of the Board, meet physically or by telephone conference, video conference or by any other electronic or technological means that allows all participating Directors to hear one another, in which case the meeting will be deemed to have held at the registered office of the Company. Accordingly, notices, reports, documents and information relating to any business to be transacted at a Board or Board Committee meeting may be given, distributed or circulated electronically to Directors and persons entitled to receive them, and such giving, distribution or circulation shall be deemed proper service of the notice, report, document or information concerned"

   (d) Re-number existing Articles accordingly.

Dated this 23rd day of March, 2016

BY ORDER OF THE BOARD

....

Mrs. Helen Iwuchukwu
COMPANY SECRETARY
FRC/2015/NBA/00000012716

NOTES

1. PROXY

Any member of the Company entitled to attend and vote at this meeting is also entitled to appoint a proxy to attend and vote in his/her stead. For the appointment of the proxy to be valid, a proxy need not be a member of the Company. A proxy form must be completed and deposited at the office of the Company's Registrar, Africa Prudential Registrars Plc, 220B Ikorodu Road, Palmgrove, Lagos, not later than 48 hours before the time fixed for the meeting. A blank proxy form is attached to the Annual Report.

2. NOMINATION OF MEMBERS OF THE AUDIT COMMITTEE

Pursuant to Section 359(5) of the Companies & Allied Matters Act, Cap C20 Laws of the Federation of Nigeria, 2004 any member may nominate a shareholder as a member of the Audit Committee by giving notice in writing of such nomination. Such notice shall reach the Company Secretary at least 21 days before the Annual General Meeting. The Securities & Exchange Commissions Code of Corporate Governance for Public Companies provides that members of the Audit Committee should have basic financial literacy and should be able to read financial statements. We therefore request that nominations be accompanied by a copy of the nominee's curriculum vitae.

3. DIVIDEND

If the dividend recommended by the Directors is approved by the members at the Annual General Meeting, dividend will be paid by Monday, April 18, 2016 to the Shareholders whose names appear in the Company's Register of Members at the close of business onMonday, April 4, 2016.

4. CLOSURE OF REGISTER

The Register of Members and Transfer Books will be closed fromTuesday, April 5, 2016for the purpose of updating the Register of Members.

5. E-DIVIDEND

Notice is hereby given to all Shareholders to open bank accounts, stockbroking accounts and CSCS accounts for the purpose of dividend. Detachable application forms for e-dividend are attached to the Annual Report to enable all shareholders furnish particulars of their accounts to the Registrar as soon as possible.

6. E- REPORT

In order to improve delivery of our Annual Report, we have inserted a detachable Form to the Annual Report and hereby request shareholders to complete and return the Form to the Registrars for further processing.

In addition, the electronic version of the Annual Report for 2015 is available online for viewing and download from our website; www.transcorphotelsplc.com

PROXY FORM

SECOND ANNUAL GENERAL MEETING TO BE HELD AT 10.00 AM ON FRIDAY, APRIL 15, 2016 AT LAGOS OSUN HALL, TRANSCORP HILTON ABUJA, 1 AGUIYI-IRONSI STREET, MAITAMA, FCT ABUJA

I/WE

____

being a member/members of TRANSCORP HOTELS PLC, hereby appoint:

____

_____or failing him, the Chairman of the meeting as my/our proxy to act and vote for me/us and on my/our behalf at the SecondAnnual General Meeting of the Company to be held on and at any adjournment thereof.

A member (Shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by proxy. The above proxy form has been prepared to enable you exercise your right to vote, in case you cannot personally attend the meeting.

Please sign this proxy form and forward it, so as to reach the registered office of the Registrar, Africa Prudential Registrars Plc (Formerly UBA Registrars), 220B Ikorodu Road, Palmgrove, Lagos, not later than 48 hours before the time fixed for the meeting. If executed by a Corporation, the Proxy Form must be under its common seal or under the hand of a duly authorized officer or attorney.

It is a requirement of the law under the Stamp Duties Act, Cap S8, Laws of the Federation of Nigeria, 2004 that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of shareholders must be stamped by the Commissioner for Stamp Duties.

The Proxy must produce the Admission Card

below to gain entrance into the Meeting.

RESOLUTIONS	FOR	AGAINST
1. To receive the Audited Financial Statements for the year ended December 31, 2015, together with the Report of the Directors, Auditors and Audit Committee thereon.		
2. To approve a dividend of N0.4085 kobo per share.		
3. To approve the appointment of Mr. Adim Jibunoh as a Director of the Company.		
4. To approve the appointment of Dr. Vincent Akpotaire as a Director of the Company.		
5. To re-elect HRH. Baba Mohammed Director of the Company.		
6. To re-elect Mr. Gogo Kurubo Director of the Company.		
7. To authorize Directors to fix the remuneration of the Auditors.		
8. To elect/re-elect members of the Audit Committee.		
9. To fix the remuneration of Directors.		
SPECIAL RESOLUTIONS To consider and if thought fit, pass the following as special resolutions: 10. That the Memorandum of Association of the Company ("memo") be and is hereby altered by deleting the phrase 'in all the states of the Federation and Federal Capital Territory' appearing in Clause 3(b) of the memo.		
11. That the articles of association of the Company be and are hereby amended as follows: (a) Insert a new Article 21 to read "DOCUMENTS TO BE CONSIDERED AT GENERAL MEETINGS Annual Reports and Accounts and/or other Reports, documents and information relating to any business to be transacted at a General Meeting of the Company may be distributed or circulated electronically to members and persons entitled to receive them".		
(b) Re-number existing Articles accordingly.		
(c) Insert a new Article 26 to read "PROCEEDINGS OF DIRECTORS The Directors may, as a Board or Committee of the Board, meet physically or by telephone conference, video conference or by any other electronic or technological mean that allows all participating Directors to hear one another, in which case the meeting will be deemed to have held at the registered office of the Company.		
Accordingly, notices, reports, documents and information relating to any business to be transacted at a Board or Board Committee meeting may be given, distributed or circulated electronically to Directors and persons entitled to receive them, and such giving, distribution or circulation shall be deemed proper service of the notice, report, document or information concerned" (d) Re-number existing Articles accordingly.		

