



IHS Nigeria Plc

**Annual Report and Financial Statements for
the year ended 30 April 2013**

IHS Nigeria Plc**Annual report and financial statements**

For the year ended 30 April 2013

Note	Page	Note	Page
Corporate information	1	2.25 Exceptional items	22
Report of the directors	2	3 Critical accounting estimates and judgements	23
Statement of directors' responsibility	5	4 Property, Plant & Equipment (PPE)	24
Report of the audit committee	6	5 Intangible assets	26
Report of independent auditors	7	6 Long term investments (available for sale)	27
Statement of financial position	9	7 Prepaid land rent	27
Statement of comprehensive income	10	8 Inventory and work in progress	28
Statement of changes in equity	11	9 Trade and other receivables	28
Statement of cash flows	12	10 Cash at bank and cash in hand	28
Notes to the consolidated financial statements	13	11 Restricted cash	28
1 General information	13	12 Borrowings	28
2 Summary of significant accounting policies	13	13 Redeemable convertible preference capital	29
2.1 Basis of preparation	13	14 Trade and other payables	29
2.1.1 Going concern	13	15 Provision for gratuity	30
2.1.2 Changes in accounting policies and disclosures	14	16 Decommissioning and site restoration provision	30
2.2 Consolidation	14	17 Deferred tax	31
2.3 Segment reporting	15	18 Taxation	32
2.4 Foreign currency translation	15	19 Share capital and premium	33
2.5 Property, plant and equipment	16	20 Retained earnings	33
2.6 Intangible assets	17	21 Other capital reserves	33
2.7 Impairment of non-financial assets	17	22 Non-controlling interest	34
2.8 Non-current assets (or disposal groups) held for sale	17	23 Revenue	34
2.9 Financial assets	17	24 Cost of sales	34
2.9.1 Classification	17	25 Administrative expenses	34
2.9.2 Recognition and measurement	18	26 Other income	34
2.9.3 Offsetting financial instruments	18	27 Exceptional write down of goodwill / investment in subsidiaries	35
2.9.4 Impairment of financial assets	18	28 Exceptional impairment of receivables	35
2.10 Inventories	19	29 Finance income	35
2.11 Trade receivables	19	30 Finance cost	35
2.12 Research and development	19	31 Discontinued operations	35
2.13 Cash, cash equivalents and bank overdrafts	19	32 Cash generated from operations	36
2.14 Borrowings	19	33 Information regarding directors and key management staff	36
2.15 Borrowing costs	19	34 Staff cost	36
2.16 Trade payables	20	35 Related party disclosures	37
2.17 Provisions, contingent liabilities and contingent assets	20	36 Events after reporting date	38
2.18 Current and deferred income tax	20	37 Contingent liabilities and capital commitments	38
2.19 Employee benefits	21	38 Earnings per share	38
2.20 Revenue	21	39 Segment reporting	38
2.21 Contract to construct specialised equipment	22	40 Financial risk management	40
2.22 Lease	22	41 Transition to IFRS	45
2.23 Decommissioning and site restoration obligation	22	Statement of Value Added	51
2.24 Dividend distribution	22	Five year financial summary	52

IHS Nigeria Plc

Annual report and financial statements

For the year ended 30 April 2013

Corporate Information

Company Registration No.	R.C 407609	
Registered Office	19 Bishop Aboyade Cole Street Victoria Island Lagos	
Board of Directors	Bashir Ahmad el Rufai Issam Darwish William Saad Olugbenga Onakomaiya Mark Jennings Segun Akintemi Bryce Fort Tarun Brahma	Chairman Chief Executive Director Executive Director Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
Auditors	PricewaterhouseCoopers Chartered Accountants Plot 252E Muri Okunola Street Victoria Island, Lagos.	
Banker	Stanbic IBTC Bank Plc.	
Company Secretary	Jimoh Umoru 19 Bishop Aboyade Cole Street Victoria Island, Lagos	
Solicitor	Aluko & Oyebode 35 Moloney Street Marina Lagos	
Registrars	United Securities Limited Marina House, 10 Amodu Ojikutu Street Off Saka Tinubu Victoria Island, Lagos	

IHS Nigeria Plc
Report of the directors
For the year ended 30 April 2013

The Directors present their annual report on the affairs of IHS Nigeria Plc ("the Company") together with the audited financial statements for the year ended 30 April 2013, to the members of the Company. This report discloses the state of the Company and the Group.

INCORPORATION AND ADDRESS

IHS Nigeria Plc was incorporated in Nigeria as a private limited company in 2001. However it became a public company with the shares quoted on the Nigerian Stock Exchange in January 2009.

PRINCIPAL ACTIVITIES

The company is a telecom infrastructure service provider engaged in turnkey infrastructure deployment (construction of tower and tower equipment), infrastructure managed services (maintenance of tower and tower equipment) and infrastructure sharing and leasing (collocation services).

RESULTS AND DIVIDEND

The Company and Group's results for the year ended 30 April 2013 are set out on page 9. The summarised results are presented below.

	Group		Company	
	30-Apr-13 N'000	30-Apr-12 N'000	30-Apr-13 N'000	30-Apr-12 N'000
Revenue	16,504,465	13,920,228	14,892,961	11,753,486
Gross profit	5,262,310	2,451,709	5,147,884	1,929,177
Total comprehensive income for the year	(6,985,978)	(3,773,128)	(6,731,591)	(4,053,601)
Loss per share (kobo)	(150)	(86)	(153)	(92)

The directors did not recommend the payment of dividend.

DIRECTORS' INTERESTS IN CONTRACTS

None of the directors has notified the company 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 and to the date of this report together with their direct and indirect interests of directors in the issued share capital of the company as recorded in the Register of Directors' Shareholdings and/or as notified by the directors for the purposes of sections 275 and 276 of the Companies and Allied Matters Act and the Listing Requirements of the Nigerian Stock Exchange are as follows:

Director	Number of shares held at 30 April 2013			Percentage holding %
	Direct	Indirect	Total	
Bashir Ahmad el Rufai	99,755,000	-	99,755,000	2.27
Issam Darwish	-	-	-	-
William Saad	-	-	-	-
Olugbenga Onakomaiya	1,205,704	-	1,205,704	0.03
Mark Jennings	-	-	-	-
Segun Akintemi	500,000	-	500,000	0.01
Bryce Fort	-	-	-	-
Tarun Brahma	-	-	-	-
TOTAL	101,460,704	-	101,460,704	2.31

IHS Nigeria Plc
Report of the directors
For the year ended 30 April 2013

SHAREHOLDING

The shareholding structure of the Company as at 30 April 2013 is as follows:

Shareholding range	No. of Holders	Percent	Units	Percent
1 - 1,000	350	60.03	169,004	0.00
1,001 - 10,000	61	10.46	258,274	0.01
10,001 - 100,000	24	4.12	1,108,256	0.03
100,001 - 1,000,000	98	16.81	56,750,619	1.29
1,000,001 - 10,000,000	29	4.97	87,646,354	1.99
10,000,001 - 100,000,000	17	2.92	435,651,630	9.90
100,000,001 - 1,000,000,000	2	0.34	302,755,000	6.88
Above 1,000,000,000	2	0.34	3,515,660,863	79.90
	583	100	4,400,000,000	100

SUBSTANTIAL INTEREST IN SHARES

Shareholders holding 5% or more of the issues share capital of the company are as follows:

Skye group	1,190,417,040	27.05
UBC Services Incorporation	2,325,243,823	52.85
	3,515,660,863	79.90

IHS Holding Limited controls IHS Nigeria Plc. IHS Holding Limited (ultimate parent) is the holder of 91% of the 7,566,990,600 redeemable, convertible preference shares in IHS Nigeria Plc. IHS Holding Limited has the right to vote for 5 out of the 8 board members, controls the day to day activities and major financial decisions of IHS Nigeria Plc.

FIXED ASSETS

Information relating to changes in the fixed assets of the Group and Company is given in Note 4 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 process.

EMPLOYEE HEALTH, SAFETY AND WELFARE

The safety and health of employees is of paramount importance at IHS Nigeria Plc. Managers, team leaders and employees are involved in the development and implementation of health and safety procedures. The company complied with the health and safety legislation and also embarked on a continuous campaign for elimination of hazards in the work place.

The company's employees are covered by Workmen's Compensation. Medical costs of employees are borne by the company as considered appropriate.

Fire prevention and fire-fighting equipment are installed at strategic locations within the company's premises.

EMPLOYEE TRAINING AND INVOLVEMENT

Management and staff relations in the company are very cordial. Regular joint consultative meetings are held where employees are involved in discussing issues that affect them and also provide avenue for discussing other issues of mutual benefits.

The intellectual capacity of employees constitutes the most valued assets of the company. Our non-discriminatory recruitment process is structured to attract and retain the best talents who, through proper induction and acculturation, embrace the culture of building quality into whatever they do.

As part of our capability building strategy, all categories of staff attended carefully planned training courses and seminars to update the special skills and job requirements. This is in addition to the regular on-the-job training across all operational sites.

IHS Nigeria Plc
Report of the directors
For the year ended 30 April 2013

DONATIONS AND GIFTS

The company did not make any donations or charitable gifts during the year.

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



Jimoh Umoru
Company Secretary
FRC/2012/NBA/00000000562
31 October 2013

IHS Nigeria Plc

Statement of directors responsibilities
For the year ended 30 April 2013

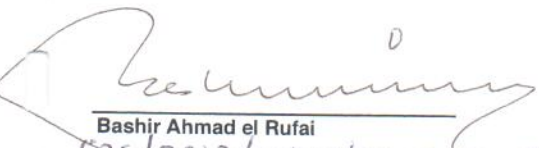
The Companies and Allied Matters Act requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the company at the end of the year and of its profit or loss. The responsibilities include ensuring that the company:

- (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 its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, and are consistently applied.

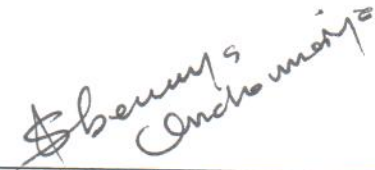
The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and the requirements of the Companies and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


Bashir Ahmad el Rufai

FRC/2013/10DN/00000005232
31 October 2013

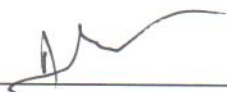

Olugbenga Onakomaiya

FRC/2013/CIPMN/00000004768

IHS Nigeria Plc.
Report of the Audit Committee
For the year ended 30 April 2013

In compliance with section 359 (6) of the Companies and Allied Matters Act members of the Audit Committee of IHS Nigeria 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 30 April 2013
- 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.



Chairman, Audit Committee

Dated this 23rd day of October 2013

Members of the Audit Committee

- | | | | |
|--------------------------|------------|---|-------------|
| 1) Chief Samuel Alabi | (Chairman) | - | Shareholder |
| 2) Mr. Abdul Kadir Idris | (Member) | - | Shareholder |
| 3) Mr. Gbenga Onakomaiya | (Member) | - | Director |
| 4) Mr. Segun Akintemi | (Member) | - | Director |



REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF IHS NIGERIA PLC

Report on the financial statements

We have audited the accompanying consolidated financial statements of IHS Nigeria Plc (the company) and its subsidiaries (together, the group). These financial statements comprise the statement of financial position as at 30 April 2013 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.

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 30 April 2013 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 balance sheet and profit and loss account are in agreement with the books of account.

PricewaterhouseCoopers

Chartered Accountants
Lagos, Nigeria



5 November 2013

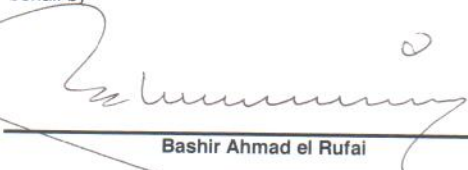
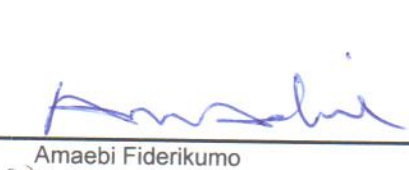
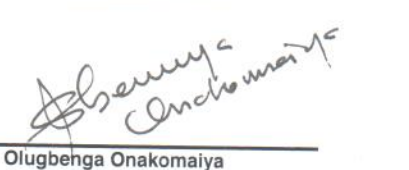
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IHS Nigeria Plc
Statement of financial position
For the year ended 30 April 2013

		Group			Company		
	Note	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
Assets							
Non-current assets							
Property, plant and equipment	4	41,554,098	27,795,707	13,392,662	41,544,912	27,717,497	13,278,055
Intangible assets	5	24,564	749,001	761,094	2,999	15,648	28,177
Long term investments	6	4,731	20,070	29,292	144,319	1,716,551	1,074,999
Prepaid land rent	7	2,915,182	1,049,419	508,992	2,915,182	1,049,419	508,992
Deferred tax asset	17	2,272,258	1,497,324	413,205	2,272,258	1,506,011	422,990
Due from related parties	35	-	-	-	3,364	951,614	47,427
		46,770,833	31,111,521	15,105,245	46,883,034	32,956,740	15,360,640
Current assets							
Inventory and work in progress	8	683,352	1,100,148	1,015,992	540,835	678,819	983,867
Trade and other receivables	9	5,447,465	8,115,535	7,473,566	4,578,369	7,188,926	4,771,505
Prepaid land rent	7	425,095	194,867	77,930	425,095	194,867	77,930
Due from related parties	35	806,630	43,399	27,598	827,019	97,779	585,570
Restricted cash	11	-	160,553	111,115	-	160,553	111,115
Cash at bank and cash in hand	10	1,047,476	6,729,511	1,512,400	986,346	5,562,789	845,082
		8,410,018	16,344,013	10,218,601	7,357,664	13,883,733	7,375,069
Total assets		55,180,851	47,455,534	25,323,846	54,240,698	46,840,473	22,735,709
Liabilities							
Current liabilities							
Taxation	18	80,910	192,495	403,457	31,064	26,745	203,516
Trade and other payables	14	15,725,545	5,116,239	5,486,083	15,186,542	4,708,192	4,085,375
Short term borrowings	12	17,089,823	-	2,980,956	17,089,823	-	2,980,956
Due to related parties	35	7,858	-	-	2,958	-	20,025
		32,904,136	5,308,734	8,870,496	32,310,387	4,734,937	7,289,872
Non-current liabilities							
Redeemable convertible preference capital	13	19,201,017	17,718,799	-	19,201,017	17,718,799	-
Long term borrowings	12	245,827	16,831,278	7,971,896	245,827	16,831,278	7,971,896
Provision for gratuity	15	-	152,210	79,878	-	140,238	79,878
Due to related parties	35	2,173,264	-	-	2,173,264	568,658	-
Decommissioning and site restoration provision	16	54,162	29,339	6,841	54,162	29,339	6,841
		21,674,270	34,731,626	8,058,615	21,674,270	35,288,312	8,058,615
Total liabilities		54,578,406	40,040,360	16,929,111	53,984,657	40,023,249	15,348,487
Capital and reserves							
Ordinary share capital	19	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000
Share premium	19	6,069,652	6,069,652	6,069,652	6,069,652	6,069,652	6,069,652
Retained earnings	20	(11,101,237)	(4,515,558)	(504,398)	(11,645,779)	(4,914,220)	(882,430)
Other capital reserves	21	3,281,753	3,308,339	-	3,632,168	3,461,792	-
Equity attributable to owners of the parent		450,168	7,062,433	7,765,254	256,041	6,817,224	7,387,222
Non-controlling interest	22	152,277	352,741	629,481	-	-	-
Total equity		602,445	7,415,174	8,394,735	256,041	6,817,224	7,387,222
Total equity and liabilities		55,180,851	47,455,534	25,323,846	54,240,698	46,840,473	22,735,709

The notes on pages 13 to 50 are an integral part of these financial statements.

The financial statements on pages 9 to 54 were approved and authorised for issue by the board of directors on 31 October 2013 and were signed on its behalf by

 Bashir Ahmad el Rufai Chairman Board of Directors FRC/2013/10DN/00000005230	 Amaebi Fiderikumo Chief Financial Officer FRC/2012/1CMN/0000000500	 Olugbenga Onakomaiya Executive Director FRC/2013/4PMN/00000004768
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IHS Nigeria Plc
Statement of comprehensive income

For the year ended 30 April 2013

	Note	Group		Company	
		30-Apr-13 N'000	30-Apr-12 N'000	30-Apr-13 N'000	30-Apr-12 N'000
Revenue	23	16,504,465	13,920,228	14,892,961	11,753,486
Cost of sales	24	(11,242,155)	(11,468,519)	(9,745,077)	(9,824,309)
Gross profit		5,262,310	2,451,709	5,147,884	1,929,177
Administrative expenses	25	(5,262,764)	(4,436,163)	(4,651,674)	(4,111,169)
Other income	26	105,125	2,662	124,692	6,048
Exceptional write down of goodwill/invest. in subs	27	(709,454)	-	(770,869)	-
Exceptional impairment of receivables	28	(2,812,547)	-	(3,286,759)	-
Operating loss		(3,417,330)	(1,981,792)	(3,436,726)	(2,175,944)
Finance income	29	120,168	282,568	182,613	222,728
Finance cost	30	(4,216,768)	(3,186,871)	(4,239,375)	(3,121,917)
Loss before taxation		(7,513,930)	(4,886,095)	(7,493,488)	(5,075,133)
Taxation	18	760,774	971,041	761,929	1,043,343
Loss from continuing operations		(6,753,156)	(3,915,054)	(6,731,559)	(4,031,790)
Profit from discontinued operations	31	153,410	291,796	-	-
Loss for the year		(6,599,746)	(3,623,258)	(6,731,559)	(4,031,790)
Attributable to:					
Owners of the parent	20	(6,585,679)	(3,783,548)	(6,731,559)	(4,031,790)
Non controlling interests	22	(14,067)	160,290	-	-
Loss for the year		(6,599,746)	(3,623,258)	(6,731,559)	(4,031,790)
Other comprehensive income					
Available for sale reserve	21	(32)	(9,223)	(32)	(9,223)
Foreign exchange translation reserve	21	(386,200)	(128,059)	-	-
Actuarial losses	21	-	(17,983)	-	(17,983)
Tax credit other comprehensive income	18	-	5,395	-	5,395
Other comprehensive expense, net of tax		(386,232)	(149,870)	(32)	(21,811)
Other comprehensive expense, net of tax from discontinued operations		-	-	-	-
Other comprehensive expense for the year		(386,232)	(149,870)	(32)	(21,811)
Attributable to:					
Owners of the parent	21	(196,994)	(175,264)	(32)	(21,811)
Non controlling interests	22	(189,238)	25,394	-	-
Other comprehensive expense for the year		(386,232)	(149,870)	(32)	(21,811)
Total comprehensive income from continuing operations		(7,139,388)	(4,064,924)	(6,731,591)	(4,053,601)
Total comprehensive income from discontinued operations		153,410	291,796	-	-
Total comprehensive expense for the year		(6,985,978)	(3,773,128)	(6,731,591)	(4,053,601)
Attributable to:					
Owners of the parent		(6,782,673)	(3,958,812)	(6,731,591)	(4,053,601)
Non controlling interests	22	(203,305)	185,684	-	-
Total comprehensive expense for the year		(6,985,978)	(3,773,128)	(6,731,591)	(4,053,601)
Basic EPS (kobo)	38	(150)	(86)	(153)	(92)

The results shown above relate to continuing and discontinued operations.

The notes on pages 13 to 50 are an integral part of these financial statements.

IHS Nigeria Plc
Statement of changes in equity
For the year ended 30 April 2013

Group	Note	Attributable to owners of the parent					Non-controlling interest N'000	Total equity N'000
		Share capital N'000	Share premium N'000	Other capital reserves N'000	Retained earnings N'000	Total N'000		
Balance at 1 May 2011		2,200,000	6,069,652	-	(504,398)	7,765,254	629,481	8,394,735
(Loss) / profit for the year	20	-	-	-	(3,783,548)	(3,783,548)	160,290	(3,623,258)
Disposal of interest - NCI	22	-	-	-	-	-	(462,424)	(462,424)
Excess of consideration over NCI acquired - 50% Infratech Dubai	22	-	-	-	(227,612)	(227,612)	-	(227,612)
Other comprehensive income for the year	21	-	-	(175,264)	-	(175,264)	25,394	(149,870)
Transaction between owners	21	-	-	3,483,603	-	3,483,603	-	3,483,603
Balance at 30 April 2012		2,200,000	6,069,652	3,308,339	(4,515,558)	7,062,433	352,741	7,415,174
Balance at 1 May 2012		2,200,000	6,069,652	3,308,339	(4,515,558)	7,062,433	352,741	7,415,174
(Loss) / profit for the year	20	-	-	-	(6,585,679)	(6,585,679)	(14,067)	(6,599,746)
Acquisition of subsidiary - 49% PCT South Sudan	22	-	-	-	-	-	2,841	2,841
Other comprehensive income for the year	21	-	-	(196,994)	-	(196,994)	(189,238)	(386,232)
Transactions with owners	21	-	-	170,408	-	170,408	-	170,408
Balance at 30 April 2013		2,200,000	6,069,652	3,281,753	(11,101,237)	450,168	152,277	602,445
Company								
		Share capital N'000	Share premium N'000	Other reserves N'000	Retained earnings N'000	Total N'000		
Balance at 1 May 2011		2,200,000	6,069,652	-	(882,430)	7,387,222		
(Loss) / profit for the year	20	-	-	-	(4,031,790)	(4,031,790)		
Other comprehensive income for the year	21	-	-	(21,811)	-	(21,811)		
Transaction with owners	21	-	-	3,483,603	-	3,483,603		
Balance at 30 April 2012		2,200,000	6,069,652	3,461,792	(4,914,220)	6,817,224		
Balance at 1 May 2012		2,200,000	6,069,652	3,461,792	(4,914,220)	6,817,224		
(Loss) / profit for the year	20	-	-	-	(6,731,559)	(6,731,559)		
Other comprehensive income for the year	21	-	-	(32)	-	(32)		
Transactions with owners		-	-	170,408	-	170,408		
Balance at 30 April 2013		2,200,000	6,069,652	3,632,168	(11,645,779)	256,041		

The notes on pages 13 to 50 are an integral part of these financial statements.

IHS Nigeria Plc
Statement of cash flows

For the year ended 30 April 2013

		Group		Company	
	Note	30-Apr-13 N'000	30-Apr-12 N'000	30-Apr-13 N'000	30-Apr-12 N'000
Cash flows from operating activities					
Cash generated from operations	32	15,334,212	(363,235)	14,108,483	(1,238,811)
Gratuity paid		(2,419)	(16,426)	(2,419)	(16,426)
Insurance claim received		25,311	2,662	25,311	4,605
Income taxes paid		(62,566)	(446,846)	-	(211,054)
Net cash flows from operating activities		15,294,538	(823,845)	14,131,375	(1,461,686)
Cash flows from investing activities					
Purchase of property, plant and equipment	4.1	(11,952,050)	(625,608)	(11,927,211)	(505,398)
Construction of plant and equipment	4.1	(5,486,463)	(17,177,088)	(5,486,463)	(17,177,071)
Payment for software		(1,499)	(1,725)	(1,406)	(1,026)
Payment for long-term rent		(2,341,827)	(823,466)	(2,341,827)	(823,466)
Purchase of additional investment in subsidiary		-	(690,036)	-	(650,774)
Proceeds from sale of fixed assets		564,508	1,272,894	559,219	1,270,325
Interest income received		120,168	200,859	120,098	222,728
Net cash used in investing activities		(19,097,163)	(17,844,170)	(19,077,590)	(17,664,682)
Cash flows from financing activities					
Interest paid		(2,001,368)	(1,765,532)	(2,160,328)	(1,795,086)
Issue of convertible preference shares		-	20,351,168	-	20,351,168
Loan receipts		-	8,971,545	-	8,971,545
Loan receipts-related parties		-	-	2,384,732	-
Finance lease repayments		(37,164)	(183,372)	(37,164)	(183,372)
Loan repaid		-	(2,797,584)	-	(2,797,584)
Net cash (used in) / generated from financing activities		(2,038,532)	24,576,225	187,240	24,546,671
Net (decrease)/increase in cash and cash equivalents		(5,841,157)	5,908,210	(4,758,975)	5,420,303
Exchange (losses)/ gains on cash and cash equivalents		(23,447)	11,076	(37)	(421)
Cash and cash equivalents at 1 May		6,729,511	810,225	5,562,789	142,907
Cash and cash equivalent at 30 April	10	864,907	6,729,511	803,777	5,562,789

The notes on pages 13 to 50 are an integral part of these financial statements.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

1 General information

These financial statements are the financial statements of IHS Nigeria Plc. and its subsidiaries (hereafter referred to as 'the Group' or "IHS"). IHS Nigeria Plc. was incorporated in Nigeria under the Companies and Allied Matters Act as a public limited liability company, began operations in 2001. The company's shares are listed on the Nigerian Stock Exchange (NSE). The company is domiciled in Nigeria and the address of its registered office is:

19 Bishop Aboyade Cole Street
Victoria Island
Lagos

IHS is principally involved in providing infrastructures for the Nigerian telecommunications industry.

IHS Nigeria Plc. is controlled by IHS Holding Limited (ultimate parent), the holder of all the redeemable, convertible preference shares in Nigeria. IHS Holding has the right to appoint 5 out of the 8 board members, controls the day to day activities and major financial decisions of IHS Nigeria Plc.

The group is comprised of IHS Nigeria Plc. (parent), PCT Sudan and PCT South Sudan (51% controlling interest in each) and wholly owned IHS Mauritius. The company disposed its interest in IHS Ghana, Infratech Dubai group during the year ended 30th April 2013.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

In prior years, the company prepared its financial statements in accordance with Nigerian Generally Accepted Accounting Principles (NGAAP) under the Statement of Accounting Standards (SAS) as defined by the Nigerian Accounting Standard Board (NASB).

In 2010, the Federal Executive Council approved the adoption of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) in Nigeria. Public listed entities are to apply these standards effective for years beginning on or after January 1, 2012. Accordingly, these are the company's first annual consolidated financial statements prepared in accordance with IFRS as issued by the IASB. In these financial statements, the term "Nigerian GAAP" refers to Nigerian statement of accounting standards before the adoption of IFRS.

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations. IFRS 1, First-time adoption of International Financial Reporting Standards has been applied. IHS Nigeria Plc. has consistently applied the accounting policies used in the preparation of its opening IFRS statement of financial position at 1 May 2011 throughout all periods presented, as if these policies had always been in effect.

An explanation of how the transition to IFRSs has affected the reported financial position and financial performance of the group is provided in Note 41. This note includes reconciliations of equity and statement of comprehensive income for comparative periods and of equity at the date of transition reported under the "Nigerian GAAP" to those reported for those periods and at the date of transition under IFRSs.

The financial statements have been prepared under the historical cost convention except where applicable standards require otherwise.

The financial statements comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows, and the notes, comprising of a summary of significant accounting policies and other explanatory notes.

These financial statements have been authorised for issue on the 31st of October 2013 by the board of directors, who are empowered to amend it after the issue.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise judgment in the process of applying the group's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The directors believe that the underlying assumptions are appropriate and that the group's financial statements therefore present the financial position and results fairly. 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 3.

2.1.1 Going concern

After making enquiries, the directors have a reasonable expectations that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

2.1.2 Changes in accounting policies and disclosures

(a) Standards, amendments and interpretations issued but not yet effective

The following standards have been issued and are relevant to group in later periods:

IFRS 9: Financial Instruments (effective for periods beginning on or after 1 January 2015)

IFRS 9, 'Financial Instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those at amortised cost. The determination is made at the initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of profit or loss, unless this creates accounting mismatch. The group is yet to assess IFRS 9's full impact and intends to adopt the standard no later than the accounting period beginning on or after 1 January 2015.

IAS 19 'Employee benefits', was amended in June 2011 (effective for periods beginning on or after 1 January 2013). The impact on the group was to recognise actuarial loss immediately.

IFRS 10: Consolidated financial statements (effective for periods beginning on or after 1 January 2013). The standard built on the existing principles of identifying the concept of control as the determining factor in whether an investee company should be included with the consolidated financial statements of group. When adopted, IHS Holding Limited has been identified as the parent of IHS Nigeria Plc. on this basis.

IFRS 12: Disclosure of interests in other entities (effective for periods beginning on or after 1 January 2013). The impact of this standard is the additional disclosures (in terms of restrictions, nature and reasons for loss of control) in respect of the subsidiaries of the parent.

IFRS 13: Fair value measurement (effective for periods beginning on or after 1 January 2013)

The standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. It only provides guidance on how fair value should be applied where its use is already required or permitted by other standards within the IFRSs.

Annual improvements to IFRS 2009-2011 Cycle-various standards (effective for periods beginning on or after 1 January 2013)

A number of new amendments to standards that are effective for annual periods beginning on or after 1 January 2013 have not been applied by the group in preparing this financial statement. None of these will have material impact on the group and separate financial statements of IHS Plc.

There are no other IFRSs and interpretations that are not yet effective that would be expected to have a material impact on the group.

2.2 Consolidation

(a) Subsidiaries

The consolidated financial statements incorporate the financial statements of IHS Nigeria Plc. and its subsidiaries made up to 30 April each year. Control is achieved where the IHS Nigeria Plc., has the power to govern the financial and operating policies of an investee (the subsidiary) by having more than 50% shareholding of such entity.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. The group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control.

De-facto control may arise in circumstances where the size of the group's voting rights relative to the size and dispersion of holdings of other shareholders give the power to govern the financial and operating policies etc.

Subsidiaries are accounted for at cost in the separate financial statements of IHS Nigeria 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.

Subsidiaries are all entities (including structured entities) over the company has power over, is exposed to or has rights to variable returns from its involvement in with such entities and has the ability to use those powers to affect the amount of its returns from them. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. Subsidiaries are accounted for at cost in the separate financial statements of IHS Nigeria 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.

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. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are 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.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

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 statement of comprehensive income.

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 in the statement of comprehensive income.

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

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in statement of comprehensive income.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in statement of comprehensive income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. 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 statement of comprehensive income.

(d) 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 IHS group 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.

In the separate financial statements of IHS Nigeria Plc. (the company) investment in subsidiaries is recognised at cost and dividend income is recognised in other income in the statement of comprehensive income of the company.

The group assesses at the end of each reporting period whether there is objective evidence that an investment is impaired. An investment 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 investment and has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

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. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit and loss.

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, the reversal of the previously recognised impairment loss is recognised in the profit and loss.

2.3 Segment reporting

The chief operating decision-maker has been identified as the group executive directors (strategic steering committee-STC) of IHS Nigeria Plc. The operating segments have been identified based on the information reviewed by the strategic steering committee for the purpose of allocating resources and assessing performance. From the geographical perspective, STC reviews group performance from the businesses in Nigeria, Sudan and Mauritius.

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 the entity operates ('The Naira'). The consolidated financial statements are presented in 'Naira' (N), which is the group's presentation currency.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

(b) Transactions and balances

Foreign currency transactions are translated into Naira using the exchange rates prevailing at the dates of the transactions or valuations 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 statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or cost'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other (losses)/gains - net'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the statement of comprehensive income as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.5 Property, plant and equipment

These are mainly leasehold land, base stations, office complex, office equipment and other that are used by IHS in its towers managed and collocation services, or for administrative purposes. The assets are carried at historical cost less accumulated depreciation and accumulated impairment losses. All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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. The carrying amount of the replaced cost is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

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

	Rate (%)
Base station towers	4.0
Base station equipment (shelter)	10.0
Base station equipment (battery)	10.0
Base station equipment (generator)	33.3
Office complex	2.5
Furniture & fittings & office equipment	33.3
Motor vehicles	25.0

Assets residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting date.

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 its 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 the statement of comprehensive income for the period.

2.6 Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

(b) Pre-paid long term rent

Amount paid in respect of long term rent is capitalised and amortised over the period of the rent. Subsequent cost in enhancing the performance of the rented complexes and building are capitalised and amortised over the period of rent.

(c) Computer software

Costs associated with maintaining computer software programmes are recognised as expenses 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;
- management 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; and
- 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 asset in a subsequent period.

2.7 Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready for use – are not subject to amortisation but 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.

2.8 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and the sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

2.9 Financial assets

2.9.1 Classification

The group classifies its financial assets in the following categories: 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.

(a) 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.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

(b) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of them within 12 months of the end of the reporting period.

2.9.2 Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'available for sale' category are presented in the statement of other comprehensive income in the period in which they arise. Dividend income from available for sale financial asset is recognised in the statement of comprehensive income as part of other income when the group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are recycled to retained earnings as 'gains and losses from investment securities'.

2.9.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet 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.

2.9.4 Impairment of financial assets

(a) 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 issuer or obligor;
- * a breach of contract, such as a default or delinquency in interest or principal payments;
- * the group, 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 customer 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.

(b) Loans and receivables

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 comprehensive income. If a loan or receivable 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.

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 comprehensive income.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

(c) Assets classified as available for sale

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For loans and receivables, the group uses the criteria referred to in (a) above. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also an evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the separate consolidated statement of comprehensive income. Impairment losses recognised in the separate consolidated statement of comprehensive income on equity instruments are not reversed through the separate consolidated statement of comprehensive income. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the separate consolidated statement of comprehensive income.

2.10 Inventories

Inventories are stated at the lower of cost and estimated net realisable value. Cost comprises direct materials costs and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. If the carrying value exceeds net realizable amount, a write down is recognized. The write-down may be reversed in a subsequent period if the circumstances which caused it no longer exist. In other instances where the net realisable value of an inventory item is not readily determinable, management assesses the age and the risk of obsolescence of such items in determining net realisable value of such item using an appropriate age/obsolescence factor model.

2.11 Trade receivables

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

The group reviews trade receivables at least annually and when there is any indication that the receivables might be impaired. The group has estimated the recoverable amount using models that require assumptions about future cash flows, cash flow dates and discount rates.

2.12 Research and development

Research and development expenditure is charged against profits in the year in which it is incurred, unless it meets the criteria for capitalisation set out in IAS 38 'Intangible assets'. In which case, the development component is capitalised and subsequently amortised over the period when the future economic benefits attributable to it will accrue to the entity. The group did not capitalise any research and development cost in the year ended 30 April 2013.

2.13 Cash, cash equivalents and bank overdrafts

Cash, cash equivalents and bank overdrafts includes cash at bank and in hand plus short-term deposits less overdrafts. Short-term deposits have a maturity of less than three months from the date of acquisition. Bank overdrafts are repayable on demand and form an integral part of the group's cash management and are shown in current liabilities. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

2.14 Borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis through the statement of comprehensive income using the effective interest method and are added to the carrying amount of the instrument to the extent they are not settled in the period in which they arise.

2.15 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of a 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, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of comprehensive income. No qualifying borrowing costs have been capitalised in the year ended 30 April 2013.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

2.16 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. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.17 Provisions, contingent liabilities and contingent assets

Provision are recognised when the group has a present legal or constructive obligation as a result of past event, and it is probable that the group will be required to settle that obligation and the amount has been reliably estimated. Provisions for restructuring costs recognised when the group has a detailed formal plan for the restructuring that has been communicated to the affected parties. Provisions are not recognised for future operating losses. The group discloses contingent liability where it is a possible obligation that arises from past events and whose occurrence or non-occurrence is contingent on one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The group also makes disclosure about possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events.

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

2.18 Current and deferred income tax

The tax for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, 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 comprehensive income 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 under the Companies Income Tax Act at the balance sheet 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 balance sheet 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.

Education tax is computed at 2% of the assessable profits.

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 balance sheet 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 comprehensive income, 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.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

2.19 Employee benefits

(a) Gratuity Scheme

The group operates a gratuity scheme whereby at the time of leaving the service or retirement from the company, an employee is paid gratuity. The gratuity is being accounted using the projected unit credit method that considers the rate of inflation, the degree of salary increases of employees, the retirement age among other factors. The gratuity expense under this method is expensed annually as additional staff cost to make for the gratuity liability. Employees who have completed 5 years of service but less than 10 years of service are paid 1 month of salary of each completed year of service, employees who have completed 10 years or more are paid 1.25 months of salary for each of the completed years of service.

From January 2013, the group restructured the scheme such that IHS Nigeria Plc. will provide 5% of individual staff basic salary per month as gratuity allocation for staff; the amount shall be remitted to an appointed fund manager who will manage the funds on behalf of the staff until such staff leaves the company in the event of resignation, termination of appointment or death.

The entitlement of a member of staff as at date of exit will be an equivalent of the monthly contributions made by the company to the fund manager plus whatever interest has accrued over the period as a result of investment. Consequently, payment of staff entitlement will be done by the fund manager on the company's instruction, in the event of exit by any member of staff through resignation, termination of appointment or death.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used. The current service costs and the net interest cost/income are recognised in the statement of comprehensive income in respect of the reporting period.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in the statement of comprehensive income.

(b) Defined Contribution scheme

The company operates a defined contribution plan which is funded by contributions from the company and the employees which is funded through payroll being 7.5% of the qualifying emoluments respectively. The amount contributed by the company is recognised as employee benefit expenses is charged to the statement of comprehensive income. The company has no further payment obligation once the contributions have been paid. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

2.20 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, rebates and sales related taxes but including interest receivable on sales on extended credit and income from the provision of technical services and agreements. Revenue is recognised when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

(a) Sale of telecommunication support services

The group provides services in respect of telecommunication towers ranging from infrastructure deployment, managed services, infrastructure sharing and leasing (collocation). For sale of managed services and sharing and leasing services, revenue is recognised in the accounting period in which the services are rendered by reference to the stage of completion based on the terms of each contract.

(b) Interest income

Interest income is recognised using the effective interest income method as set out in IAS 39.

(c) Revenue from construction contracts

The group provides the service of constructing the telecommunication towers and related equipment for some of its customers. Revenue is recognised on construction contract when the outcome can be measured reliably. The outcome of a construction contract is deemed to be reliably measured where the group can estimate the contract price and total cost to complete and it is probable that the revenue will flow to the group. Actual or potential losses on contracts are written off as soon as they crystallise. The group recognises profit on contracts based on percentage of completion. The percentage of completion is determined by reference to the proportion cost incurred to date bears to the estimated total contract costs.

(d) Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

2.21 Contract to construct specialised equipment

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date ("percentage-of-completion method"). When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably. A variation or a claim is recognised as contract revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim.

The stage of completion is measured by reference to the proportion of contract costs incurred to date to the estimated total costs for the contract. Costs incurred during the financial year in connection with future activity on a contract are excluded from the costs incurred to date when determining the stage of completion of a contract. Such costs are presented as work in progress within inventory and work in progress on the statement of financial position unless it is not probable that such contract costs are recoverable from the customers, in which case, such costs are recognised as an expense immediately.

At the balance sheet date, the cumulative costs incurred plus recognised profit (less recognised loss) on each contract is compared against the progress billings. Where the cumulative costs incurred plus the recognised profits (less recognised losses) exceed progress billings, the balance is presented as trade accrual within trade and other receivables. Where progress billings exceed the cumulative costs incurred plus recognised profits (less recognised losses), the balance is presented as trade accrual within trade and other payables.

Progress billings not yet paid by customers and retentions by customers are included within trade and other receivables. Advances received are included within trade and other payables.