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TRANSCORP HOTELS PLC
Second Annual General Meeting

ADMISSION CARD

Please admit the Shareholder named on this Card or his duly appointed proxy to the Annual General Meeting of the Company to be held on **April 15, 2016 at Lagos/Osun hall, Floor 01, Transcorp Hilton Abuja, 1 Aguiyi-Ironsi Street, Maitama, FCT Abuja.**

This admission card must be produced by the Shareholder in order to gain entrance into the Annual General Meeting.

____
Name of Shareholder

____
Address of Shareholder

____
Number of Shares Held

____
Signature

SHAREHOLDERS E-SERVICE APPLICATION FORM

Dear esteemed shareholder,

The E-shareholder data form below has been attached to this report for your use. Kindly fill in your details and return to the Registrar. This will enable us to have your current information in our database.

Africa Prudential Registrars Plc

SHAREHOLDER E-SERVICE APPLICATION FORM

(*= Compulsory fields)

1. *SURNAME/COMPANY NAME:
2. *FIRST NAME:
3. OTHER NAME:
4. SPOUSE' NAME:
5. *MOTHER'S MAIDEN NAME:
6. *E-MAIL:
7. ALTERNATE E-MAIL:
8. *MOBILE No.: 9. SEX: MALE FEMALE
10. PHONE No. (HOME):
11. *POSTAL ADDRESS:
12. *CSCS CLEARING HOUSE No.:
13. NAME OF STOCKBROKER: 14. OCCUPATION:
15. NATIONALITY:
16. NEXT OF KIN:

Please tick against the company(ies) where you have shareholding

CLIENTELE

1. AFRICA PRUDENTIAL REGISTRARS PLC
2. ABBEY BUILDING SOCIETY PLC
3. AFRILAND PROPERTIES PLC
4. A & G INSURANCE PLC
5. ARM PROPERTIES PLC
6. A.R.M LIFE PLC
7. ADAMAWA STATE GOVERNMENT BOND
8. BECO PETROLEUM PRODUCTS PLC
9. BUA GROUP
10. BENUE STATE GOVERNMENT BOND
11. CAP PLC
12. CAPPA AND D'ALBERTO PLC
13. CEMENT COY OF NORTHERN NIG. PLC
14. CSCS PLC
15. CHAMPION BREWERIES PLC
16. COMPUTER WAREHOUSE GROUP
17. EBONYI STATE GOVERNMENT BOND
18. GOLDEN CAPITAL PLC
19. INFINITY TRUST SAVINGS & LOANS
20. INTERNATIONAL BREWERIES PLC
21. INVESTMENT & ALLIED ASSURANCE PLC
22. JAIZ BANK PLC
23. KEBBI STATE GOVERNMENT BOND
24. NEM INSURANCE PLC
25. NEXANS KABLEMETAL NIG. PLC
26. OMOLUABI SAVINGS AND LOANS PLC
27. PERSONAL TRUST & SAVINGS LTD
28. P.S MANDRIDES PLC
29. PORTLAND PAINTS & PRODUCTS NIG. PLC
30. PREMIER BREWERIES PLC
31. RESORT SAVINGS & LOANS PLC
32. ROADS NIGERIA PLC
33. SCOA NIGERIA PLC
34. TRANSCORP PLC
35. TOWER BOND
36. THE LA CASERA CORPORATE BOND
37. UAC OF NIG. PLC
38. UBA BALANCED FUND
39. UBA BOND FUND
40. UBA CAPITAL PLC
41. UBA EQUITY FUND
42. UBA MONEY MARKET FUND
43. UNITED BANK FOR AFRICA PLC
44. UNIC INSURANCE
45. UPDC
46. UTC NIGERIA PLC
47. WEST AFRICAN GLASS IND PLC

OTHERS: ____________________________

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E-SHARE REGISTRATION ACTIVATION MANDATE

(Please tick the box below ☑)

Please take this as authority to activate my account(s) on your 3iOP e-Share Registration Portal where I will be able to view and manage my investment portfolio online with ease. ☐

BANK DETAILS FOR E-DIVIDEND MANDATE

Please take this as authority to credit my/our under-mentioned account with any dividend payment(s)/ lost/misplaced/stale/unclaimed dividend warrants due on my/our shareholding in the aforementioned company(ies).

17. *ACCOUNT NAME:
18. *BANK ACCOUNT NUMBER: Must be NUBAN 19. *BANK:
20. *AGE OF ACCOUNT: Must be confirmed by the bank

*BANK'S AUTHORISED SIGNATURE & STAMP

DECLARATION

"I hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details."

Signature: ______________________ Signature : ______________________ for joint/corporate accounts only

LAGOS : 220B, Ikorodu Road, Palmgrove, Lagos. Tel: 01-4606460 | ABUJA : 11, Lafia Close, Area 8, Garki, Abuja. Tel: 09-2900873
PORT-HARCOURT : Plot 137, Oluobasanjo Road, (2nd floor), Port Harcourt, Rivers State. Tel: 084-303457
E-MAIL: info@africaprudentialregistrars.com | WEBSITE: www.africaprudentialregistrars.com
Africa Prudential Registrars