2.22 Lease

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 statement of comprehensive income 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

The group leases certain land and buildings and equipment. Leases of motor vehicles where the group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property 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 comprehensive income 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.

2.23 Decommissioning and site restoration obligation

The group makes provision for the future cost of decommissioning of its telecommunication towers on the leasehold land. These costs are expected to be incurred within 5 to 15 years depending on the term of the leasehold. The group estimates this provision using existing technology at current prices as quoted by decommissioning experts, escalated at the relevant inflation factor. The inflated decommissioning provision is subsequently discounted to present value using the group's current borrowing rates. The timing of each decommissioning will depend on whether or not the lessor intends to renew the rent.

A corresponding amount is recognised as part of the cost of leasehold land in property, plant and equipment. This is subsequently amortised as part of the leasehold land. Other than the unwinding discount on the provision, any change in the present value of the estimated expenditure is reflected as an adjustment to the provision and the corresponding item of property, plant and equipment.

2.24 Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statements in the period in which the dividends are approved by the company's shareholders. In respect of interim dividends these are recognised once paid.

2.25 Exceptional items

Exceptional items are disclosed separately in the statement of comprehensive income where it is necessary to do so to provide further understanding of the financial performance of the group. They are material items of income and expenses that have been shown separately due to the significance of their nature or amount.

IHS Nigeria Plc.

Notes to the financial statements

For the year ended 30 April 2013

3 Critical accounting estimates and judgements

The preparation of financial statements requires management to make certain judgements, accounting estimates and assumptions that affect the amounts reported to the assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. The nature of the estimation means that actual outcomes could differ from those estimates. The key source of estimation uncertainty that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities are discussed below.

Recoverability of assets carrying amount

The group assesses its property plant and equipment for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable, or at least at every reporting date. Such indicators include changes in the group's business plans, changes in diesel prices, evidence of physical damage and technological changes and impacts of obsolescence.

If there rapid changes in technology of the existing telecommunication infrastructure the group may need to recognize significant impairment charges. The assessment for impairment entails comparing the carrying value of the cash-generating unit with its recoverable amount, that is, the higher of the value in use and fair value less costs to sell. Value in use is usually determined on the basis of discounted estimated future net cash flows. Determination as to whether and how much an asset is impaired involves management estimates on highly uncertain matters such as future prices of telecommunication towers equipment, the effects of inflation on operating expenses, discount rates, etc.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Such estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Decommissioning and site restoration obligation

Provisions are made for decommissioning and site restoration costs for the telecommunication towers constructed on the company's leased land. These estimates are based on current construction requirements, technology, price levels and expected plans for remediation. Actual costs and cash outflows can differ from estimates because of changes in government legislation, prices when the obligation crystallises.

Deferred taxation

The company and its subsidiaries are subject to income taxes within the Nigerian and the countries where the subsidiaries are domiciled which does not require much judgement in terms of provision for income taxes but a certain level of judgement is required for recognition of the deferred tax assets. Management is required to assess the ability of the company to generate future taxable economic earnings that will utilise the deferred tax assets. Assumptions over the generation of future taxable profits depends on management's estimates of future cash flows. The estimates are based on the future cash flow from operations taking into consideration the rental income for collocation, growth in tenancy rates, maintenance income and the likely diesel variations.

Impairment of trade receivables

The group reviews trade receivables at least annually and when there is any indication that the receivables might be impaired. The group has estimated the recoverable amount using models that require assumptions about future cash flows, cash flow dates and discount rates.

Estimated impairment of goodwill

The group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.6. The assumptions adopted used in the computation of the value in use are considered reasonable to the circumstance of each subsidiary.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

4 Property, Plant & Equipment (PPE)

Group	Land N'000	BTS tower equipment N'000	Office complex N'000	Furniture, fittings & office equipment N'000	Motor vehicle N'000	Work in progress N'000	Total N'000
Cost							
At 1 May 2012	918,147	27,596,396	572,387	333,106	475,196	1,006,602	30,901,834
Additions	2,000	11,571,952	-	221,883	215,740	5,486,463	17,498,038
Disposal /write-offs/impairments	-	(688,433)	-	-	(30,819)	-	(719,252)
Disposals arising from discontinued operations	-	-	-	(57,587)	(72,723)	-	(130,310)
Reclassifications	-	2,796,236	-	-	-	(2,796,236)	-
Exchange difference	-	-	-	(27,330)	(16,828)	-	(44,158)
At 30 April 2013	920,147	41,276,151	572,387	470,072	570,566	3,696,829	47,506,152
Accumulated depreciation							
At 1 May 2012	-	2,609,531	22,568	283,773	190,255	-	3,106,127
Charge for the year	-	2,955,886	14,310	52,450	142,142	-	3,164,788
Disposal/write offs/impairments	-	(179,863)	-	-	(25,530)	-	(205,393)
Disposals arising from discontinued operations	-	-	-	(47,585)	(28,458)	-	(76,043)
Exchange difference	-	(7,096)	306	(19,231)	(11,404)	-	(37,425)
At 30 April 2013	-	5,378,458	37,184	269,407	267,005	-	5,952,054
Net book amount at 2013	920,147	35,897,693	535,203	200,665	303,561	3,696,829	41,554,098
Cost	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 May 2011	589,122	11,707,642	360,000	336,217	302,820	1,079,640	14,375,441
Additions	142,785	-	422,610	75,618	323,474	17,177,088	18,141,575
Disposal /write-offs/impairments	(13,760)	(1,361,355)	(10,223)	(47,991)	(137,766)	-	(1,571,095)
Reclassifications	200,000	17,250,126	(200,000)	-	-	(17,250,126)	-
Exchange translation	-	(17)	-	(30,738)	(13,332)	-	(44,087)
At 30 April 2012	918,147	27,596,396	572,387	333,106	475,196	1,006,602	30,901,834
Accumulated Depreciation							
At 1 May 2011	-	584,092	12,000	210,685	176,002	-	982,779
Charge for the year	-	2,151,027	10,866	188,483	74,813	-	2,425,189
Disposal/write offs/impairments	-	(112,967)	(43)	(119,537)	(66,353)	-	(298,900)
Exchange translation	-	(12,621)	(255)	4,142	5,793	-	(2,941)
At 30 April 2012	-	2,609,531	22,568	283,773	190,255	-	3,106,127
Net book amount at 2012	918,147	24,986,865	549,819	49,333	284,941	1,006,602	27,795,707
At 1 May 2011							
Cost	589,122	11,707,642	360,000	336,217	302,820	1,079,640	14,375,441
Accumulated depreciation	-	(584,092)	(12,000)	(210,685)	(176,002)	-	(982,779)
Net book amount	589,122	11,123,550	348,000	125,532	126,818	1,079,640	13,392,662

IHS Nigeria Plc.

Notes to the financial statements
For the year ended 30 April 2013

4 Property, Plant & Equipment (PPE) (continued)

Company	Land	BTS tower equipment	Office complex	Furniture, fittings & office equipment	Motor vehicle	Work in progress	Total
Cost	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 May 2012	918,147	27,596,379	572,387	225,001	388,277	1,006,584	30,706,775
Additions	2,000	11,571,952	-	213,131	199,652	5,486,463	17,473,198
Disposal /write-offs/impairments	-	(688,433)	-	-	(23,028)	-	(711,461)
Reclassifications	-	2,796,236	-	-	-	(2,796,236)	-
At 30 April 2013	920,147	41,276,134	572,387	438,132	564,901	3,696,811	47,468,512
Accumulated Depreciation							
At 1 May 2012	-	2,603,309	22,874	200,880	162,215	-	2,989,278
Charge for the year	-	2,955,014	14,310	43,546	124,343	-	3,137,213
Disposal/write offs/impairments	-	(179,863)	-	-	(23,028)	-	(202,891)
At 30 April 2013	-	5,378,460	37,184	244,426	263,530	-	5,923,600
Net book amount at 2013	920,147	35,897,674	535,203	193,706	301,371	3,696,811	41,544,912
Cost							
At 1 May 2011	589,122	11,707,625	360,000	197,735	169,652	1,079,622	14,103,756
Additions	142,785	-	422,610	28,170	250,712	17,177,071	18,021,348
Disposal /write-offs/impairments	(13,760)	(1,361,355)	(10,223)	(904)	(32,087)	-	(1,418,329)
Reclassifications	200,000	17,250,109	(200,000)	-	-	(17,250,109)	-
At 30 April 2012	918,147	27,596,379	572,387	225,001	388,277	1,006,584	30,706,775
Accumulated Depreciation							
At 1 May 2011	-	584,091	12,000	122,831	106,779	-	825,701
Charge for the year	-	2,132,185	10,917	78,953	76,677	-	2,298,732
Disposal/write offs/impairments	-	(112,967)	(43)	(904)	(21,241)	-	(135,155)
At 30 April 2012	-	2,603,309	22,874	200,880	162,215	-	2,989,278
Net book amount at 2012	918,147	24,993,070	549,513	24,121	226,062	1,006,584	27,717,497
At 1 May 2011							
Cost	589,122	11,707,625	360,000	197,735	169,652	1,079,622	14,103,756
Accumulated depreciation	-	(584,091)	(12,000)	(122,831)	(106,779)	-	(825,701)
Net book amount	589,122	11,123,534	348,000	74,904	62,873	1,079,622	13,278,055

Work-in-progress comprise mainly of tower and tower equipment still under construction and not yet available for use. The group transfers such assets to the appropriate class once they are available for use.

There were no indicators of impairments for the cash-generating units (the company and the individual subsidiaries) in which the items of property, plant and equipment are being put to use.

Depreciation expense has been included in administrative expenses on the statement of comprehensive income

There were no qualifying borrowing costs to be capitalised.

Leased assets included above comprise of motor vehicles as follows:

	Group			Company		
	30-Apr-13	30-Apr-12	1-May-11	30-Apr-13	30-Apr-12	1-May-11
	N'000	N'000	N'000	N'000	N'000	N'000
Cost capitalised finance lease	361,390	317,390	-	361,390	317,390	-
Accumulated depreciation	(85,463)	(22,470)	-	(85,463)	(22,470)	-
Net book amount	275,927	294,920	-	275,927	294,920	-

4.1 Analysis of additions to property, plant and equipment

	Group			Company		
	30-Apr-13	30-Apr-12	1-May-11	30-Apr-13	30-Apr-12	1-May-11
	N'000	N'000	N'000	N'000	N'000	N'000
Additions through cash-others	11,952,051	625,608	-	11,927,211	505,398	-
Additions through cash-construction work in progress	5,486,463	17,177,088	-	5,486,463	17,177,071	-
Additions through increase in decommissioning estimates	15,524	21,489	-	15,524	21,489	-
Additions through finance lease	44,000	317,390	-	44,000	317,390	-
Total	17,498,038	18,141,575	-	17,473,198	18,021,348	-

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

5 Intangible assets

	Group			Company	
	Goodwill	Software	Total	Software	Total
	N'000	N'000	N'000	N'000	N'000
Cost					
At 1 May 2012	2,318,436	39,300	2,357,736	37,246	37,246
Additions	-	1,499	1,499	1,406	1,406
Disposals arising from discontinued operations	-	(634)	(634)	-	-
Exchange difference	-	(597)	(597)	-	-
At 30 April 2013	2,318,436	39,568	2,358,004	38,652	38,652
Accumulated amortisation/impairment					
At 1 May 2012	1,587,706	21,029	1,608,735	21,598	21,598
Charge for the year	-	14,501	14,501	14,055	14,055
Disposal/write offs/impairments	709,454	-	709,454	-	-
Disposals arising from discontinued operations	-	(286)	(286)	-	-
Exchange difference	-	1,036	1,036	-	-
At 30 April 2013	2,297,160	36,280	2,333,440	35,653	35,653
Net book amount at 2013	21,276	3,288	24,564	2,999	2,999
Cost					
At 1 May 2011	2,318,436	38,635	2,357,071	36,220	36,220
Additions	-	1,725	1,725	1,026	1,026
Disposal /write-offs/impairments	-	(946)	(946)	-	-
Exchange difference	-	(114)	(114)	-	-
At 30 April 2012	2,318,436	39,300	2,357,736	37,246	37,246
Accumulated amortisation/impairment					
At 1 May 2011	1,587,706	8,271	1,595,977	8,043	8,043
Charge for the year	-	13,128	13,128	13,555	13,555
Disposal/write offs/impairments	-	(247)	(247)	-	-
Exchange difference	-	(123)	(123)	-	-
At 30 April 2012	1,587,706	21,029	1,608,735	21,598	21,598
Net book amount at 2012	730,730	18,271	749,001	15,648	15,648
At 1 May 2011					
Cost	2,318,436	38,635	2,357,071	36,220	36,220
Accumulated depreciation	(1,587,706)	(8,271)	(1,595,977)	(8,043)	(8,043)
Net book amount	730,730	30,364	761,094	28,177	28,177

The remaining amortisation period for computer software cost is between 1 to 2 years.

Goodwill is not amortised but tested for impairment annually. Management reviews business performance based on its operating segment being its cash-generating unit (CGU). It has identified Nigeria and Sudan as its cash generating units. Goodwill is monitored by the management at the operating segment level.

The recoverable amount of all CGU has been determined based on value-in-use calculations. These calculations use pre-tax cash flows projections based on the financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the infrastructure business in which the CGU operates.

The following is a summary of the goodwill allocation for each segment.

	Key assumptions used in the value-in-use calculations					
	30-Apr-13		30-Apr-12		1-May-11	
	PCT Sudan	Infratech FZC	PCT Sudan	Infratech FZC	PCT Sudan	Infratech FZC
Gross margin (%)	9	-	11	-	15	14.7
Growth rate (%)	-	-	-	-	-	1
Discount rate (%)	14.9	-	11.5	-	17.5	17.5
Recoverable amount (N'000)	21,276	-	1,210,890	-	730,730	-

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant operating segments.

The reason for impairment charge in 2011 on PCT Sudan can be attributed to relative reduction in cash projections used. Impairment charge on Infratech FZC arose as a result of assumption that the deployment business in Infratech FZC will be discontinued. Consequently, the reduced cash flows resulted into a lower value in use. In 2013, the goodwill on PCT Sudan was tested as impaired due to the drop in projected cash revenue. This assumption is consistent with the political crisis that has affected the country in recent years.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

	PCT Sudan	Infratech FZC	Total
	N'000	N'000	N'000
Goodwill recognised on acquisition of Investments	1,332,565	985,871	2,318,436
Impairment in value of goodwill (30 April 2011)	(601,835)	(985,871)	(1,587,706)
Goodwill carried forward (30 April 2011)	730,730	-	730,730
Impairment in value of goodwill (30 April 2012)	-	-	-
Goodwill carried forward (30 April 2012)	730,730	-	730,730
Impairment in value of goodwill (30 April 2013)	(709,454)	-	(709,454)
Goodwill carried forward (30 April 2013)	21,276	-	21,276

6 Long term investments (available for sale)

	Group		Company	
	30-Apr-13 N'000	30-Apr-12 N'000	30-Apr-13 N'000	30-Apr-12 N'000
<i>Investment in subsidiaries</i>				
Balance at beginning of period	-	-	1,696,481	1,045,707
Additions	-	-	2,957	636,188
Fair value net gain/(loss)	-	-	-	14,586
Impairments	-	-	(770,869)	-
Disposal	-	-	(788,981)	-
Balance at end of period	-	-	139,588	1,696,481
<i>Marketable securities</i>				
Balance at beginning of period	20,070	29,292	20,070	29,292
Fair value net loss	(32)	(9,222)	(32)	(9,222)
Impairments	(15,307)	-	(15,307)	-
Balance at end of period	4,731	20,070	4,731	20,070
Total	4,731	20,070	144,319	1,716,551

	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
<i>Investment in subsidiaries</i>						
Power and Communications Technologies Limited	-	-	-	135,067	881,666	844,520
PCT, South Sudan	-	-	-	2,957	-	-
Infratech FZC (disposed in October 2012)	-	-	-	-	777,040	187,530
IHS Ghana Limited (disposed in October 2012)	-	-	-	-	11,941	11,941
IHS Mauritius Limited	-	-	-	1,564	25,834	1,716
	-	-	-	139,588	1,696,481	1,045,707
<i>Marketable securities</i>	4,731	20,070	29,292	4,731	20,070	29,292
	4,731	20,070	29,292	144,319	1,716,551	1,074,999
<i>Analysis of marketable securities</i>						
Access Bank Plc.	3,412	3,082	4,205	3,412	3,082	4,205
First Inland Bank Plc.	-	-	690	-	-	690
Bank PHB Plc.	-	-	7,140	-	-	7,140
Eco Bank Plc.	-	5,485	1,880	-	5,485	1,880
First Bank Plc.	-	11,427	15,377	-	11,427	15,377
FCMB	1,319	76	-	1,319	76	-
	4,731	20,070	29,292	4,731	20,070	29,292

Power and Communications Technologies Limited, Sudan - IHS Nigeria Plc. acquired 51% stake in Power and Communications Technologies Limited, Sudan on 12 November 2008.

Infratech FZC group - IHS Nigeria Plc. acquired 50% shareholding in January 2009. Additional 50% stake was acquired in September 2011. IHS Nigeria Plc. sold its 100% ownership in October 2012.

IHS Ghana Limited - IHS Nigeria Plc. acquired 100% shareholding in May 2010. IHS Nigeria Plc. sold its 100% ownership in October 2012.

IHS Mauritius Limited - IHS Nigeria Plc. has 100% shareholding. IHS Mauritius Limited was incorporated in August 2010.

PCT South Sudan - IHS Nigeria Plc. has 51% shareholding. PCT South Sudan commenced operations in May 2012.

7 Prepaid land rent

	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
At 1 May	1,244,286	586,922	-	1,244,286	586,922	-
Additions	2,341,827	823,466	586,922	2,341,827	823,466	586,922
Amortisation	(245,836)	(166,102)	-	(245,836)	(166,102)	-
At 30 April	3,340,277	1,244,286	586,922	3,340,277	1,244,286	586,922
Current portion - prepaid land rent	425,095	194,867	77,930	425,095	194,867	77,930
Non-current portion - prepaid land rent	2,915,182	1,049,419	508,992	2,915,182	1,049,419	508,992
	3,340,277	1,244,286	586,922	3,340,277	1,244,286	586,922

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

8 Inventory and work in progress

	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
Stock of materials	605,324	681,435	947,147	605,341	678,819	947,165
Less: write down	(64,506)	-	-	(64,506)	-	-
	540,818	681,435	947,147	540,835	678,819	947,165
Work in progress	142,534	418,713	68,845	-	-	36,702
	683,352	1,100,148	1,015,992	540,835	678,819	983,867

All inventory items are stated at cost

Work in progress comprise mainly of BTS tower equipment still under construction on behalf of third parties.

9 Trade and other receivables

Trade receivables and accrual	5,870,489	6,315,617	5,269,468	5,313,256	5,500,160	2,653,388
Less: impairment provisions	(2,915,628)	(87,556)	(23,227)	(2,900,103)	(87,556)	(23,227)
	2,954,861	6,228,061	5,246,241	2,413,153	5,412,604	2,630,161
Prepayment and deferred expense	467,223	260,543	694,472	430,076	230,425	654,424
Other receivable	2,025,381	1,626,931	1,532,853	1,735,140	1,545,897	1,486,920
	5,447,465	8,115,535	7,473,566	4,578,369	7,188,926	4,771,505

All trade and other receivables are due within the twelve(12) months from the accounting year end.

Impairment analysis

Balance as at the beginning of the year	87,556	23,227	-	87,556	23,227	-
Impairment losses recognised on trade receivables (Note 28)	2,828,072	64,329	23,227	2,812,547	64,329	23,227
	2,915,628	87,556	23,227	2,900,103	87,556	23,227

Included in the impairment charge for the year are receivables from the following customers:

Intercellular Nigeria Plc.	2,064,310	-	-	2,064,310	-	-
Mobitel Nigeria Limited	78,233	-	-	78,233	-	-
Starcomms Nigeria Plc.	670,004	-	-	670,004	-	-
Impairment of trade receivables and other customers	15,525	64,329	23,227	-	64,329	23,227
	2,828,072	64,329	23,227	2,812,547	64,329	23,227

10 Cash at bank and cash in hand

Cash at bank and cash in hand	1,047,476	6,729,511	1,512,400	986,346	5,562,789	845,082
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For the purposes of the statement of cash flow, cash and cash equivalent include bank overdraft

Cash at bank and cash in hand	1,047,476	6,729,511	1,512,400	986,346	5,562,789	845,082
Overdrafts (Note 12)	(182,569)	-	(702,175)	(182,569)	-	(702,175)
Cash and cash equivalent balance	864,907	6,729,511	810,225	803,777	5,562,789	142,907

11 Restricted cash

Restricted cash in an escrow account	-	160,553	111,115	-	160,553	111,115
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Restricted cash in escrow relates to cash set aside by the company for significant transactions with contingent terms to pay off any liabilities which may arise within a specified period of time. Restrictions are then removed from the balance, after all liabilities which arise are settled. The amount was set aside for the acquisition of 50% of Infratech Dubai group in 2012 and the acquisition of 443 Visafone Communications Limited towers and tower equipment in 2011.

12 Borrowings

Current

Overdraft from bank	182,569	-	702,175	182,569	-	702,175
Portion of long term borrowings due within 1 year	16,907,254	-	2,278,781	16,907,254	-	2,278,781
	17,089,823	-	2,980,956	17,089,823	-	2,980,956

Non-current

Bank loan	-	16,699,862	7,971,896	-	16,699,862	7,971,896
Finance lease	245,827	131,416	-	245,827	131,416	-
	245,827	16,831,278	7,971,896	245,827	16,831,278	7,971,896

Total borrowing	17,335,650	16,831,278	10,952,852	17,335,650	16,831,278	10,952,852
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IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

Borrowings from Stanbic IBTC Bank, Skye Bank Plc., Investec Asset Management (PTY) Limited, Standard Bank Group and AFREXIM are denominated in Naira and USD and are secured under an existing Composite Security Deed over all the fixed and floating assets of the company.

The borrowings were repaid in full in May 2013 and the average interest rates were 19.46% (2012: 19.07%) and 7.88% (2012: 7.91%) for the Naira and USD borrowings respectively.

	30-Apr-13 N'000	Group 30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	Company 30-Apr-12 N'000	1-May-11 N'000
Gross finance lease liabilities - minimum lease payments						
No later than 1 year	110,568	34,172	-	110,568	34,172	-
Later than 1 year and no later than 5 years	244,610	97,252	-	244,610	97,252	-
Future finance charges	(109,351)	(8)	-	(109,351)	(8)	-
Present value of finance lease liabilities	245,827	131,416	-	245,827	131,416	-
The present value of finance lease liabilities is as follows						
No later than 1 year	58,454	34,172	-	58,454	34,172	-
Later than 1 year and no later than 5 years	187,373	97,244	-	187,373	97,244	-
	245,827	131,416	-	245,827	131,416	-

13 Redeemable convertible preference capital

	Group 30-Apr-13 N'000	30-Apr-12 N'000	Company 30-Apr-13 N'000	30-Apr-12 N'000
Balance at beginning of year	17,718,799	-	17,718,799	-
Issued during the year	-	17,426,115	-	17,426,115
Transactions costs	-	(558,550)	-	(558,550)
Interest charge for the year	1,470,798	921,951	1,470,798	921,951
Foreign exchange (gain)/loss on instrument	11,420	(70,717)	11,420	(70,717)
Balance at end of year	19,201,017	17,718,799	19,201,017	17,718,799

On 21 June 2011 (tranche 1), IHS Nigeria Plc. issued 4,775,469,388 cumulative, redeemable, convertible preference shares of 50 kobo each at N2.45 (\$0.0159) per share.

On 14 December 2011 (tranche 2), additional 2,791,520,545 cumulative, redeemable, convertible preference shares of 50 kobo each were issued at N3.08 (\$0.02006) per share.

The tenor of the preference shares is 7 years from the date of issue. They may be converted into ordinary shares at any time at the option of the holder on a one-for-one basis. Prior to their conversion, the preference shares will rank senior to all existing and issued ordinary shares. On conversion the preference shares, now ordinary shares, will rank pari-passu with all existing ordinary shares.

The cumulative dividend rate is 10% per annum

	Tranche 2 N'000	Group Tranche 1 N'000	Total N'000	Tranche 2 N'000	Company Tranche 1 N'000	Total N'000
Liability component on initial recognition	7,520,036	9,906,079	17,426,115	7,520,036	9,906,079	17,426,115
Equity component on initial recognition	1,317,884	2,281,251	3,599,135	1,317,884	2,281,251	3,599,135
Exchange gain/(loss) on the transaction	219,543	(5,732)	213,811	219,543	(5,732)	213,811
Total proceeds	9,057,463	12,181,598	21,239,061	9,057,463	12,181,598	21,239,061
Transaction cost attributed to equity			115,532			115,532
Transaction cost attributed to liability			558,550			558,550
Transaction costs			674,082			674,082

14 Trade and other payables

	30-Apr-13 N'000	Group 30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	Company 30-Apr-12 N'000	1-May-11 N'000
Trade payables	12,621,300	1,694,802	2,390,560	12,446,162	1,609,616	2,152,222
Accruals and other liabilities	1,070,827	1,298,379	1,498,948	1,062,523	1,222,989	663,143
VAT payable	862,571	484,283	662,857	801,724	360,006	336,292
Deferred revenue	1,170,847	1,638,775	933,718	876,133	1,515,581	933,718
	15,725,545	5,116,239	5,486,083	15,186,542	4,708,192	4,085,375

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

15 Provision for gratuity

a) Defined benefit scheme

The company made provision for gratuity which was based on independent actuarial valuation performed by KMC Actuarial Services using the projected unit credit method. The company does not maintain any assets for the gratuity plan but ensures that it has sufficient funds for the obligations as they crystallize.

From May 2012, the company terminated this scheme with the requirement that there would be no change to the company's obligation than as valued as at 30 April 2012.

The entitlement of a member of staff as at date of exit is an equivalent of the monthly contributions made by the company to the fund manager. Consequently, payment of staff entitlement will be done by the fund manager to the extent of the amount which has been remitted by the company, in the event of exit by any member of staff through resignation, termination of appointment or death. The unremitted portion has been included under the trade and other payables balance on the statement of financial position as payment is expected to be made to the fund administrator within the next 12 months.

The amounts recognised in the statement of financial position is as follows:

	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
Present value of obligations (unfunded)	-	152,210	79,878	-	140,238	79,878

The movement in the defined benefit obligation during the year is as follows:

	Group		Company	
	30-Apr-13 N'000	30-Apr-12 N'000	30-Apr-13 N'000	30-Apr-12 N'000
Balance at the beginning of the year	152,210	79,878	140,238	79,878
Current service	-	24,601	-	24,601
Net interest cost	-	2,885	-	2,885
Actuarial losses	-	17,983	-	17,983
Past service cost	-	43,289	-	31,317
Benefits paid	(2,419)	(16,426)	(2,419)	(16,426)
Restructured and transferred	(149,791)	-	(137,819)	-
Balance at the end of the year	-	152,210	-	140,238
<i>Amount recognised in income statement</i>				
Current service costs	-	24,601	-	24,601
Net interest costs	-	2,885	-	2,885
	-	27,486	-	27,486
<i>Amounts recognised in other comprehensive income are shown below:</i>				
Actuarial losses - Change in Assumption	-	-	-	-
Actuarial losses - Experience	-	17,983	-	17,983
	-	17,983	-	17,983

Actuarial Assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	30-Apr-13	30-Apr-12	1-May-11
Long-term average discount rate (p.a.)	N/A	13%	13%
Future average pay increase (p.a.)	N/A	N/A	N/A
Average rate of inflation (p.a.)	N/A	N/A	N/A
Number of qualifying staff	N/A	102	91
Salary weighted past service in years	N/A	8.82	7.05
Average duration in years (gratuity)	N/A	37	36

Due to the fact that the scheme was restructured to a defined contribution scheme effective 2013, actuarial assumptions such as mortality, withdrawal from service, and sensitivity of the benefits payable to certain future changes in the variables were considered irrelevant to as at time of the valuation.

b) Defined contribution scheme

From May 2012, a new scheme was inaugurated which provides for 5% of individual staff basic salary per month as gratuity allocation for each staff. The amount shall be remitted to an appointed fund manager who will manage the funds on behalf of the staff until such staff leaves the company in the event of resignation, termination of appointment or death.

The company also makes provision in respect of defined contribution scheme as stipulated by Nigerian Pension Reform Act. The amount expensed in administrative expense for the year ended 30th April 2013 was N71.00 million (2012: N85.12 million) and N43.88 million (2012: N29.21 million) for group and company respectively

16 Decommissioning and site restoration provision

This relates to the probable obligation that the company may incur on the land in which its BTS towers equipment are constructed. The amount recognised initially is the present value of the estimate of the amount that will be required to decommission and restore the leased sites to the original states, discounted using the effective borrowing rate of the company. The amount provided for each site has been discounted based on the respective lease terms (up to 2019) attached to each site.

The provisions have been created based on the decommissioning experts estimates and management's experience of the specific situations. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works required that will reflect market conditions at the relevant time. Furthermore, the timing of decommissioning is likely to depend on when the lease term is terminated without renewal. This, in turn, will depend upon technological changes in local and international telecommunication industry which are inherently uncertain.

The discount rate used in the calculation of the provision has been 13%.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

The amounts recognised in the statement of financial position are as follows:

	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
Decommissioning and site restoration provision	54,162	29,339	6,841	54,162	29,339	6,841

The movement in the decommissioning provision during the years is as follows:

	Group		Company	
	30-Apr-13 N'000	30-Apr-12 N'000	30-Apr-13 N'000	30-Apr-12 N'000
Balance at beginning of year	29,339	6,841	29,339	6,841
Unwinding of interest	9,299	1,009	9,299	1,009
Additions / other changes in estimates	15,524	21,489	15,524	21,489
Balance at end of year	54,162	29,339	54,162	29,339

17 Deferred tax

	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
Deferred tax asset	3,355,825	3,388,917	2,892,420	3,355,825	3,388,917	2,892,420
Deferred tax liability	(1,083,567)	(1,891,593)	(2,479,215)	(1,083,567)	(1,882,906)	(2,469,430)
Net deferred tax asset	2,272,258	1,497,324	413,205	2,272,258	1,506,011	422,990

Deferred income tax assets and liabilities are attributable to the following items:

Deferred tax assets						
Provisions	16,249	55,062	2,052	16,249	55,062	2,052
Retirement benefit obligations	45,720	57,790	32,017	45,720	57,790	32,017
Unrealised exchange differences	2,719	-	-	2,719	-	-
Unutilised capital allowances	2,858,404	2,778,282	2,728,924	2,858,404	2,778,282	2,728,924
Tax loss carried forward	432,733	497,783	129,427	432,733	497,783	129,427

Total	3,355,825	3,388,917	2,892,420	3,355,825	3,388,917	2,892,420
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Deferred tax liabilities						
Fixed assets	1,083,567	1,882,906	2,469,430	1,083,567	1,882,906	2,469,430
Unrealised exchange differences	-	8,687	9,785	-	-	-

Total	1,083,567	1,891,593	2,479,215	1,083,567	1,882,906	2,469,430
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Deferred tax assets						
- to be recovered after 12 months	3,352,324	3,272,985	2,892,420	3,352,324	3,272,985	2,892,420
- to be recovered within 12 months	3,501	115,932	-	3,501	115,932	-
	3,355,825	3,388,917	2,892,420	3,355,825	3,388,917	2,892,420

Deferred tax liabilities						
- to be recovered after 12 months	774,976	1,093,044	1,892,692	758,497	1,083,567	1,882,906
- to be recovered within 12 months	308,591	798,549	586,523	325,070	799,339	586,524
	1,083,567	1,891,593	2,479,215	1,083,567	1,882,906	2,469,430

Group	Fixed assets N'000	Provisions N'000	Retirement benefit N'000	Unrealised exchange differences N'000	Tax losses N'000	Total N'000
Deferred tax assets						
At 1 May 2011	2,728,924	2,052	32,017	-	129,427	2,892,420
Credited to income statement	49,359	53,009	25,773	-	368,356	496,497
At 30 April 2012	2,778,283	55,061	57,790	-	497,783	3,388,917
Credited/(charged) to income statement	80,122	(38,813)	(12,070)	2,719	(65,050)	(33,092)
At 30 April 2013	2,858,405	16,248	45,720	2,719	432,733	3,355,825

Deferred tax liabilities						
At 1 May 2011	2,479,215	-	-	-	-	2,479,215
Credited to income statement	(562,873)	-	-	-	-	(562,873)
Credited to income statement (discontinued operations)	(18,256)	-	-	-	-	(18,256)
Credited to statement of comprehensive income	-	-	(5,395)	-	-	(5,395)
Exchange translation	(1,098)	-	-	-	-	(1,098)
At 30 April 2012	1,896,988	-	(5,395)	-	-	1,891,593
Credited to income statement	(799,340)	-	-	-	-	(799,340)
Disposal - discontinued operations	(7,881)	-	-	-	-	(7,881)
Exchange translation	(805)	-	-	-	-	(805)
At 30 April 2013	1,088,962	-	(5,395)	-	-	1,083,567

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

Company	Fixed assets N'000	Provisions N'000	Retirement benefit N'000	Unrealised exchange differences N'000	Tax losses N'000	Total N'000
Deferred tax assets						
At 1 May 2011	2,728,924	2,052	32,017	-	129,427	2,892,420
Credited to income statement	49,359	53,009	25,773	-	368,356	496,497
At 30 April 2012	2,778,283	55,061	57,790	-	497,783	3,388,917
Credited/(charged) to income statement	80,122	(38,813)	(12,070)	2,719	(65,050)	(33,092)
At 30 April 2013	2,858,405	16,248	45,720	2,719	432,733	3,355,825
Deferred tax liabilities						
At 1 May 2011	2,469,430	-	-	-	-	2,469,430
Credited to income statement	(581,129)	-	-	-	-	(581,129)
Credited to comprehensive income	-	-	(5,395)	-	-	(5,395)
At 30 April 2012	1,888,301	-	(5,395)	-	-	1,882,906
Credited to income statement	(799,339)	-	-	-	-	(799,339)
At 30 April 2013	1,088,962	-	(5,395)	-	-	1,083,567

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefits through future taxable profits. The group has recognised deferred tax assets based on a five-year cash flow projection in which the group is expected to make profit in the foreseeable future.

18 Taxation

	Group 30-Apr-13 N'000	30-Apr-12 N'000	Company 30-Apr-13 N'000	30-Apr-12 N'000
Companies income tax	(1,155)	(88,329)	-	(34,283)
Education tax	(4,319)	-	(4,319)	-
Total current taxes on income	(5,474)	(88,329)	(4,319)	(34,283)
Deferred taxes	766,248	1,059,370	766,248	1,077,626
Total current tax on income statements - continuing operations	760,774	971,041	761,929	1,043,343
Deferred taxes on other comprehensive income	-	5,395	-	5,395
Total taxes - continuing operations	760,774	976,436	761,929	1,048,738
Reconciliation of effective tax rate				
Loss before income tax - continuing operations	7,513,930	4,886,095	7,493,488	5,075,133
Tax charge at 30%	2,254,179	1,465,829	2,248,046	1,522,540
Tax effects of:				
Education tax levy	(4,319)	-	(4,319)	-
Non-deductible expenses	(1,936,518)	(655,318)	(1,929,230)	(639,727)
Temporary differences	382,382	160,530	382,382	160,530
Tax losses	65,050	-	65,050	-
Tax in the statement of comprehensive income	760,774	971,041	761,929	1,043,343
Deferred taxes on other comprehensive income	-	5,395	-	5,395
Total taxes	760,774	976,436	761,929	1,048,738
The movement in the current income tax liability is as follows:				
Balance at beginning of year	192,495	403,457	26,745	203,516
Charged to profit or loss accounts - continued operations	5,474	88,329	4,319	34,283
Charged to profit or loss accounts - discontinued operations	4,178	130,740	-	-
Paid during the year	(62,566)	(446,846)	-	(211,054)
Disposal - discontinued operations	(19,271)	-	-	-
Exchange translation	(39,400)	16,815	-	-
Balance at end of year	80,910	192,495	31,064	26,745

The company's collocation business was granted pioneer status with effect from 1 June 2011. Therefore, profits from this line of business will not be taxable until 31 May 2016.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

19 Share capital and premium

	Group				Company	
	30-Apr-13 N'000	30-Apr-12 N'000	30-Apr-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	30-Apr-11 N'000
Share capital						
Authorised:						
4,647,735,688 ordinary shares of 50 kobo each	2,323,868	2,323,868	2,323,868	2,323,868	2,323,868	2,323,868
Issued and fully paid:						
4,400,000,000 ordinary shares of 50 kobo each						
Share capital	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000
Share premium	6,069,652	6,069,652	6,069,652	6,069,652	6,069,652	6,069,652

Share premium is a non-distributable reserve for recording additional paid in capital in excess of the nominal value.

20 Retained earnings

	Group		Company	
	30-Apr-13 N'000	30-Apr-12 N'000	30-Apr-13 N'000	30-Apr-12 N'000
Balance at beginning of year		(4,515,558)	(4,914,220)	(882,430)
Excess of consideration over net asset acquired - 50% Infratech Dubai		-	(227,612)	-
Transfer from profit or loss		(6,585,679)	(6,731,559)	(4,031,790)
Balance at end of year		(11,101,237)	(11,645,779)	(4,914,220)

Retained earnings is the reserve in which the profit or loss for the year is retained. Dividends and other adjustments in the ordinary course of business are charged against it.

21 Other capital reserves

Group	Available for sale reserve	Equity conversion reserve	Related party fair value gain	Foreign exchange translation reserve	Actuarial gain/(loss) reserve	Other capital reserve
	N'000	N'000	N'000	N'000		N'000
At 1 May 2011	-	-	-	-	-	-
Other comprehensive income net of taxes	(9,223)	-	-	(153,453)	(12,588)	(175,264)
Convertible redeemable preference shares	-	3,483,603	-	-	-	3,483,603
At 30 April 2012	(9,223)	3,483,603	-	(153,453)	(12,588)	3,308,339
At 1 May 2012	(9,223)	3,483,603	-	(153,453)	(12,588)	3,308,339
Other comprehensive income net of taxes	(32)	-	-	(196,962)	-	(196,994)
Related party fair value adjustment	-	-	170,408	-	-	170,408
At 30 April 2013	(9,255)	3,483,603	170,408	(350,415)	(12,588)	3,281,753
Company	Available for sale reserve	Equity conversion reserve	Related party fair value gain	Foreign exchange translation reserve	Actuarial gain/(loss) reserve	Other capital reserve
	N'000	N'000	N'000	N'000		N'000
At 1 May 2011	-	-	-	-	-	-
Other comprehensive income net of taxes	(9,223)	-	-	-	(12,588)	(21,811)
Convertible redeemable preference shares	-	3,483,603	-	-	-	3,483,603
At 30 April 2012	(9,223)	3,483,603	-	-	(12,588)	3,461,792
At 1 May 2012	(9,223)	3,483,603	-	-	(12,588)	3,461,792
Other comprehensive income net of taxes	(32)	-	-	-	-	(32)
Related party fair value adjustment	-	-	170,408	-	-	170,408
At 30 April 2013	(9,255)	3,483,603	170,408	-	(12,588)	3,632,168

Available for sale reserve

Gain and losses on fair valuation of available for sale equity investments only are recognised here. It is a non-distributable reserve.

Equity conversion reserve

It is a non-distributable reserve which relates to the equity component of the redeemable convertible preference capital. The reserve is recyclable to retained earnings on the exercise of the conversion option.

Related party fair value gain

It is a non-distributable reserve which relates to the difference between the fair value and actual proceed of related party transactions.

Foreign exchange translation reserve

It is a non-distributable reserve that harbours the exchange movement in the translation of foreign subsidiaries and operation.

Actuarial gain/(loss) reserve

It is a non-distributable reserve which relates to the actuarial gain or loss on defined benefit obligation.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

	Group	
	30-Apr-13 N'000	30-Apr-12 N'000
22 Non-controlling interest		
Balance at beginning of year	352,741	629,481
Disposal of Infratech Dubai group	-	(462,424)
Transfer from profit or loss	(14,067)	160,290
Share of translation difference	(189,238)	25,394
Arising on incorporation of new subsidiary	2,841	-
Balance at end of year	152,277	352,741

On September 2011, IHS acquired 50% of the issued shares of Infratech Dubai group for a purchase consideration of \$4.054 million (N636.19 million). As at 30th April 2012, IHS held 50% of the equity share capital of Infratech Dubai group. The carrying amount of the non controlling interest on the date of acquisition was N462.42 million. The effect of the changes in ownership interest of Infratech Dubai group on the equity attributable to the owners of the company during the year is summarized below:

	Group	
	30-Apr-13 N'000	30-Apr-12 N'000
Cash consideration paid to non-controlling interests	-	636,188
Carrying amount of non-controlling interest acquired	-	(462,424)
Foreign exchange gain	-	53,848
	-	227,612

	Group		Company	
	30-Apr-13 N'000	30-Apr-12 N'000	30-Apr-13 N'000	30-Apr-12 N'000
23 Revenue				
Collocation	9,389,496	5,916,683	9,389,496	5,916,683
Managed services	6,560,997	7,137,877	5,503,465	5,784,829
Deployment	553,972	865,668	-	51,974
	16,504,465	13,920,228	14,892,961	11,753,486
24 Cost of sales				
Collocation	4,808,679	3,991,270	4,802,316	3,991,270
Managed services	5,907,315	6,795,993	4,942,761	5,784,826
Deployment	526,161	681,256	-	48,213
	11,242,155	11,468,519	9,745,077	9,824,309
25 Administrative expenses				
Administrative expense is broken down into				
Depreciation (Notes 4 and 5)	3,179,289	2,438,317	3,151,268	2,312,287
Impairment	237,470	74,438	237,470	74,438
Director's emoluments (Note 31)	27,430	30,941	27,430	30,941
Staff cost (Note 32)	465,707	381,339	433,049	303,970
Other staff benefits	74,905	130,732	60,635	125,751
Management technical service fee	335,007	260,657	261,022	263,292
Audit fees	58,989	66,290	51,025	47,250
Diesel	23,950	33,283	21,826	33,283
Rent	114,233	163,440	73,099	138,531
Professional fees	284,937	450,529	68,682	350,176
Listing fees	76,608	7,203	76,608	7,203
Repairs and maintenance	44,320	124,342	30,152	104,245
Travel expenses	172,374	230,092	62,367	215,167
Bank Charges	49,685	79,587	46,575	70,887
Foreign exchange (gain)/loss	67,890	(304,665)	(41,935)	(198,662)
Other expenses	102,388	469,686	92,401	232,410
Less: discontinued operations	(52,418)	(200,048)	-	-
	5,262,764	4,436,163	4,651,674	4,111,169
26 Other income				
Dividend income	-	-	-	-
Insurance claim received	25,311	2,662	25,311	4,605
Profit/(Loss) on sale of assets	50,649	-	50,649	(12,849)
Gain from disposal of investment	-	-	19,474	-
Other income	29,165	0	29,258	14,292
	105,125	2,662	124,692	6,048

On October 2012, IHS disposed of the whole of its 100% interest in Infratech Dubai group and IHS Ghana Limited at \$5.58million (N866.83 million) and \$0.19 million (N30.00 million) respectively. The amount due as consideration was recognised as part of other receivables as at the transaction date. The effect of the disposal of 100% interest of Infratech Dubai group and IHS Ghana Limited on the equity attributable to owners of the company during the year is summarised as follows:

	Infratech Dubai Group		IHS Ghana Limited		Total	
	Group N'000	Company N'000	Group N'000	Company N'000	Group N'000	Company N'000
Consideration received	866,829	866,829	29,997	29,997	896,826	896,826
Carrying value of net assets disposed	(850,521)	-	125,935	-	(724,586)	-
Carrying amount of investment disposed	-	(777,040)	-	(11,941)	-	(788,981)
Foreign exchange on the transaction	46	(65,025)	8	(182)	54	(65,207)
Write off of receivable from disposed entities	(16,104)	(16,104)	(7,059)	(7,059)	(23,163)	(23,163)
	250	8,660	148,881	10,815	149,131	19,475

The gain on disposal of discontinued operation has been included in note 31.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

The carrying amount of the subsidiaries disposed as provided below:

	Infratech Dubai Group N'000	IHS Ghana Limited N'000	Total N'000
Assets			
Property plant and equipment	-	54,267	54,267
Long term receivables	732,425	-	732,425
Stocks and work in progress	-	4,956	4,956
Trade receivables and prepayments	241,525	217,929	459,454
Cash at bank and in hand	184,247	109,474	293,721
	<u>1,158,197</u>	<u>386,626</u>	<u>1,544,823</u>
Liabilities			
Taxation	32,867	(13,596)	19,271
Trade and other payables	24,631	329,257	353,888
Termination benefits	-	5,313	5,313
Long term borrowings	242,930	190,954	433,884
Deferred tax liability	7,248	633	7,881
	<u>307,676</u>	<u>512,561</u>	<u>820,237</u>
Carrying amount of net assets	<u>850,521</u>	<u>(125,935)</u>	<u>724,586</u>

	Group 30-Apr-13 N'000	30-Apr-12 N'000	Company 30-Apr-13 N'000	30-Apr-12 N'000
27 Exceptional write down of goodwill / Investment in subsidiaries				
Impairment loss arising from PCT Sudan	709,454	-	709,454	-
Impairment loss arising fair value adjustment - PCT Sudan	-	-	37,146	-
Impairment loss arising fair value adjustment - IHS Mauritius	-	-	24,269	-
	<u>709,454</u>	<u>-</u>	<u>770,869</u>	<u>-</u>
28 Exceptional impairment of receivables				
Intercellular Nigeria Plc.	2,064,310	-	2,064,310	-
Mobitel Nigeria Limited	78,233	-	78,233	-
Starcomms Nigeria Plc.	670,004	-	670,004	-
Other trade receivables and accrual	15,525	64,329	-	64,329
Impairment of trade receivables and accrual	2,828,072	64,329	2,812,547	64,329
Loan and other receivables from subsidiary	-	-	474,212	-
	<u>2,828,072</u>	<u>64,329</u>	<u>3,286,759</u>	<u>64,329</u>
Impairment of trade receivables have been classified in the statement of comprehensive income as:				
Exceptional write down of receivables	2,812,547	-	3,286,759	-
Administrative expenses	15,525	64,329	-	64,329
	<u>2,828,072</u>	<u>64,329</u>	<u>3,286,759</u>	<u>64,329</u>
29 Finance income				
Interest income on bank deposits	120,168	282,568	120,098	222,728
Interest income - related party	-	-	62,515	-
	<u>120,168</u>	<u>282,568</u>	<u>182,613</u>	<u>222,728</u>
30 Finance cost				
Interest expense - borrowings	2,400,153	2,261,309	2,400,153	2,196,355
Interest expense - finance lease	44,664	2,602	44,664	2,602
Interest expense - decommissioning liability	9,299	1,009	9,299	1,009
Interest expense - redeemable convertible preference capital	1,470,798	921,951	1,470,798	921,951
Interest expense - related party	14,163	-	36,770	-
Loan facility fee	277,691	-	277,691	-
	<u>4,216,768</u>	<u>3,186,871</u>	<u>4,239,375</u>	<u>3,121,917</u>
31 Discontinued operations	30-Apr-13 N'000		30-Apr-12 N'000	
Revenue	290,865		1,275,879	
Cost of sales	(239,666)		(943,496)	
Gross profit	<u>51,199</u>		<u>332,383</u>	
Administrative expenses	(31,588)		(128,080)	
Depreciation of fixed assets	(20,830)		(71,968)	
Other income	9,676		261,320	
Operating profit	<u>8,457</u>		<u>393,655</u>	
Finance income	-		10,625	
Profit before taxation	<u>8,457</u>		<u>404,280</u>	
Taxation	(4,178)		(112,484)	
Gain from disposal of discontinued operations	149,131		-	
Profit for the year	<u>153,410</u>		<u>291,796</u>	
Attributable to:				
Members	153,410		233,859	
Non controlling interests	-		57,937	
Profit for the year	<u>153,410</u>		<u>291,796</u>	

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

	Group		Company	
	30-Apr-13 N'000	30-Apr-12 N'000	30-Apr-13 N'000	30-Apr-12 N'000
32 Cash generated from operations				
<i>Reconciliation:</i>				
Loss before taxation-continuing operations	(7,513,930)	(4,886,095)	(7,493,488)	(5,075,133)
Profit before taxation-discontinued operations	157,588	404,280	-	-
<i>Adjustments:</i>				
Depreciation of property, plant and equipment	3,164,788	2,425,189	3,137,213	2,298,732
Amortisation of intangible assets	14,501	13,128	14,055	13,555
Amortisation of prepaid rent	245,836	166,102	245,836	166,102
(Profit)/loss on sale of assets	(50,649)	-	(50,649)	12,849
Profit on sale of investments	(149,131)	-	(19,475)	-
Provision for gratuity	-	67,890	-	55,918
Finance costs	4,216,768	3,186,871	3,961,684	3,121,917
Foreign exchange (gain)/loss	67,890	(304,665)	41,935	(198,662)
Interest and other income accrued	(174,644)	(285,230)	(237,182)	(241,625)
Impairments in trade receivables	2,843,379	74,438	3,524,229	74,438
Impairments in goodwill/investments	709,454	-	786,176	-
<i>Operating profit before working capital changes</i>	3,531,850	861,908	3,910,334	228,091
<i>Changes in working capital</i>				
(Increase)/decrease in inventory and WIP	411,840	(84,157)	137,984	305,048
(Increase)/decrease in debtors and prepayments	(1,157,570)	(705,903)	(137,252)	(2,477,566)
(Increase)/decrease in due from related parties	(763,231)	(15,801)	(306,626)	(416,396)
(Increase)/decrease in restricted cash balance	160,553	(49,438)	160,553	(49,438)
Increase/(decrease) in trade and other payables	10,813,403	(369,844)	10,340,532	622,817
Increase/(decrease) in due to related parties	2,337,367	-	2,958	548,633
Net decrease in working capital	11,802,362	(1,225,143)	10,198,149	(1,466,902)
Cash generated from / (used in) operations	15,334,212	(363,235)	14,108,483	(1,238,811)

33 Information regarding directors and key management staff

Directors emoluments

Fees and other emoluments:

Chairman

Other directors

	2,250	3,865	2,250	3,865
	25,180	27,076	25,180	27,076
	27,430	30,941	27,430	30,941

Fees & other emolument is analysed as:

Fees

Other emoluments

	5,841	12,181	5,841	12,181
	21,589	18,760	21,589	18,760
	27,430	30,941	27,430	30,941

Compensation of key management personnel

Group	30-Apr-13			30-Apr-12		
	Directors N'000	Management N'000	Total N'000	Directors N'000	Management N'000	Total N'000
Short-term employee benefits	27,006	59,781	86,787	32,223	34,859	67,082
Post-employment benefits	423	2,589	3,012	332	1,411	1,743
Other long-term benefits	951	1,471	2,422	951	1,471	2,422
Termination benefits	220	1,370	1,590	6,535	17,931	24,466
	28,600	65,211	93,811	40,041	55,672	95,713
Company						
Short-term employee benefits	27,006	59,781	86,787	32,223	34,859	67,082
Post-employment benefits	423	2,589	3,012	332	1,411	1,743
Other long-term benefits	951	1,471	2,422	951	1,471	2,422
Termination benefits	220	1,370	1,590	6,535	17,931	24,466
	28,600	65,211	93,811	40,041	55,672	95,713

The number of Directors with gross emoluments within the bands stated were:

	Group		Company	
	30-Apr-13	30-Apr-12	30-Apr-13	30-Apr-12
N				
Less than 5,000,000	7	11	7	11
5,000,001 - 10,000,000	1	3	1	3
	8	14	8	14

34 Staff cost

Salaries and wages	939,588	1,029,283	728,945	506,596
Leave allowance	66,006	47,075	63,700	45,899
13th month pay	124,120	44,313	119,484	39,420
Pension contribution - employer	71,002	85,124	43,883	29,211
Other benefits	44,748	106,809	41,156	77,678
	1,245,464	1,312,604	997,168	698,804

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

34 Staff cost (continued)	Group		Company	
	30-Apr-13 N'000	30-Apr-12 N'000	30-Apr-13 N'000	30-Apr-12 N'000
Staff cost was classified as:				
Cost of sales	779,757	931,265	564,119	394,834
Administrative expense	465,707	381,339	433,049	303,970
	<u>1,245,464</u>	<u>1,312,604</u>	<u>997,168</u>	<u>698,804</u>

The number of employees with gross earnings within the bands stated were:

	Group		Company	
	30-Apr-13	30-Apr-12	30-Apr-13	30-Apr-12
N				
Less than 200,000	14	25	2	2
200,001 - 1,000,000	616	745	444	509
1,000,001 - 2,000,000	150	196	124	129
2,000,001 - 3,000,000	30	48	29	25
3,000,001 - 4,000,000	15	22	15	17
4,000,001 - 5,000,000	3	5	3	1
5,000,001 - 6,000,000	3	3	3	3
Above 6,000,000	13	12	11	11
	<u>844</u>	<u>1,056</u>	<u>631</u>	<u>697</u>

35 Related party disclosures	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
Amount due from:						
Non-current						
IHS Mauritius Limited	-	-	-	-	294,344	1,589
IHS Ghana Limited	-	-	-	-	47,334	45,838
Power and Communication Technology Limited	-	-	-	3,364	59,346	-
Infratech FZC	-	-	-	-	550,590	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,364</u>	<u>951,614</u>	<u>47,427</u>

Non current balances due from related parties are interest bearing loans disbursed to subsidiaries. These are recognised at amortised costs.

Transactions in 2013 are loan repayments by subsidiaries (2012: additional loan disbursements).

Current						
UBC Services Inc.	-	43,399	27,598	-	43,399	27,598
IHS Holding Limited	792,434	-	-	708,387	-	-
IHS Mauritius-Cameroun Limited	7,225	-	-	-	-	-
IHS Mauritius-Cote d'Ivoire Limited	6,971	-	-	-	-	-
IHS Ghana Limited	-	-	-	-	18,252	2,254
Power and Communication Technology Limited	-	-	-	12,321	10,982	1,434
PCT South Sudan	-	-	-	8,068	-	-
IHS Mauritius Limited	-	-	-	98,243	2,250	-
Infratech Ghana Limited	-	-	-	-	-	1,075
Infratech FZC	-	-	-	-	15,705	517,811
	<u>806,630</u>	<u>43,399</u>	<u>27,598</u>	<u>827,019</u>	<u>90,588</u>	<u>550,172</u>
Dividend						
Power and Communication Technology Limited, Sudan	-	-	-	-	7,191	35,398
	<u>806,630</u>	<u>43,399</u>	<u>27,598</u>	<u>827,019</u>	<u>97,779</u>	<u>585,570</u>

Current balances due from related parties are amounts paid on behalf of related party. These are not interest bearing.

All transactions relate to additional payments made on behalf of related parties and reimbursements by related parties.

Amount due to:						
Current:						
IHS Holding Limited	7,858	-	-	-	-	-
IHS Ghana Limited	-	-	-	-	-	9,609
PCT South Sudan	-	-	-	2,958	-	-
Infratech FZC	-	-	-	-	-	2,366
Infratech Ghana Limited	-	-	-	-	-	8,050
	<u>7,858</u>	<u>-</u>	<u>-</u>	<u>2,958</u>	<u>-</u>	<u>20,025</u>

Current balances due to related parties are amounts paid by related parties on behalf of IHS Nigeria Plc. These are not interest bearing.

All transactions relate to additional payments made on behalf of related party and reimbursements by related party.

Non current:						
IHS Holding Limited	2,173,264	-	-	2,173,264	-	-
Infratech Ghana Limited	-	-	-	-	568,658	-
	<u>2,173,264</u>	<u>-</u>	<u>-</u>	<u>2,173,264</u>	<u>568,658</u>	<u>-</u>

Non current balances due to related party are interest bearing loans from parent in 2013 (2012: received from subsidiaries). These are recognised at amortised costs.

Transactions in 2013 was an loan received from parent (2012: loan repaid to subsidiary).

Nature of relationships

- IHS Holding Limited - IHS Holding Limited is the ultimate parent of IHS Nigeria Plc. IHS Holding Limited holds all the redeemable, convertible preference shares in IHS Nigeria Plc. IHS Holding has the right to appoint 5 out of the 8 board members and controls the day to day activities and major financial decisions.
- UBC Services Inc. - UBC Services Inc. has 53% shareholding in IHS Nigeria Plc. and has significant influence over the company.
- Power and Communications Technologies Limited (PCT), Sudan - A subsidiary to IHS Nigeria Plc. IHS Nigeria Plc. has 51% shareholding in PCT, Sudan.
- Infratech FZC group - A disposed subsidiary of IHS Nigeria Plc. IHS Nigeria Plc. acquired 50% shareholding in January 2009. Additional 50% stake was acquired in September 2011. IHS Nigeria Plc. sold its 100% ownership in October 2012. The group is made of Infratech Dubai and Infratech Ghana Limited.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

- (v) IHS Ghana Limited - A disposed subsidiary of IHS Nigeria Plc. IHS Nigeria Plc. acquired 100% shareholding in May 2010. IHS Nigeria Plc. sold its 100% ownership in October 2012.
- (vi) IHS Mauritius Limited - A subsidiary of IHS Nigeria Plc. IHS Nigeria Plc. has 100% shareholding in IHS Mauritius Limited.
- (vii) PCT South Sudan - A subsidiary of IHS Nigeria Plc. IHS Nigeria Plc. has 51% shareholding in PCT South Sudan.
- (viii) IHS Mauritius-Cameroun Limited - 100% subsidiary of IHS Holding Limited.
- (ix) IHS Mauritius-Cote d'Ivoire Limited - 100% subsidiary of IHS Holding Limited.

36 Events after reporting date

There are no post balance sheet events which could have had material effect on the financial position of the group as at 30 April 2013 and profit attributable to equity holders on that date.

37 Contingent liabilities and capital commitments

The group was committed to the supply of 50 full turnkey site build in Nigeria for N1.7 billion as at 30 April 2013. There were no contingent liabilities as at 30 April 2013.

38 Earnings per share

	Group		Company	
	30-Apr-13	30-Apr-12	30-Apr-13	30-Apr-12
The calculation of the basic loss per share is based on the following data:				
Losses (N'000)	(6,585,679)	(3,783,548)	(6,731,559)	(4,031,790)
Losses for the purpose of basic loss per share being net loss attributable to equity holders of the company.				
Number of Shares	4,400,000	4,400,000	4,400,000	4,400,000
Number of ordinary shares for the purpose of basic loss per share				
Loss per 50k share (kobo) - basic	(150)	(86)	(153)	(92)
The calculation of the diluted loss per share is based on the following data:				
Loss for the period (N'000)	(6,585,679)	(3,783,548)	(6,731,559)	(4,031,790)
Add back after tax:				
Interest expense - redeemable convertible shares (N'000)	1,029,559	645,366	1,029,559	645,366
FX (gain) or loss on revaluation of redeemable convertible shares (N'000)	7,994	(49,502)	7,994	(49,502)
FX (gain) or loss on initial recognition of the transaction (N'000)	-	(149,668)	-	(149,668)
Losses (N'000)	(5,548,126)	(3,337,352)	(5,694,006)	(3,585,594)
Losses for the purpose of diluted loss per share being net loss attributable to equity holders of the company less all related income and expense recognised during the period.				
Weighted average ordinary shares (number)	4,400,000	4,400,000	4,400,000	4,400,000
Weighted average preference shares (number)	7,566,990	5,163,636	7,566,990	5,163,636
Total number of shares	11,966,990	9,563,636	11,966,990	9,563,636
Number of ordinary shares for the purpose of diluted loss per share				
Loss per 50k share (kobo) - anti-dilutive	(46)	(35)	(48)	(37)

The loss per share per on effect of conversion of the potential ordinary shares have not been disclosed in the statement of comprehensive income as the instrument is anti-dilutive.

39 Segment reporting

The strategic steering committee is the group's executive directors. Management has determined the operating segments based on the information reviewed by them for the purposes of allocating resources and assessing performance.

The group's executive directors considers the business from both geographic. Geographically, management considers the performance in Nigeria, Sudan and Mauritius. The businesses generated from each of the segments are the collocation, managed service and deployment. The group's collocation service activities are only in Nigeria. Although the Sudan segment does not meet the quantitative thresholds required by IFRS 8 for reportable segments, management has concluded that this segment should be reported, as it is closely monitored by them as a potential growth region and is expected to materially contribute to group revenue in the future.

Mauritius segment does not qualify as a reportable operating segment.

The group's executive directors assess performance of the operating segments based on a measure of EBITDA. This measurement basis excludes discontinued operations and the effects of non-recurring expenditure from the operating segments such as loan facility fees and foreign exchange gains/losses on foreign currency denominated loans. EBITDA arising from other cost centres are allocated to the profit centres based on the revenue generated by those profit centres.

Revenue	Note	30-Apr-13			30-Apr-12		
		Inter-segment revenue N'000	Revenue from external customers N'000	Total segmental revenue N'000	Inter-segment revenue N'000	Revenue from external customers N'000	Total segmental revenue N'000
Nigeria		-	14,892,961	14,892,961	-	11,753,486	11,753,486
Sudan		-	1,611,504	1,611,504	-	2,339,595	2,339,595
Other segments		-	-	-	-	(441)	(441)
Group adjustments		-	-	-	-	(172,412)	(172,412)
Revenue from continuing operations	23	-	16,504,465	16,504,465	-	13,920,228	13,920,228
Revenue from discontinued operations	31	-	290,854	290,854	-	1,275,879	1,275,879
		-	16,795,319	16,795,319	-	15,196,107	15,196,107

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

	30-Apr-13 N'000	30-Apr-12 N'000
EBIDTA including discontinued operations		
Nigeria	3,949,107	119,054
Sudan	62,722	153,818
Discontinued operations	20,204	430,835
Other segments	(437,244)	(740)
EBIDTA including discontinued operations	3,594,789	702,967
Depreciation	(3,179,289)	(2,438,317)
Other expense	(222,008)	(74,438)
Finance income	120,168	293,193
Finance expense	(3,939,077)	(3,186,871)
Loan facility fee	(277,691)	-
Exchange gain/(loss) on financing	(64,838)	221,650
Gain on disposal of investment	149,130	-
Exceptional item - impairment	(3,537,526)	-
Profit before tax including discontinued operations	(7,356,342)	(4,481,816)
Tax	756,596	858,557
Loss for the year	(6,599,746)	(3,623,258)
The impairment charge by business segment were:		
Nigeria	2,812,547	-
Sudan	-	-
Discontinued operations	724,979	-
Other segments	-	-
	3,537,526	-

Assets/Liabilities	30-Apr-13		30-Apr-12	
	Assets N'000	Liabilities N'000	Assets N'000	Liabilities N'000
Nigeria	54,240,698	53,984,657	48,840,473	40,023,249
Sudan	1,148,781	695,404	1,266,859	511,030
Discontinued operations	-	-	1,977,199	1,145,026
Other segments	111,914	102,283	302,973	305,012
Intergroup eliminations	(320,542)	(203,938)	(2,931,969)	(1,943,957)
	55,180,851	54,578,406	47,455,534	40,040,360

Assets are domiciled in the geographical location of the identified segments.

Below are the sales to customers accounting for more than 10% of revenues

	30-Apr-13 %	30-Apr-12 %	30-Apr-13 %	30-Apr-12 %
MTN	45	34	45	45
Airtel	12	19	11	13
Visafone	15	13	17	18
EMTS	13	8	14	11
Others	15	26	13	13
	100	100	100	100

40 Financial risk management

Financial risk management overview

The Company has exposure to the following risks from its use of financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the strategic and finance planning committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly by the executive management to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The committee is supported by various management functions and checks that undertakes both regular and ad hoc reviews of compliance with established controls and procedures.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from clients and other related parties.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
Amounts due from related parties	806,630	43,399	27,598	830,383	1,049,393	632,997
Trade and other receivables	5,447,465	8,115,535	7,473,566	4,578,369	7,188,926	4,771,505
Less: non-financial other receivables	(467,223)	(260,543)	(694,472)	(430,076)	(230,425)	(654,424)
Cash and cash equivalents	1,047,476	6,729,511	1,512,400	986,346	5,562,789	845,082
	<u>6,834,348</u>	<u>14,627,902</u>	<u>8,319,092</u>	<u>5,965,022</u>	<u>13,570,683</u>	<u>5,595,160</u>

Trade and other receivables

Management has credit policies in place and the exposure to credit risk is managed on an on-going basis by an established Credit Control Unit in the Finance Department. The risk of bad credit is minimised by structuring the respective Master Lease Agreement (MLA) such that advance payments are built into the payment terms for most customers.

Balances are reviewed monthly and appropriate follow up is carried out by the Credit Control Unit, Finance Director, Commercial and eventually escalated to the executive management for possible losses or legal action.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures.

The maximum exposure to credit risk for trade and other receivables at the reporting date by type of counterparty was:

	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
MTN Nigeria Limited	22,701	378,871	343,604	22,701	378,871	343,604
Airtel Networks Limited	74,140	34,230	54,837	74,140	34,230	54,837
Visafone Communications Limited	548,456	600,495	5,513	548,456	600,495	5,513
EMTS Limited	827,229	1,061,157	100,906	827,229	1,061,157	100,906
Intercellular Nigeria Plc.	2,064,310	1,399,293	643,001	2,064,310	1,399,293	643,001
Starcomms PLC	670,004	346,457	58,519	670,004	346,457	58,519
Mobitel Limited	78,233	49,893	1,575	78,233	49,893	1,575
Non-major customers	338,377	582,024	2,259,090	264,250	266,807	487,008
Trade receivables	4,623,450	4,452,420	3,467,045	4,549,323	4,137,203	1,694,963
Trade accrual	1,247,039	1,863,197	1,802,423	763,933	1,362,957	958,426
Trade receivables and accruals	<u>5,870,489</u>	<u>6,315,617</u>	<u>5,269,468</u>	<u>5,313,256</u>	<u>5,500,160</u>	<u>2,653,389</u>
Impairment - trade receivables	(2,828,072)	-	-	(2,812,547)	-	-
Impairment - trade accrual	(87,556)	(87,556)	(23,227)	(87,556)	(87,556)	(23,227)
Impairment - trade receivables and accruals	<u>(2,915,628)</u>	<u>(87,556)</u>	<u>(23,227)</u>	<u>(2,900,103)</u>	<u>(87,556)</u>	<u>(23,227)</u>
Net trade receivables and accrual	<u>2,954,861</u>	<u>6,228,061</u>	<u>5,246,241</u>	<u>2,413,153</u>	<u>5,412,604</u>	<u>2,630,162</u>
Prepayment, deferred expense and other receivables	2,492,604	1,887,474	2,227,325	2,165,216	1,776,322	2,141,344
Trade and other receivables	<u>5,447,465</u>	<u>8,115,535</u>	<u>7,473,566</u>	<u>4,578,369</u>	<u>7,188,926</u>	<u>4,771,506</u>

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

The aging of trade receivables at the end of the reporting period was as follows:

	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
Neither past due nor impaired	2,139,598	2,160,396	2,511,054	1,656,492	1,611,611	1,636,788
Past due but not impaired	815,263	4,067,665	2,735,187	756,661	3,800,993	993,374
Impaired	2,915,628	87,556	23,227	2,900,103	87,556	23,227
	<u>5,870,489</u>	<u>6,315,617</u>	<u>5,269,468</u>	<u>5,313,256</u>	<u>5,500,160</u>	<u>2,653,389</u>

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Group		Company	
	30-Apr-13 N'000	30-Apr-12 N'000	30-Apr-13 N'000	30-Apr-12 N'000
Balance at beginning of period	87,556	23,227	87,556	23,227
Impairment loss recognised	2,828,072	64,329	2,812,547	64,329
Reversal of impairment losses	-	-	-	-
Balance at end of period	<u>2,915,628</u>	<u>87,556</u>	<u>2,900,103</u>	<u>87,556</u>

The impairment loss as at 30 April 2013 relates to several clients that are not expected to be able to pay their outstanding balances, mainly due to economic circumstances. The impairment loss is included in exceptional items on the statement of comprehensive income.

Neither past due nor impaired

Credit quality of financial assets:

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to the internal rating provided by the credit department:

Internal rates categories

	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
Mega	1,801,221	1,578,372	251,964	1,392,242	1,344,804	1,149,780
Non mega	338,377	582,024	2,259,090	264,250	266,807	487,008
	<u>2,139,598</u>	<u>2,160,396</u>	<u>2,511,054</u>	<u>1,656,492</u>	<u>1,611,611</u>	<u>1,636,788</u>

Trade receivables are categorised by the Credit Control Unit team. This classification is based on the net worth of the customers and level of occupancy at the company's sites.

Categories

Description of categories

Mega	These are large customers who are big players in the telecommunication industry. Their credit limit is over 30 days.
Non Mega	These are small customers with a low tenancy levels with the company. Their credit limit is usually within 30 days unless otherwise agreed.

Cash and short-term investments all fall under neither past due nor impaired and are not rated

Past due but not impaired

These relate to a number of customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
Past due 30-60 days	216,763	1,243,917	591,934	160,469	1,187,576	172,822
Past due 61-120 days	598,500	1,453,123	51,545	596,192	1,326,562	163,934
More than 120 days	-	1,370,625	2,091,708	-	1,286,855	656,618
	<u>815,263</u>	<u>4,067,665</u>	<u>2,735,187</u>	<u>756,661</u>	<u>3,800,993</u>	<u>993,374</u>

Impaired

The individually impaired receivables mainly relate to customers which are in unexpectedly difficult economic situations. The ageing of these receivables is as follows:

	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
More than 120 days	2,915,628	87,556	23,227	2,900,103	87,556	23,227

The group does not secure any collateral for its trade debtors

Cash and cash equivalents

The cash and cash equivalents held as at 30 April 2013 was N1.06 billion (2012: N6.89 billion) by Group and N1.00 billion (2012: N5.72 billion) by Company. This represents its maximum credit exposure on these assets. The cash and cash equivalents (with the exception of N2 million and N1 million held as cash by the Group and Company respectively) are held by banks and financial institutions in Nigeria and Sudan.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has a clear focus on ensuring sufficient access to capital to finance growth and to refinance maturing debt obligations. As part of the liquidity management process, the Group has various credit arrangements with some banks which can be utilised to meet its liquidity requirements. At the year end, the Group had N16.91 billion and N0.18 billion utilized credit arrangements under loan and overdraft agreements respectively with its bankers.

Typically the credit terms with clients are more favourable compared to payment terms to its vendors in order to help provide sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

Non-derivative financial liabilities

Group	Notes	Carrying amount N'000	Contractual cash flows N'000	Within 1 year N'000	1 - 2years N'000	2 - 5years N'000	5 - 10 years
30 April 2013							
Overdraft from bank	11	182,569	182,569	182,569	-	-	-
Trade and other payables	13	14,554,698	14,554,698	14,554,698	-	-	-
Bank loans	11	16,907,254	17,091,205	17,091,205	-	-	-
Finance lease	11	245,827	436,111	110,568	110,568	214,975	-
Redeemable convertible preference capital	13	19,201,017	29,763,274	-	-	-	29,763,274
		<u>51,091,365</u>	<u>62,027,857</u>	<u>31,939,040</u>	<u>110,568</u>	<u>214,975</u>	<u>29,763,274</u>
30 April 2012							
Trade and other payables	13	3,477,464	3,477,464	3,477,464	-	-	-
Bank loans	11	16,699,862	19,134,269	2,050,149	17,084,120	-	-
Finance lease	11	131,416	131,424	34,172	34,172	63,080	-
Redeemable convertible preference capital	13	17,718,799	29,763,274	-	-	-	29,763,274
		<u>38,027,541</u>	<u>52,506,431</u>	<u>5,561,785</u>	<u>17,118,292</u>	<u>63,080</u>	<u>29,763,274</u>
1 May 2011							
Overdraft from bank	11	702,175	702,175	702,175	-	-	-
Trade and other payables	13	4,552,365	4,552,365	4,552,365	-	-	-
Bank loans	11	10,250,677	10,646,686	10,646,686	-	-	-
		<u>15,505,217</u>	<u>15,901,226</u>	<u>15,901,226</u>	<u>-</u>	<u>-</u>	<u>-</u>
Company							
30 April 2013							
Overdraft from bank	11	182,569	182,569	182,569	-	-	-
Trade and other payables	13	14,310,409	14,310,409	14,310,409	-	-	-
Bank loans	11	16,907,254	17,091,205	17,091,205	-	-	-
Finance lease	11	245,827	436,111	110,568	110,568	214,975	-
Redeemable convertible preference capital	13	19,201,017	29,763,274	-	-	-	29,763,274
		<u>50,847,076</u>	<u>61,783,568</u>	<u>31,694,751</u>	<u>110,568</u>	<u>214,975</u>	<u>29,763,274</u>
30 April 2012							
Trade and other payables	13	3,192,611	3,192,611	3,192,611	-	-	-
Bank loans	11	16,699,862	19,134,269	2,050,149	17,084,120	-	-
Finance lease	11	131,416	131,424	34,172	34,172	63,080	-
Redeemable convertible preference capital	13	17,718,799	29,763,274	-	-	-	29,763,274
		<u>37,742,688</u>	<u>52,221,578</u>	<u>5,276,932</u>	<u>17,118,292</u>	<u>63,080</u>	<u>29,763,274</u>
1 May 2011							
Overdraft from bank	11	702,175	702,175	702,175	-	-	-
Trade and other payables	13	3,151,657	3,151,657	3,151,657	-	-	-
Bank loans	11	10,250,677	10,646,686	10,646,686	-	-	-
		<u>14,104,509</u>	<u>14,500,518</u>	<u>14,500,518</u>	<u>-</u>	<u>-</u>	<u>-</u>

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company manages market risks by keeping costs low through various cost optimization programs. Moreover, market developments are monitored and discussed regularly, and mitigating actions are taken where necessary.

Currency risk

The Company is exposed to currency risk on sales and purchases and borrowings that are denominated in a currency other than the functional currency of the Company, primarily the Naira. The currency in which these transactions primarily are denominated is US Dollars (USD). The currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates.

In managing currency risk, the Group aims to reduce the impact of short-term fluctuations on earnings. The Group has no export sales but it has clients that are either invoiced in USD or are invoiced in NGN but with FX indexation. The Group's significant exposure to currency risk relates to its loan facilities that are mainly in USD. Although the Group has various measures to mitigate exposure to foreign exchange rate movement over the longer term, the gains/losses on foreign exchange balances impact on the income statement. The Group monitors the movement in the currency rates on an on-going basis.

Exposure to currency risk

The Group's transactional exposure to US Dollar (USD) was based on notional amounts as follows:

Group	30-Apr-13 \$'000	30-Apr-12 \$'000	1-May-11 \$'000
Financial assets			
Due from related parties	5,196	280	181
Trade and other receivables	10,950	10,670	2,910
Cash and cash equivalents	559	3,581	2,493
Financial liability			
Redeemable convertible preference capital	(123,678)	(114,204)	-
Borrowings	(193,992)	(183,427)	(52,502)
Due to related parties	(14,049)	-	-
Trade and other payables	(27,258)	(20,258)	(7,222)
Net statement of financial position exposure	<u>(342,272)</u>	<u>(303,358)</u>	<u>(54,140)</u>

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

Company	30-Apr-13 \$'000	30-Apr-12 \$'000	1-May-11 \$'000
Financial assets			
Due from related parties	5,349	6,764	4,153
Trade and other receivables	25,114	10,694	2,910
Cash and cash equivalents	370	1,320	229
Financial liability			
Redeemable convertible preference capital	(123,678)	(114,204)	-
Borrowings	(193,992)	(183,427)	(50,502)
Due to related parties	(14,018)	(3,665)	(131)
Trade and other payables	(27,258)	(20,258)	(7,222)
Net statement of financial position exposure	(328,113)	(302,776)	(50,563)

Sensitivity analysis

A strengthening of the Naira, as indicated below against the Dollar at 30 April 2013 would have increased (decreased) profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period and has no impact on equity. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis at 30 April 2012, albeit that the reasonably possible foreign exchange rate variances were different, as indicated below:

	Increase/ (decrease) in profit 30-Apr-13 N'000	Increase/ (decrease) in profit 30-Apr-12 N'000
USD (5 percent strengthening)	(1,488,127)	(1,353,059)

The only items significantly impact by FX movement is Collocation revenue, borrowing costs and year end loan balance translation. While a weaker Naira improves revenue, it also increases the borrowing cost. Its impact on other items in the statement of Profit or Loss are mixed and counterbalancing. Overall, a 5% weaker naira would have improved the net income of the company.

The following significant exchange rates were applied during the year

	Average rate 30-Apr-13 N	30-Apr-12 N	Reporting date 30-Apr-13 N	30-Apr-12 N
US Dollar	155.2457	155.319	155.25	155.15

Interest rate risk profile

In managing interest rate risk, the Company aims to reduce the impact of short-term fluctuations in earnings. Dividend pay-out practices seek a balance between giving good returns to shareholders on one hand and maintaining a solid debt/equity ratio on the other hand.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

	Group Carrying amount			Company Carrying amount		
Fixed rate instruments	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
Financial liabilities	19,201,017	17,718,799	-	19,201,017	17,718,799	-

Fixed rate instrument includes redeemable convertible preference capital with a fixed interest rate of 10% per annum.

Capital risk management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity.

The Group and Company's debt to adjusted capital ratio at the end of the reporting period was as follows:

	Group			Company		
	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000	30-Apr-13 N'000	30-Apr-12 N'000	1-May-11 N'000
Total borrowings (Note x)	17,335,650	16,831,278	10,952,852	17,335,650	16,831,278	10,952,852
Less: Cash and cash equivalents (Note x)	864,907	6,729,511	810,225	803,777	5,562,789	142,907
Net debt	16,470,743	10,101,767	10,142,627	16,531,873	11,268,489	10,809,945
Total equity	602,445	7,415,174	8,394,735	256,041	6,817,224	7,387,222
Total capital Employed	17,073,188	17,516,941	18,537,362	16,787,914	18,085,713	18,197,167
Debt to adjusted capital ratio	0.96	0.58	0.55	0.98	0.62	0.59

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to externally imposed capital requirements.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

Financial assets and liabilities

The fair values of financial assets and liabilities, being the carrying amounts are shown in the statement of financial position, are as follows:

Group	Financial assets		Financial liabilities		Total
	Assets at fair value (OCI)	Loans & notes receivable	Amortised cost		
	N'000	N'000	N'000	N'000	N'000
30 April 2013					
Marketable securities	4,731	-	4,731	-	-
Loans	-	806,630	806,630	36,354,098	36,354,098
Trade and other receivables/payables	-	4,980,242	4,980,242	14,554,698	14,554,698
Cash and cash equivalents	-	1,047,476	1,047,476	182,569	182,569
	4,731	6,834,348	6,839,079	51,091,365	51,091,365
30 April 2012					
Marketable securities	20,070	-	20,070	-	-
Loans	-	43,399	43,399	34,550,078	34,550,078
Trade and other receivables/payables	-	7,854,992	7,854,992	3,477,464	3,477,464
Cash and cash equivalents	-	6,729,511	6,729,511	-	-
	20,070	14,627,902	14,647,972	38,027,542	38,027,542
30 April 2011					
Marketable securities	29,292	-	29,292	-	-
Loans	-	27,598	27,598	10,250,677	10,250,677
Trade and other receivables/payables	-	6,779,094	6,779,094	4,552,365	4,552,365
Cash and cash equivalents	-	1,512,400	1,512,400	702,175	702,175
	29,292	8,319,092	8,348,384	15,505,217	15,505,217
Company					
30 April 2013					
Marketable securities	4,731	-	4,731	-	-
Loans	-	830,383	830,383	36,354,098	36,354,098
Trade and other receivables/payables	-	4,148,293	4,148,293	14,310,409	14,310,409
Cash and cash equivalents	-	986,346	986,346	182,569	182,569
	4,731	5,965,022	5,969,753	50,847,076	50,847,076
30 April 2012					
Marketable securities	20,070	-	20,070	-	-
Loans	-	1,049,393	1,049,393	34,550,078	34,550,078
Trade and other receivables/payables	-	6,958,501	6,958,501	3,192,611	3,192,611
Cash and cash equivalents	-	5,562,789	5,562,789	-	-
	20,070	13,570,683	13,590,753	37,742,689	37,742,689
30 April 2011					
Marketable securities	29,292	-	29,292	-	-
Loans	-	632,997	632,997	10,250,677	10,250,677
Trade and other receivables/payables	-	4,117,081	4,117,081	3,151,657	3,151,657
Cash and cash equivalents	-	845,082	845,082	702,175	702,175
	29,292	5,595,160	5,624,452	14,104,509	14,104,509

The terms of the loans and receivables, and financial liabilities, all carried at amortised cost on the statement of financial position are comparable with the terms of new similar instruments. Consequently, management is of the opinion that the carrying values of these instruments materially approximate their fair values as at the relevant dates stated.

The interest rates used to determine the discount estimated cash flows, where applicable are based on external sources and were as follows:

	30-Apr-13	30-Apr-12	1-May-11
Loans in USD	8%	8%	8%

Fair value hierarchy

	Group			Company		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	N'000	N'000	N'000	N'000	N'000	N'000
30 April 2013						
Investment in marketable securities	4,731	-	-	4,731	-	-
Investment in subsidiaries	-	-	-	-	139,588	-
	4,731	-	-	4,731	139,588	-
30 April 2012						
Investment in marketable securities	20,070	-	-	20,070	-	-
Investment in subsidiaries	-	-	-	-	1,696,481	-
	20,070	-	-	20,070	1,696,481	-
1 May 2011						
Investment in marketable securities	29,292	-	-	29,292	-	-
Investment in subsidiaries	-	-	-	-	1,045,707	-
	29,292	-	-	29,292	1,045,707	-

Investment in subsidiaries are those that do not have a quoted market price in an active market. This is initially measured at cost. It is subsequently tested for impairment on an annual basis.

41 Transition to IFRS

41.1 Explanation of transition to IFRS

These are the Group's first financial statements prepared in accordance with IFRS. The Group has applied the accounting policies in note 2 in preparing these financial statements; the comparative financial statements for the period ended 30 April 2012, and the opening IFRS statement of financial position at 1 May 2011 (the date of transition to IFRS).

In preparing its opening IFRS statement of financial position, the Group has adjusted amounts reported in the financial statements previously prepared in accordance with the Statements of Accounting Standards issued by the Nigerian Accounting Standards Board ("NGAAP"). An explanation of how the transition from NGAAP to IFRS has affected the Group's financial position and financial performance is set out in the below.

41.2 Initial elections upon adoption

Set out below are the applicable IFRS 1 exemptions applied in the conversion from NGAAP to IFRS.

- i Business combinations
IHS Nigeria Plc. elected not to apply IFRS 3 retrospectively to business combinations that occurred before the transition date. No adjustments were made to business combination transactions.
- ii Deemed cost
IHS Nigeria Plc. elected to measure land and building at transition date at its fair value and use that fair value as its deemed cost as at that date.
- iii Cumulative translation differences
IHS Nigeria Plc. elected the exemption that the cumulative translation differences for all foreign operations are deemed to be zero at the transition date.
- iv Investments in subsidiaries, joint ventures, and associates.
IHS Nigeria Plc. elected to measure investment in subsidiaries at deemed cost, being the previous GAAP carrying amount at the transition date.
- iv Employee benefits
IHS Nigeria Plc. elected to measure all actuarial gains and losses from transition date as against recognising them retrospectively. The effect of this option was to set all unrecognised actuarial gains/(losses) to zero at the transition date.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

41.3 Reconciliations of Nigerian GAAP to IFRS

IFRS 1 requires an entity to reconcile equity, comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Nigerian GAAP to IFRS for the respective periods noted for equity, earnings and comprehensive income.

Group	Ref	30 April 2012		1 May 2011		
		NGAAP N'000	Adjustments N'000	IFRS N'000	NGAAP N'000	Adjustments N'000
ASSETS						
Property, plant & equipment	a, b, c, d	27,779,829	15,878	27,795,707	13,440,084	(47,422)
Long term investment	e	20,064	6	20,070	53,094	(23,802)
Goodwill	c	730,730	(730,730)	-	730,730	(730,730)
Intangible assets	c	-	749,001	749,001	-	761,094
Prepaid long term rent	s	1,244,286	(194,867)	1,049,419	586,922	(77,930)
Deferred tax asset	g	1,389,361	107,963	1,497,324	321,503	91,702
Total non current assets		31,164,270	(52,749)	31,111,521	15,132,333	(27,088)
Stocks and work in progress		1,100,148	-	1,100,148	1,015,992	-
Trade receivables and prepayments	h	8,691,965	(576,430)	8,115,535	7,762,691	(289,125)
Prepaid land rent	s	-	194,867	194,867	-	77,930
Due from related parties	s	43,399	-	43,399	27,598	-
Restricted cash	s	-	160,553	160,553	-	111,115
Cash at bank and in hand		6,890,064	(160,553)	6,729,511	1,623,515	(111,115)
Total current assets		16,725,576	(381,563)	16,344,013	10,429,796	(211,195)
Taxation		192,495	-	192,495	403,457	-
Trade and other payables	h, i, n	5,051,599	64,640	5,116,239	4,777,727	708,356
Short term borrowings		-	-	-	2,980,956	-
Due to related parties	n	-	-	-	296,527	(296,527)
Total current liabilities		5,244,094	64,640	5,308,734	8,458,667	411,829
Net current assets/(liabilities)		11,481,482	(446,203)	11,035,279	1,971,129	(623,024)
Long term borrowings	h	17,103,061	(271,783)	16,831,278	8,131,516	(159,620)
Redeemable convert. pref. capital	m	-	17,718,799	17,718,799	-	-
Provision for gratuity	j	152,369	(159)	152,210	90,814	(10,936)
Due to related parties	n	10,097	(10,097)	-	384,984	(384,984)
Decommissioning and site provision	a	154,200	(124,861)	29,339	36,300	(29,459)
Total non-current liabilities		17,419,727	17,311,899	34,731,626	8,643,614	(584,999)
Total net assets		25,226,025	(17,810,851)	7,415,174	8,459,848	(65,113)
Capital and reserves						
Ordinary share capital		2,200,000	-	2,200,000	2,200,000	-
Preference share capital	m	3,783,495	(3,783,495)	-	-	-
Share premium	m	21,909,655	(15,840,003)	6,069,652	6,069,652	-
Equity conversion reserve		-	-	-	-	-
Revaluation reserve	k	316,022	(316,022)	-	316,022	(316,022)
Available for sale reserve	e, o	-	-	-	-	-
Retained earnings	a, b, d, e, g, h, i, j, k, l, m	(3,167,457)	(1,348,101)	(4,515,558)	(740,329)	235,931
Actuarial gain/loss reserve	j, o	-	-	-	-	-
Foreign exchange translation reserve	l, o	(168,431)	168,431	-	(14,978)	14,978
Other capital reserves	m, o	-	3,308,339	3,308,339	-	-
		24,873,284	(17,810,851)	7,062,433	7,830,367	(65,113)
Non-controlling interest		352,741	-	352,741	629,481	-
Total capital and reserves		25,226,025	(17,810,851)	7,415,174	8,459,848	(65,113)

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

Company	Ref	30 April 2012			1 May 2011		
ASSETS		NGAAP N'000	Adjustments N'000	IFRS N'000	NGAAP N'000	Adjustments N'000	IFRS N'000
Property, plant & equipment	a, b, c, d	27,698,995	18,502	27,717,497	13,323,288	(45,233)	13,278,055
Long term investment	e, f	1,650,292	66,259	1,716,551	1,047,134	27,865	1,074,999
Intangible assets	c	-	15,648	15,648	-	28,177	28,177
Prepaid long term rent	s	1,244,286	(194,867)	1,049,419	586,922	(77,930)	508,992
Deferred tax asset	g	1,398,048	107,963	1,506,011	331,288	91,702	422,992
Due from related parties	f	1,032,127	(80,513)	951,614	47,427	-	47,427
Total non current assets		33,023,748	(67,008)	32,956,740	15,336,059	24,581	15,360,640
Stocks and work in progress		678,819	-	678,819	983,867	-	983,867
Trade receivables and prepayments	h	7,765,356	(576,430)	7,188,926	5,060,630	(289,125)	4,771,505
Prepaid land rent	s	-	194,867	194,867	-	77,930	77,930
Due from related parties	f	131,122	(33,343)	97,779	627,748	(42,178)	585,570
Restricted cash	s	-	160,553	160,553	-	111,115	111,115
Cash at bank and in hand	s	5,723,342	(160,553)	5,562,789	956,197	(111,115)	845,082
Total current assets		14,298,639	(414,906)	13,883,733	7,628,442	(253,373)	7,375,069
Taxation		26,745	-	26,745	203,516	-	203,516
Trade and other payables	f, h, i	4,671,762	36,430	4,708,192	4,058,530	26,845	4,085,375
Short term borrowings		-	-	-	2,980,956	-	2,980,956
Due to related parties		-	-	-	20,025	-	20,025
Total current liabilities		4,698,507	36,430	4,734,937	7,263,027	26,845	7,289,872
Net current assets/(liabilities)		9,600,132	(451,336)	9,148,796	365,415	(280,218)	85,197
Redeemable convert. pref. capital	m	-	17,718,799	17,718,799	-	-	-
Long term borrowings	h	17,103,061	(271,783)	16,831,278	8,131,516	(159,620)	7,971,896
Provision for gratuity	j	140,238	-	140,238	90,814	(10,936)	79,878
Due to related parties	f	598,253	(29,595)	568,658	-	-	-
Decommissioning and site provision	a	154,200	(124,861)	29,339	36,300	(29,459)	6,841
Total non-current liabilities		17,995,752	17,292,560	35,288,312	8,258,630	(200,015)	8,058,615
Total net assets		24,628,128	(17,810,904)	6,817,224	7,442,844	(55,622)	7,387,222
Capital and reserves							
Ordinary share capital		2,200,000	-	2,200,000	2,200,000	-	2,200,000
Preference share capital	m	3,783,495	(3,783,495)	-	-	-	-
Share premium	m	21,909,655	(15,840,003)	6,069,652	6,069,652	-	6,069,652
Revaluation reserve	k	316,022	(316,022)	-	316,022	(316,022)	-
Retained earnings	a, b, d, e, f, g, h, i, j, k, m, o	(3,581,044)	(1,333,177)	(4,914,221)	(1,142,830)	260,400	(882,430)
Other capital reserves	m, o	-	3,461,793	3,461,793	-	-	-
Total capital and reserves		24,628,128	(17,810,904)	6,817,224	7,442,844	(55,622)	7,387,222

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

Statement of Profit or Loss 30 April 2012	Ref	NGAAP N'000	Group Adjustments N'000	IFRS N'000	NGAAP N'000	Company Adjustments N'000	IFRS N'000
Revenue	q	15,196,106	(1,275,878)	13,920,228	11,753,486	-	11,753,486
Direct expenses/Cost of sales	q	(12,412,015)	943,496	(11,468,519)	(9,824,309)	-	(9,824,309)
Administrative expenses	i, j, m, p, q, r	(1,274,523)	(3,161,640)	(4,436,163)	(1,137,900)	(2,973,270)	(4,111,170)
Depreciation of fixed assets	a, b, d, p, q	(2,585,936)	2,585,936	-	(2,459,905)	2,459,905	-
Operating profit/(loss)		(1,076,368)	(908,086)	(1,984,454)	(1,668,628)	(513,365)	(2,181,993)
Other income	d, q, r	216,765	(214,103)	2,662	243,246	(237,198)	6,048
Impairment in value of investment	e	(33,030)	33,030	-	(33,030)	33,030	-
Finance income	q	-	282,568	282,568	-	222,728	222,728
Finance cost	a, f, h, m	(1,994,284)	(1,192,587)	(3,186,871)	(2,012,279)	(1,109,638)	(3,121,917)
Loss before taxation		(2,886,917)	(1,999,178)	(4,886,095)	(3,470,691)	(1,604,443)	(5,075,134)
Taxation	g, n, q	847,691	123,350	971,041	1,032,477	10,866	1,043,343
Loss from continuing operations		(2,039,226)	(1,875,828)	(3,915,054)	(2,438,214)	(1,593,577)	(4,031,791)
Profit from discontinuing operations	q	-	291,796	291,796	-	-	-
Loss for the year		(2,039,226)	(1,584,032)	(3,623,258)	(2,438,214)	(1,593,577)	(4,031,791)
Loss attributable to:							
Members		(2,199,516)	(1,584,032)	(3,783,548)	(2,438,214)	(1,593,577)	(4,031,791)
Non controlling interests		160,290	-	160,290	-	-	-
Loss for the year		(2,039,226)	(1,584,032)	(3,623,258)	(2,438,214)	(1,593,577)	(4,031,791)
Other comprehensive income:							
Available for sale reserve	f	-	(9,223)	(9,223)	-	(9,223)	(9,223)
Foreign exchange translation reserve		-	(128,059)	(128,059)	-	-	-
Actuarial gains/ (losses)	j	-	(17,983)	(17,983)	-	(17,983)	(17,983)
Tax credit on other comprehensive income	j	-	5,395	5,395	-	5,395	5,395
Other comprehensive income for the year, net of tax		-	(149,870)	(149,870)	-	(21,811)	(21,811)
Total comprehensive income for the year		(2,039,226)	(1,733,902)	(3,773,128)	(2,438,214)	(1,615,388)	(4,053,602)
Loss attributable to:							
Members		(2,199,516)	(1,733,902)	(3,933,418)	(2,438,214)	(1,615,388)	(4,053,602)
Non controlling interests		160,290	-	160,290	-	-	-
Total comprehensive income for the year		(2,039,226)	(1,733,902)	(3,773,128)	(2,438,214)	(1,615,388)	(4,053,602)

Narration of the transition adjustments

- a Decommissioning and site restoration provision - Fixed asset/decommissioning liability**
IFRS requires entities to include in the cost of property, plant and equipment (PPE), the present value of the initial estimate of the cost to dismantle and restore the land to its original position after the estimated useful life of the asset. Under NGAAP the estimate was recognised at cost. The impact on group and company were:
* decrease in the cost of PPE and decommissioning liability by N127.4 million (2011: N31.0 million);
* increase in retained earning and PPE by N11.9 million (2011: decrease in retained earning and PPE by N1.1 million);
* decrease in retained earning and increase in decommissioning liability by N2.5 million (2011: N1.5 million);
* decrease in administrative expense (depreciation) by N13.0 million in 2012;
* increase in finance cost by N1.0 million in 2012.
- b Error correction - depreciation charge on land**
Under NGAAP, accumulated depreciation on land for group and company was N14.7 million (2011: N15million). The impact on group and company were:
* increase in PPE and retained earnings by N14.7 million (2011: N15.0 million).
* increase in administrative expense (depreciation) by N0.3 million in 2012.
- c Reclassification of goodwill and software to intangible assets**
Under NGAAP, goodwill and prepaid long-term rent were presented on the face of the statement of financial position (SFP) while software was included in PPE. Under IFRS, goodwill, software and prepaid long-term rent qualify as intangible assets. The impact on group were:
* decrease in goodwill and increase in intangible assets by N730.7 million (2011: N730.7 million);
* decrease in PPE and increase in intangible assets by N18.3 million (N30.4 million).

The impact on company was:
* decrease in PPE and increase in intangible assets by N17.0 million (N28.2 million).
- d Review of useful lives of assets**
IAS 16 requires an entity to review the useful life of assets, depreciation method and residual values of PPE on an annual basis. the impact on group and company were:
* increase in PPE and retained earnings by N149.4 million (2011: Nil);
* decrease in PPE and retained earnings by N14.5 million (2011: Nil).
* decrease in administrative expense (depreciation) by N149.4 million in 2012.
* decrease in other income by N14.5 million in 2012.
- e Fair value adjustment on marketable securities (financial assets)**
IFRS requires that equity investments are subsequently measured at fair value. the impact on group and company were:
* decrease in investment in long term investment and retained earnings by Nil (2011: N23.8 million);
* increase in retained earnings and decrease in other capital reserve (available for sale reserve) by N9.2 million (2011: Nil);
* decrease in impairment in value of investment by N23.8 million in 2012;
* decrease in impairment in value of investment and increase in available for sale loss (other comprehensive income) by N9.2 million in 2012.

IHS Nigeria Plc.
Notes to the financial statements
For the year ended 30 April 2013

f Fair value adjustment on related party loans

IFRS requires that related party loans are initially recognised at fair value. Any difference between the fair value and the cash flow should be adjusted against investment in subsidiary. Loans should subsequently be recognised at amortised costs. the impact on company were:

- * decrease in due from related party (non-current) by N112.9 million (2011: Nil), decrease in due from related party (current) by Nil (2011: N51.7 million), decrease in due to related party (non-current) by N46.7 million (2011: Nil) and increase in long term investment by N66.3 million (2011: N51.7 million);
- * increase in due from related party (non-current) by N32.4 million (2011: Nil), decrease in due from related party (current) by N33.3 million (2011: increase in due from related party by N10.3 million), decrease in trade and other payables by N18.1 million (2011: Nil); increase in due to related party (non-current) by N17.1 million (2011: Nil) and increase in retained earnings by N0.1 million (2011: decrease in retained earnings by N10.3 million);
- * increase in finance cost by N10.2 million in 2012.

g Deferred tax asset and liability

Under NGAAP, deferred tax was computed based on timing differences. Under IFRS, deferred tax is computed based on the temporary difference between the carrying values of assets and liabilities and their related tax bases. the impact on group and company were:

- * increase in deferred tax asset and retained earnings by N108.0 million (2011: N91.7 million);
- * increase in taxation income by N16.3 million in 2012.

h Bank loans amortised cost computation

IAS 39 requires that all financial instruments, except those measured at fair value through profit or loss, be measured initially at fair value net of transaction costs. These should be measured subsequently at amortised cost. Under NGAAP, transaction costs were deferred under trade and other receivables and were amortised over the life of the loan. The impact of these on group and company were:

- * decrease in trade receivables and prepayment by N576.4 million (2011: N289.1 million), decrease in long term borrowings by N733.5 million (2011: 353.9 million) and increase in retained earnings by N157.0 million (2011: N64.7 million);
- * increase in trade and other payables by N2.1million (2011: Nil), increase in long term loans by N461.7million (2011: N194.2 million) and decrease in retained earnings by N463.8 million (2011: N194.2 million)
- * increase in finance cost by N177.3 million in 2012.

i Employee benefits (unused leave days)

IAS 19R requires that an entity should accrue for the obligation arising from unused leave days at the end of the reporting date. the impact on group and company are:

- * increase in trade and other payables and decrease in retained earnings by N52.4 million (2011: N26.8 million);
- * increase in administrative expense by N25.6 million in 2012.

j Provision for gratuity/actuarial valuation adjustments

IFRS requires that an entity should account for its defined post employment benefit obligation using the projected credit unit method which entails actuarial assumptions and valuation. the impact on group and company are:

- * decrease in provision for gratuity and increase in retained earnings by N0.2 million (2011: N10.9 million);
- * increase in retained earnings and decrease in actuarial gain reserve by N18.0 million (2011: Nil)
- * increase in administrative expense by N10.9 million in 2012.
- * increase in actuarial loss and decrease in administrative expense by N18.0 million in 2012;
- * decrease in tax income and increase in tax credit on other comprehensive income by N5.4 million in 2012.

k Reclassification of investment revaluation reserve

The company elected to use the exemption a GAAP revaluation of land and building before the transition date as deemed cost at the date of transition. the impact on group and company was an increase in retained earnings and decrease in revaluation reserve by N316.0 million (2011: N316.0 million).

l Reclassification of foreign exchange reserve

In accordance with paragraphs D13 of IFRS 1, cumulative translation differences are deemed to be zero at the transition date. the impact on group was an increase in foreign exchange translation reserve and decrease in retained earnings by N15.0 million (2011: N15.0 million).

m Convertible, redeemable preference share capital adjustments

IAS 32 requires that instruments which have features of both a financial liability and equity should be recognised as a compound instrument. Transaction costs should be split between the two. Under NGAAP, convertible, redeemable preference share capital was included in equity as preference share capital and share premium. The transaction costs were netted off share premium. The impact of these on group and company were:

- * decrease in preference share capital by N3.7835 billion (2011: Nil), decrease in share premium by N16.5141 billion (2011: Nil), increase in redeemable, convertible pref. capital by N17.3554 billion (2011: Nil), increase in other capital reserves (equity conversion reserves) by N3.5991 billion (2011: Nil) and decrease in retained earnings by N657.0 million (2011: Nil);
- * increase in share premium of N674.1 million (2011: Nil), decrease in redeemable, convertible pref. capital by N558.6 million (Nil) and a decrease in other capital reserves (equity conversion reserves) by N115.5 million (2011: Nil);
- * increase in redeemable, convertible pref. capital and decrease in retained earnings by N922.0 million (2011: Nil)
- * increase in finance cost by N922.0 million in 2012.
- * increase in administrative expense by N657.0 million in 2012.

n Reclassification of non-related party balances

Some balances which on NGAAP were included under related party balances do not qualify under IFRS and were reclassified to trade and other payables. The impact of the on group were:

- * increase in trade and other payables and decrease in amount due to related party (current) by Nil (2011: N296.5 million);
- * increase in trade and other payables and decrease in amount due to related party (non-current) by N10.1 million (2011: N385.0 million).

o Presentation of other capital reserves

Available for sale reserve and foreign exchange translation reserve for both group and company were reclassified to other capital reserve on the face of the statement of financial position. The impact on group were:

- * increase in available for sale reserve and decrease in other capital reserves by N9.2 million (2011: Nil);
 - * increase in foreign exchange translation reserve and decrease in other capital reserves by N153.4 million (2011: Nil);
 - * increase in actuarial gain and decrease in other capital reserves by N18.0 million (2011: Nil).
- The impact on company were:
- * increase in available for sale reserve and decrease in other capital reserves by N9.2 million (2011: Nil);
 - * increase in actuarial gain by N18.0 million (2011: Nil), decrease in retained earnings by N5.0 million (2011: Nil) and decrease in other capital reserves by N13.0 million (2011: Nil).

p Reclassification of depreciation

Depreciation on fixed assets, which was on the face of the profit and loss account on NGAAP has been included in administrative expense under IFRS. The impact on group was a decrease in depreciation and increase in administrative expense by N2.5859 billion in 2012 (company: N2.4599 billion).

q Reclassification of discontinued operations

The income on discontinued operation was disclosed separately on the face of the statement of comprehensive income. The impact on group in 2012 were:

- * decrease in revenue by N1.2759 billion;
- * decrease in cost of sales by N943.5 million;
- * decrease in administrative expense by N200.0 million;
- * decrease in other income by N201.3 million;
- * decrease in finance income by N10.6 million;
- * decrease in taxation by N112.5 million;
- * increase in profit from discontinued operations by N291.8 million.

IHS Nigeria Plc.

Notes to the financial statements

For the year ended 30 April 2013

r Reclassification of charge from other income to administrative expense

Loss on disposal which was mapped to other income on NGAAP was reclassified to administrative expense on IFRS. The impact on group in 2012 was an increase in other income and administrative expense by N262.5 million.

s Split of finance cost, prepaid rent and cash

Under NGAAP, finance cost was the net of finance income and finance cost. Under IFRS, finance income and finance cost have been disclosed separately on the statement of comprehensive income. The impact on group and company were:

* increase in finance income and decrease in other income by N282.6million (company: N222.7 million);

* increase in finance income by N11.0 million, increase in finance cost by N93.0 million, increase in other income by N83.0 million.

Under NGAAP, prepaid land rent was all classified as non-current. Under IFRS, this was split between non-current and current assets. The impact on group and company were:

* decrease in prepaid rent - non current and increase in prepaid rent - current by N194.9 million (2011: N77.9 million).

Under NGAAP, the restricted portion of cash was included in cash at bank and in hand. Under IFRS, these were separately disclosed on the statement of financial position. The impact of this on group and company were:

* decrease in cash at bank and in hand and increase in restricted cash by N160.6million (2011: N111.1 million).

Explanation of material adjustments to the cash flow statements

The transition from NGAAP to IFRS had no significant impact on the cash flows generated by the group and the company.

IHS Nigeria Plc
Value Added Statement
For the year ended 30 April 2013

	Group				Company			
	30-Apr-13 N'000	%	30-Apr-12 N'000	%	30-Apr-13 N'000	%	30-Apr-12 N'000	%
Revenue	16,504,465		13,920,228		14,892,961		11,753,486	
Other income	105,125		2,662		124,692		6,048	
	16,609,590		13,922,890		15,017,653		11,759,534	
Purchase of goods and services								
Local	13,914,280		9,902,070		12,768,710		8,820,315	
Foreign	-		-		-		-	
	13,914,280		9,902,070		12,768,710		8,820,315	
Value added	2,695,310		4,020,820		2,248,943		2,939,219	
Distribution								
Employees								
Salaried and benefits	1,272,894	47	1,343,545	33	1,024,598	46	729,745	25
Provider of funds								
Interest	4,096,600	152	2,904,303	72	4,056,762	180	2,899,189	99
Government								
Taxation	760,774	28	971,041	24	761,929	34	1,043,343	35
The Future								
Depreciation	3,164,788	117	2,425,189	60	3,137,213	139	2,298,732	78
Retained loss	(6,599,746)	(244)	(3,623,258)	(89)	(6,731,559)	(299)	(4,031,790)	(137)
	2,695,310	100	4,020,820	100	2,248,943	100	2,939,219	100

IHS Nigeria Plc
Five Years Financial Summary
For the year ended 30 April 2013

Statement of Financial Position	IFRS 30-Apr-13 N'000	IFRS 30-Apr-12 N'000	IFRS 1-May-11 N'000	NGAAP 30-Apr-10 N'000	NGAAP 30-Apr-09 N'000
Group					
Assets employed					
Property, plant and equipment	41,554,098	27,795,707	13,392,662	8,583,094	5,079,938
Intangible assets	24,564	749,001	761,094	-	-
Goodwill	-	-	-	2,318,436	2,318,436
Long term investments	4,731	20,070	29,292	53,094	152,108
Prepaid rent - long term	3,340,277	1,244,286	586,922	581,392	121,714
Deferred tax asset	2,272,258	1,497,324	413,205	-	-
Inventory and work in progress	683,352	1,100,148	1,015,992	3,762,485	5,876,043
Trade and other receivables	5,447,465	8,115,535	7,473,566	9,104,211	8,670,230
Restricted cash	-	160,553	111,115	-	-
Due from related parties	806,630	43,399	27,598	5,372	5,220
Cash at bank and cash in hand	1,047,476	6,729,511	1,512,400	1,866,091	1,287,880
	55,180,851	47,455,534	25,323,846	26,274,175	23,511,569
Financed by					
Taxation	80,910	192,495	403,457	665,965	441,344
Trade and other payables	15,725,545	5,116,239	5,486,083	3,803,803	3,201,839
Short term borrowings	17,089,823	-	2,980,956	10,027,830	9,424,606
Due to related parties	7,858	-	-	-	-
Redeemable convertible preference capital	19,201,017	17,718,799	-	-	-
Long term borrowings	245,827	16,831,278	7,971,896	-	713,266
Finance lease	-	-	-	51,850	-
Provision for gratuity	-	152,210	79,878	65,112	49,194
Deferred tax liability	-	-	-	81,937	188,793
Due to related parties	2,173,264	-	-	999,230	-
Decommissioning and site restoration provision	54,162	29,339	6,841	-	-
Ordinary share capital	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000
Share premium	6,069,652	6,069,652	6,069,652	6,069,652	6,069,652
Revaluation reserve	-	-	-	316,022	316,022
Retained earnings	(11,101,237)	(4,515,558)	(504,398)	1,399,071	642,684
Foreign exchange translation reserve	-	-	-	17,077	(12,137)
Other capital reserves	3,281,753	3,308,339	-	-	-
Non-controlling interest	152,277	352,741	629,481	576,626	276,306
	55,180,851	47,455,534	25,323,846	26,274,175	23,511,569
Company					
Assets employed					
Property, plant and equipment	41,544,912	27,717,497	13,278,055	8,408,382	5,016,953
Intangible assets	2,999	15,648	28,177	-	-
Long term investments	144,319	1,716,551	1,074,999	2,625,187	2,724,201
Prepaid rent - long term	3,340,277	1,244,286	586,922	581,392	121,714
Deferred tax asset	2,272,258	1,506,011	422,990	-	-
Due from related parties	3,364	951,614	47,427	638,495	441,133
Inventory and work in progress	540,835	678,819	983,867	3,588,825	5,144,862
Trade and other receivables	4,578,369	7,188,926	4,771,505	6,579,203	6,991,750
Due from related parties	827,019	97,779	585,570	-	-
Restricted cash	-	160,553	111,115	-	-
Cash at bank and cash in hand	986,346	5,562,789	845,082	691,916	1,034,566
	54,240,698	46,840,473	22,735,709	23,113,400	21,475,179
Financed by					
Taxation	31,064	26,745	203,516	530,121	369,154
Trade and other payables	15,186,542	4,708,192	4,085,375	2,656,564	1,641,035
Short term borrowings	17,089,823	-	2,980,956	10,027,830	9,334,871
Due to related parties	2,958	-	20,025	36,457	2,579
Redeemable convertible preference capital	19,201,017	17,718,799	-	-	-
Long term borrowings	245,827	16,831,278	7,971,896	-	713,266
Finance lease	-	-	-	7,708	-
Provision for gratuity	-	140,238	79,878	65,112	49,194
Deferred tax liability	-	-	-	89,015	177,226
Due to related parties	2,173,264	568,658	-	-	-
Decommissioning and site restoration provision	54,162	29,339	6,841	-	-
Ordinary share capital	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000
Share premium	6,069,652	6,069,652	6,069,652	6,069,652	6,069,652
Revaluation reserve	-	-	-	316,022	316,022
Retained earnings	(11,645,779)	(4,914,220)	(882,430)	1,114,919	602,180
Other capital reserves	3,632,168	3,461,792	-	-	-
Non-controlling interest	-	-	-	-	-
	54,240,698	46,840,473	22,735,709	23,113,400	21,475,179

The balances for 30 April 2012 and 1 May 2011 have been stated in accordance with International Financial Reporting Standard (IFRS) as issued by the International Accounting Standard Board (IASB). For all periods up to and including the year ended 30 April 2011 the balances have been stated in accordance with the Nigerian Statement of Accounting Standards (SAS).

IHS Nigeria Plc
Five Years Financial Summary
For the year ended 30 April 2013

Statement of comprehensive income	IFRS 30-Apr-13 N'000	IFRS 30-Apr-12 N'000	NGAAP 30-Apr-11 N'000	NGAAP 30-Apr-10 N'000	NGAAP 30-Apr-09 N'000
Group					
Revenue	16,504,465	13,920,228	14,852,667	17,247,902	11,340,386
Cost of sales / Direct expense	(11,242,155)	(11,468,519)	(12,182,913)	(13,106,755)	(9,043,661)
Administrative expenses	(5,262,764)	(4,436,163)	(1,235,425)	(1,601,886)	(825,767)
Depreciation on fixed assets	-	-	(520,632)	(384,970)	(80,522)
Other income	105,125	2,662	11,911	17,927	487,161
Exceptional write down of goodwill/invest. in subs	(709,454)	-	(1,587,706)	(99,014)	-
Gain/(loss) from disposal of investment	-	-	(2,515)	-	-
Exceptional impairment of receivables	(2,812,547)	-	-	-	-
Finance income	120,168	282,568	-	-	-
Finance cost	(4,216,768)	(3,186,871)	(1,174,770)	(1,397,851)	(451,162)
Loss before taxation	(7,513,930)	(4,886,095)	(1,839,383)	675,353	1,426,435
Taxation	760,774	971,041	185,664	(121,646)	(378,717)
Loss from continuing operations	(6,753,156)	(3,915,054)	(1,653,719)	553,707	1,047,718
Extraordinary item (net of associated taxes)	-	-	-	661,606	-
Profit from discontinued operations	153,410	291,796	-	-	-
Loss for the year	(6,599,746)	(3,623,258)	(1,653,719)	1,215,313	1,047,718
Attributable to:					
Owners of the parent	(6,585,679)	(3,783,548)	(1,875,400)	976,387	788,638
Non controlling interests	(14,067)	160,290	221,681	238,926	259,080
Loss for the year	(6,599,746)	(3,623,258)	(1,653,719)	1,215,313	1,047,718
Other comprehensive income					
Available for sale reserve	(32)	(9,223)	-	-	-
Foreign exchange translation reserve	(386,200)	(128,059)	-	-	-
Actuarial losses	-	(17,983)	-	-	-
Tax credit other comprehensive income	-	5,395	-	-	-
Other comprehensive expense, net of tax	(386,232)	(149,870)	-	-	-
Other comprehensive expense, net of tax from discontinued operations	-	-	-	-	-
Other comprehensive expense for the year	(386,232)	(149,870)	-	-	-
Total comprehensive income from continuing operations	(7,139,388)	(4,064,924)	(1,653,719)	1,215,313	1,047,718
Total comprehensive income from discontinued operations	153,410	291,796	-	-	-
Total comprehensive expense for the year	(6,985,978)	(3,773,128)	(1,653,719)	1,215,313	1,047,718
Attributable to:					
Owners of the parent	(6,782,673)	(3,958,812)	(1,875,400)	976,387	788,638
Non controlling interests	(203,305)	185,684	221,681	238,926	259,080
Total comprehensive expense for the year	(6,985,978)	(3,773,128)	(1,653,719)	1,215,313	1,047,718
Basic EPS (kobo)	(150)	(86)	(38)	13	28
Diluted EPS (kobo)	(46)	(35)	(38)	13	28

The balances for 30 April 2012 and 1 May 2011 have been stated in accordance with International Financial Reporting Standard (IFRS) as issued by the International Accounting Standard Board (IASB). For all periods up to and including the year ended 30 April 2011 the balances have been stated in accordance with the Nigerian Statement of Accounting Standards (SAS).

IHS Nigeria Plc
Five Years Financial Summary
For the year ended 30 April 2013

Statement of comprehensive income (continued)	IFRS	IFRS	NGAAP	NGAAP	NGAAP
Company	30-Apr-13	30-Apr-12	30-Apr-11	30-Apr-10	30-Apr-09
	N'000	N'000	N'000	N'000	N'000
Revenue	14,892,961	11,753,486	11,062,758	11,456,905	8,317,837
Cost of sales / Direct expense	(9,745,077)	(9,824,309)	(9,432,696)	(8,799,047)	(7,050,350)
Administrative expenses	(4,651,674)	(4,111,169)	(1,016,264)	(778,455)	(426,272)
Depreciation on fixed assets	-	-	(438,668)	(326,865)	(81,193)
Other income	124,692	6,048	112,980	15,804	487,161
Exceptional write down of goodwill/invest. in subs	(770,869)	-	(1,587,706)	(99,014)	-
Gain/(loss) from disposal of investment	-	-	(5,994)	-	-
Exceptional impairment of receivables	(3,286,759)	-	-	-	-
Finance income	182,613	222,728	-	-	-
Finance cost	(4,239,375)	(3,121,917)	(1,108,462)	(1,382,667)	(449,647)
Loss before taxation	(7,493,488)	(5,075,133)	(2,414,052)	86,661	797,536
Taxation	761,929	1,043,343	420,303	(15,528)	(272,816)
Loss from continuing operations	(6,731,559)	(4,031,790)	(1,993,749)	71,133	524,720
Extraordinary item (net of associated taxes)	-	-	-	661,606	-
Loss for the year	(6,731,559)	(4,031,790)	(1,993,749)	732,739	524,720
Attributable to:					
Owners of the parent	(6,731,559)	(4,031,790)	(1,993,749)	732,739	524,720
Non controlling interests	-	-	-	-	-
Loss for the year	(6,731,559)	(4,031,790)	(1,993,749)	732,739	524,720
Other comprehensive income					
Available for sale reserve	(32)	(9,223)	-	-	-
Actuarial losses	-	(17,983)	-	-	-
Tax credit other comprehensive income	-	5,395	-	-	-
Other comprehensive expense, net of tax	(32)	(21,811)	-	-	-
Other comprehensive expense for the year	(32)	(21,811)	-	-	-
Total comprehensive income from continuing operations	(6,731,591)	(4,053,601)	(1,993,749)	732,739	524,720
Total comprehensive income from discontinued operations	-	-	-	-	-
Total comprehensive expense for the year	(6,731,591)	(4,053,601)	(1,993,749)	732,739	524,720
Attributable to:					
Owners of the parent	(6,731,591)	(4,053,601)	(1,993,749)	732,739	524,720
Non controlling interests	-	-	-	-	-
Total comprehensive expense for the year	(6,731,591)	(4,053,601)	(1,993,749)	732,739	524,720
Basic EPS (kobo)	(153)	(92)	(45)	20	14
Diluted EPS (kobo)	(48)	(37)	(45)	20	14

The balances for 30 April 2012 and 1 May 2011 have been stated in accordance with International Financial Reporting Standard (IFRS) as issued by the International Accounting Standard Board (IASB). For all periods up to and including the year ended 30 April 2011 the balances have been stated in accordance with the Nigerian Statement of Accounting Standards (SAS).